

NUCLEAR REGULATORY COMMISSION

[Docket No. 40-8903]

**Notice of Availability of Environmental Assessment and Finding of No Significant Impact
for License Amendment for Homestake Mining Company, Grants, New Mexico**

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of availability.

FOR FURTHER INFORMATION CONTACT: Ron Linton, Project Manager, Fuel Cycle Facilities Branch, Division of Fuel Cycle Safety and Safeguards, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, D.C., 20555. Telephone: (301) 415-7777; fax number: (301) 415-5955; e-mail: rcl1@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Introduction

The Nuclear Regulatory Commission (NRC) proposes to issue a license amendment for License Condition 35 (background water quality concentrations for ground water compliance monitoring), to Materials License SUA-1471, for the Homestake Mining Company (HMC), Grants, New Mexico uranium mill site. The purpose of this amendment is to revise several current ground water protection standards based on a more extensive data set (temporal and spatial) of background water quality in the upper most (alluvial) aquifer. In addition, this amendment will include establishing new ground water protection standards for several constituents in the alluvial aquifer; the Upper, Middle, and Lower Chinle non-mixing zones; and the Chinle mixing zone. Presently, three alluvial aquifer monitor wells have been designated as point of compliance wells for existing ground water protection standards. Designation of

additional point of compliance wells for the alluvial aquifer and the Chinle non-mixing and mixing zones will be addressed in a revised Corrective Action Plan, to be submitted by HMC no later than December 31, 2006. NRC has prepared an Environmental Assessment (EA) in support of this amendment in accordance with the requirements of 10 CFR Part 51. Based on the EA, the NRC has concluded that a Finding of No Significant Impact (FONSI) is appropriate. The amendment will be issued following the publication of this Notice.

II. EA Summary

The staff has prepared the EA in support of the proposed license amendment. Since this action relates to ground water, the primary focus of the evaluation of potential environmental impacts relates to ground water. For several of the constituents of interest, including uranium and selenium, the proposed ground water quality standards are higher than the existing standards. With respect to uranium and selenium, both the current and proposed ground water protection standards exceed their respective Safe Drinking Water Act maximum contaminant levels; therefore, post-restoration treatment to meet Federal potable water quality limits will be necessary. Since the proposed standards are higher, the cost of post-restoration treatment to meet Federal water quality limits under the proposed amendment may be higher. However, it is recognized that the proposed ground water quality standards represent the ambient (background) chemical quality of the ground water flowing into (and eventually downgradient) of the mill site from upgradient areas and these higher background levels are not related to milling activities. In addition, staff has concluded that there would be no effect to the following resources: visual resources, vegetation and soils, ambient air quality, and transportation. Staff has also determined that the proposed action is not the type of activity that has the potential to cause effects on cultural or historic resources.

III. Finding of No Significant Impact

On the basis of the EA, NRC has concluded that there are no significant environmental impacts from the proposed amendment and has determined not to prepare an environmental impact statement.

IV. Further Information

Documents related to this action, including the application for amendment and supporting documentation, are available electronically at the NRC's Electronic Reading Room at <http://www.nrc.gov/reading-rm/adams.html>. From this site, you can access the NRC's Agencywide Document Access and Management System (ADAMS), which provides text and image files of NRC's public documents. The ADAMS accession numbers for the documents related to this notice are as follows:

Document	ADAMS Accession No.	Date
Environmental Restoration Group Statistical Evaluation of Alluvial Ground Water Quality Upgradient of the Homestake Site Near Grants, New Mexico	ML020080071 ML020080076 ML020080104 ML020350348	12/31/01
Environmental Restoration Group Statistical Evaluation of the Chinle Aquifer Quality at Homestake Site Near Grants, New Mexico	ML033140226	10/31/03
Homestake Mining Company and Hydro-Engineering Background Water Quality Evaluation of Chinle Aquifers	ML033140212 ML033140215 ML033140218 ML033140223 ML033160201 ML033160203 ML033160207 ML033160213	10/31/06
Homestake Mining Company - HMC's response to New Mexico Environment Department comments	ML060790062	6/9/05

Homestake Mining Company - Revised Ground Water Protection Standards	ML060250273	1/19/06
NRC's EA for Homestake's Proposed Revisions to Ground Water Protection Standards	ML061450327	6/06/06

If you do not have access to ADAMS or if there are problems in accessing the documents located in ADAMS, contact the NRC's Public Document Room (PDR) Reference staff at 1-800-397-4209, 301-415-4737, or by email to pdr@nrc.gov.

These documents may also be viewed electronically on the public computers located at the NRC's PDR, O1 F21, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852.

The PDR reproduction contractor will copy documents for a fee.

Dated at Rockville, Maryland this 16 day of June, 2006.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

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