

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6 1445 ROSS AVENUE, SUITE 1200 DALLAS, TX 75202-2733

Via Facsimile and First Class Mail

May 12, 2006

Mr. Larry Bush, President
United Nuclear Corporation
UNC Holdings 2
State Highway 566
21 miles northeast of Gallup
Gallup, NM 87305-3077

Subject:

UNC Church Rock Site In-Situ Alkalinity Stabilization Pilot Study

United Nuclear Corporation Church Rock Superfund Site

Gallup, New Mexico

Dear Mr. Bush:

Based on the recent discussions between the U.S. Environmental Protection Agency (EPA) and the General Electric Company, all of the EPA's comments, dated November 23, 2005, on the United Nuclear Corporation's (UNC's) report entitled "In-Situ Alkalinity Stabilization Pilot Study" (Report) for the UNC Superfund site (Site), have been adequately addressed. Therefore, the Report is approved with the following revisions:

1. Section 1.2.1 - Hydrogeologic Setting, page 1-3, paragraph 1:

The second sentence shall be revised as follows:

"In the absence of a naturally occurring shallow aquifer, the temporary saturation caused by The mine water discharge, along with the existing saturation, if any, from the alluvium (prior to tailings disposal) is considered"

2. Section 3.1 - Background, page 3-1, paragraph 1:

The forth sentence, which begins with "The alluvium and sandstone formations..." shall be deleted from the Report. The fifth sentence of the paragraph shall be revised as follows:

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> "Partial saturation of the formations resulted *primarily* from minedewatering discharge..."

Please make the above-stated revisions, along with all other revisions necessary to reflect the changes to the Pilot Study agreed upon by EPA during prior teleconferences (*i.e.*, the use of the Mill Well water, rather than the Southwest Alluvium water). For example, in Attachment A to the Report, the description of the discharge shall be revised to reflect that the source of the injection water will be the Dakota and/or Morrison Formations collected at the Mill Well.

Please submit two hard copies of the revised Report or appropriate errata sheets, along with an electronic copy of the revised Report, to EPA. Additionally, please provide a hard copy and electronic copy of the revised Report to the New Mexico Environment Department, the U.S. Nuclear Regulatory Commission, and the Navajo Nation EPA.

To satisfy the substantive notification requirements of the State of New Mexico's Underground Injection Control (UIC) permitting program, EPA has distributed a community fact sheet to persons on the EPA's Site mailing list to announce the Pilot Study. The EPA also published a public notice in the Gallup Independent on May 11, 2006. A second notice will be published in the Navajo Times on May 18, 2006.

The UNC is authorized to proceed with the operational startup of the Pilot Study only after the second public notice is published on May 18 and the revised Report is submitted to the EPA and the other agencies/departments stated herein.

If you have any questions, please contact me by telephone at 214-665-6707 or via e-mail at purcell.mark@epa.gov.______

Sincerely,

Mark D. Purcell.

Remedial Project Manager

Superfund Division

cc: R. Blickwedel, GE

A. Stein, NMED

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P. Michalak, NRC
D. Malone, Navajo EPA