



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1445 ROSS AVENUE, SUITE 1200
DALLAS, TX 75202-2733

MAR 3 2005

The Honorable Jeff Bingaman
United States Senator
625 Silver Avenue, Suite 130
Albuquerque, NM 87102

Dear Senator Bingaman:

Thank you for your February 10, 2005, letter to our Washington office enclosing a letter from Mr. Larry Carver, who lives in the Murray Acres Subdivision near Milan, New Mexico. Mr. Carver also contacted the U.S. Environmental Protection Agency (EPA), raising the same water resource issues related to the Homestake Mining Company Superfund site. We responded directly to Mr. Carver, and I am pleased to enclose a copy of our February 2, 2005, reply.

Under its authority, the U.S. Nuclear Regulatory Commission (NRC) is directing the ongoing ground water cleanup at the Homestake site. Both EPA and the New Mexico Environment Department are working with the NRC on its ground water restoration activities. Although the NRC is the lead Federal agency regulating ground water cleanup at the Homestake site, I assure you that EPA will do its part to ensure that the cleanup is fully protective of public health and the environment. The Murray Acres Subdivision continues to receive safe drinking water through Milan's public water system.

I appreciate knowing of your interest in these environmental issues. If you have additional questions, please contact me at (214) 665-2100.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Richard E. Greene".

Richard E. Greene
Regional Administrator

Enclosure

cc: → Mr. William Von Till
Nuclear Regulatory Commission
Ms. Dana Bahar
New Mexico Environment Department



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February 2, 2005

Mr. Larry Carver, President
Murray Acres Community Association
Box 2970
Milan, NM 87021

Re: Homestake Mining Company Superfund Site

Dear Mr. Carver:

Thank you for your January 16, 2005, letter in which you expressed your concerns about the impact and loss of ground water resources in your community from the former Homestake Mining Company (Homestake) uranium mill. Specifically, you expressed your concern about the development of background ground water levels to be considered for final cleanup levels of contaminants released from the Homestake site. You also requested a clean water system for the community and removal of the contaminants to a lined storage facility.

As we discussed during the public meeting on December 7, 2004, the New Mexico Environment Department (NMED), the Nuclear Regulatory Commission (NRC) and the U.S. Environmental Protection Agency (EPA) are reviewing a report submitted by Homestake entitled, "Background Water Quality Evaluation of the Chinle Aquifers," (Background Report) written in October 2003 and revised in June 2004. Based on statistical analyses of ground water data conducted in 1999 and 2003, Homestake has proposed alternate background concentrations for some contaminants of concern in the alluvial and Chinle aquifers at the Homestake site.

Please note that the NRC is the lead federal regulatory agency overseeing the cleanup and closure activities at the Homestake site. Homestake submitted the Background Report to the NRC for approval under its Source Materials License (SUA 1471). After the EPA and NMED complete the review of the Background Report, it will submit comments to NRC for consideration. The EPA will also take into consideration your concerns about contamination upgradient of the Homestake site in its discussions with the NRC and NMED on the background water quality. Please contact the NRC to review this report.

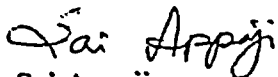
With regard to a clean drinking water system, under the terms of the 1983 Consent Decree, Homestake provided an alternate drinking water supply which meets state and federal health based standards to your residential subdivision. The company also agreed to supply this water to the residents free of charge for a period of ten years. Homestake fulfilled its obligation to pay the residential water supply bills up until 1995. The Consent Decree did not specify when the clean up would be completed and the ten year time frame for free water supply was not tied to the time frame estimated for achieving the ground water clean up. We understand that

Homestake believed that the ground water would be cleaned up by 1995 and that area residents would be able to start using their private wells at that time. However, Homestake now believes that the ground water clean up will continue at least through 2013.

You also asked that the existing tailings pile be removed to a lined disposal pond. Homestake is currently dewatering the tailings pond and expects to complete this work by 2007. Homestake also operates an extensive pump and treat system of wells to remove contaminants and decrease the extent of contamination. Once the pond is dewatered a permanent cap will be installed to prevent any migration of contamination into the aquifers. The NRC has direct authority over the site closure and will ensure cleanup is completed prior to releasing Homestake from its liability.

Although the NRC is lead federal agency regulating the ground water clean up at the Homestake site, I want to assure you that EPA will do its part in ensuring Homestake's clean up is fully protective of public health and the environment. I appreciate your interest, and I hope this information is helpful to you. If you have additional questions, you can write to me at the address above or call me at (214) 665-3126.

Sincerely yours,



Sai Appaji
Remedial Project Manager
Superfund Division

Copies: Dana Bahar, NMED
Jerry Schoeppner, NMED
Kevin Myers, NMED
William Von Till, NRC
Al Cox, Homestake Mining Co.