

May 27, 2005

Ron Curry, Cabinet Secretary  
State of New Mexico Environment Dept.  
P. O. Box 261100  
Santa Fe, New Mexico 87502-0110

Re: Establishment of Background Water Quality for Clean up of Pollution from the Homestake Mill, Cibola County

Dear Mr. Curry:

As you are aware, the quality of water in the San Mateo alluvial (and now the Chinle formation) has been contaminated by Homestake Mining Company's mill.

This aquifer has also been contaminated by the mining and milling in the Ambrosia Lake area during the years that the mines and the mills were allowed to dump their water into the arroyos that flow into the San Mateo drainage. This water ran as a stream to just above the curve on New Mexico 53 (now 605) in Section 6, T12N, R9W, where it soaked into the alluvial approximately 4 miles upstream of Homestake mill in Section 26, T12N, R9W.

Based on my experience with groundwater flow in alluvial aquifers, the flow rate can be as high as 200 ft. per day. At a 10 ft. per day flow rate, it required only 5-6 years to reach the Homestake mill and Murray Acres area. I believe everyone agrees that some of the contamination has come from the Ambrosia Lake activities prior to this discharge being stopped in the 1980s.

Therefore, we expect NMED, EPA & NRC to require cleanup to pre-mining-milling conditions. We realize this will require cleanup above Homestake's millsite and will require the participation of not only Homestake but also Kerr McGee, Phillips (or NRC as they are now responsible for the Phillips Mill Site) as well as other producers that operated in the Ambrosia Lake area mining or milling and discharging water to the arroyos.

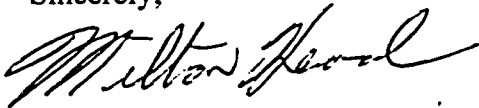
As the New Mexico Department of Public Health and the NM State Engineers Office both had knowledge of water samples that showed Homestake's mill ponds were polluting the alluvial aquifer less than 2 years after the mill start-up, we believe the State of New Mexico is also responsible for not stopping the pollution then or at a minimum, should have informed the public so that they could make decisions based on this knowledge.

If you review the pre-1958 data in the area of the Homestake mill, it is quite obvious the water was of good, potable quality. The samples in T12N, R10W, Sections 27, 29 and 30 and T11N, R10W, Sections 21, 22 and 26 average the following:

- sulfate 272
- chloride 38.4
- fluoride 0.44
- nitrate 10.09
- TDS 624
- Spec. Cond. 1021
- pH 7.56

As residents of this area and would-be users of these aquifers, we feel very strongly that the water must be cleaned to pre-1958 conditions and be kept clean in the future. Attached you will find the background levels our community finds acceptable. (See Exhibit-A, attached). This will require moving the tailings piles to lined ponds that are not on top of an alluvial aquifer. It may also require removing the contaminated soils below the existing tailings down to the alluvial aquifer.

Sincerely,



Milton Head,  
Vice-President  
Murray Acres Irrigation Association  
P. O. Box 2038  
Milan, New Mexico 87021

EXHIBIT - A

#	Sampling Location	Year Compl.	Date Collected	DTW TD	Sulfate	Chloride	Fluoride	Nitrate	TDS	Spec. Cond.	pH	Selenium	Uranium	Molybdenum	Vanadium	Thorium	Ra226/228
1	10.9.17.113	1946	12/1/1950	41.9	100	100	na	na	na	na	na	na	na	na	na	na	na
2	11.9.30.122a	1946	8/2/1950	41	100	na	na	na	na	na	na	na	na	na	na	na	na
3	11.10.21.221	1947	6/7/1957	54.1	180	147	18	0.4	8.2	451	na	na	na	na	na	na	na
4	11.10.21.242	1948	7/24/1958	48	90	189	21	na	na	na	na	na	na	na	na	na	na
5	11.10.22.311	1948	7/24/1958	45.8	140	238	57	na	na	na	na	na	na	na	na	na	na
6	11.10.26.321	1948	5/7/1957	7.4	110	285	53	na	3.1	na	na	na	na	na	na	na	na
7	11.10.26.321a	19407	10/21/1944	33.8	100+/-	199	27	0.3	5.7	555	na	na	na	na	na	na	na
8	11.10.26.321a	19407	6/15/1955	33.8	100+/-	255	41	0.6	3.8	712	na	na	na	na	na	na	na
9	11.10.26.321b	19297	12/16/1933		95	350	75	0.4	0	903	na	na	na	na	na	na	na
10	12.10.27.244	1945	7/25/1956	90.5	371M	608	88	na	10	na	na	na	na	na	na	na	na
11	12.10.29.434	1944	7/12/1948	65.8	152	194	16	0.5	14	499	na	na	na	na	na	na	na
12	12.10.30.242	1930+/-	8/12/1953	88.4	160	na	22	na	na	na	na	na	na	na	na	na	na
13	12.10.30.242	1930+/-	6/28/1956	88.4	160	176	24	na	26	na	na	na	na	na	na	na	na
14	12.10.30.242	1930+/-	5/7/1957	107	190	172	24	na	20	na	na	na	na	na	na	na	na
15	12.11.11.334	1948	6/27/1956	122	180	258	32	na	16	na	na	na	na	na	na	na	na
16	12.11.11.334	1948	5/9/1957	122	160	252	32	na	14	na	na	na	na	na	na	na	na
17	12.11.14.213	1949	7/23/1956	98.3	118	119	8	na	0.9	na	na	na	na	na	na	na	na
					6483	1895	2.9	124.8	6620	24320	90.6						
Average					430.8	99.7	0.48	10.4	1437	1520	7.58						
Median					238	32	0.6	14	712	942	7.6						
HMC Proposed					1870	112		23	3060			0.14	0.15	0.05	0.02	0.3	5
WOCC					600	260		10	1000			0.05	0.03	1			30

Avg. of these samples

Proposed by Murray Acres Irrigation

272	38.4	0.44	10.09	624	1021	7.56	Should meet drinking water standards State & Federal
-----	------	------	-------	-----	------	------	--