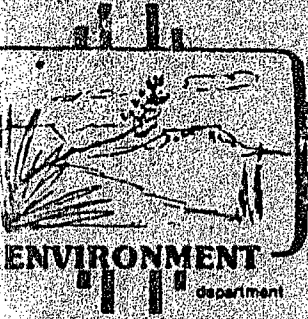


Gerald Stewart



STATE OF NEW MEXICO

ENVIRONMENTAL IMPROVEMENT DIVISION
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CERTIFIED MAIL--RETURN RECEIPT REQUESTED

June 15, 1981

Mr. Thomas F. Bailey, President
UNC Mining and Milling
P. O. Box 3951
Albuquerque, New Mexico 87190

RE: Backfilling with Tailings Sands at the N.E. Church Rock Mine under
Radioactive Materials License NM-UNC-ML-16; and Discharge Plan DP-63

Dear Mr. Bailey:

As Gerald W. Stewart of my staff pointed out to Thomas F. Bailey of UNC by letter dated May 26, 1981, the prior approved extensions to both your ground water discharge plan (DP-63) and your radioactive material license amendment (NM-UNC-ML-16) for the above referenced backfilling expire on June 15, 1981.

As you may know, on January 31, 1980 the backfilling discharges were approved for a period of one year by letter from me to Mr. H. J. Abbiss of UNC, and in that letter Mr. Abbiss was advised to submit an application for new approval in ample time before the January 30, 1981 expiration date. However, application for new approval was not received until Mr. Todd Miller hand delivered such a request on the expiration date, January 30, 1981. Mr. Miller submitted some data with his time extension request, committed to submit certain other data by March 30, 1981, and requested approval to continue backfilling until June 15, 1981 to allow time for EID analysis and public notice of the March 30, 1981 submittal. The EID on January 30, 1981 granted approval to continue discharging until June 15, 1981. Ms. Maxine Goad of EID subsequently received submittals from Mr. Todd Miller dated 3/30/81 and 4/07/81 requesting, and attempting to justify requests for, renewal of the above discharge plan approval and mill license amendment. Specific additional information requests were then made to Mr. Miller in letters dated 4/24/81 from Mr. Kent Breese and 4/27/81 from Mr. Patrick Longmire of EID.

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The EID did not receive any response to these April 1981 requests for information until two letters dated June 5, 1981 were received June 10, 1981. These two letters did not adequately address the questions of Mr. Longmire and Mr. Breese.

An additional problem for EID with respect to UNC's request for approval to continue backfilling is the contradiction in information received pertaining to the planned amount of backfilling. Mr. Todd Miller's submittal requesting approval for backfilling after June 15, 1981 remained silent on the subject of the amount. The discharge plan submitted December 1, 1980 for the Church Rock Mill tailings area (DP-152) stated on pages 2-8 and 2-9 that "effective April 1, 1981 it is planned to increase the mine backfill usage to approximately 2800 Dry Tons Per Day." This would translate to approximately 84,000 tons per month. On June 2, 1981 Patrick Longmire, Randall Hicks and Kent Breese of my staff visited the N.E. Church Rock Mine and were told by Mr. Miller that there were no plans to increase the volume of backfilling over the present approximately 10,000 tons per month. However on June 15, 1981 Mr. Thomas Hill of your staff, informed several members of my staff in a telephone conversation that there definitely were plans to increase to approximately 84,000 tons per month. Then on June 10, 1981 Ms. Maxine Goad of my staff received a letter dated June 5, 1981 from Mr. Miller stating that there was no request for increase of backfilling volume.

In light of the many unanswered questions, I cannot, at this time, approve a backfilling volume of tailings larger than what has been taking place to date. Also, there have been several requests for public hearing on an increase in backfilling. An extension of time for UNC to continue backfilling at the present reported rate depends on timely submission by UNC of information required by EID.

I hereby grant an extension of time for UNC to continue backfilling under approved discharge plan DP-63 and radioactive materials license until January 31, 1982, provided that the following conditions are met. The reason for conditions 1 and 4 is that presently available information can only justify the use of cycloned sands in approximately the present quantities. The reason for imposing the other conditions is that the information to be submitted under the conditions is necessary for EID to continue its evaluation of present and expected future impacts on ground water due to backfilling operations.

1. No tailings other than cycloned tailings sands shall be used for sand backfilling.

2. UNC shall keep daily records of volumes (or weights) of tailings backfilled, including percentage of solid/liquid fractions, and locations of mine areas which are backfilled. Also, included shall be information as to whether or not the tailings used for backfilling have been prewashed, or otherwise treated prior to use.

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3. Monthly, the Company shall supply the EID with the daily records detailed in Condition "2" above.

4. The total amount of tailings backfilled during any calendar month shall not exceed 12,000 tons.

5. UNC shall continue submitting other regular monitoring reports as specified in the discharge plan.

6. UNC shall provide timely responses to requests by EID for information relevant to the impacts of the backfilling.

7. The predictive modeling results shall be submitted to EID no later than October 15, 1981. Progress reports on the modeling efforts shall be submitted monthly up to the time when the complete results are submitted.

8. If UNC wishes to continue sand backfilling after January 31, 1982, either at the present rate or at an increased rate, a complete application amending DP-63 shall be submitted to EID by October 30, 1981 to allow ample time for a possible public hearing and a decision after the hearing, all to be accomplished before the expiration date of January 31, 1982.

If you have any questions about the discharge plan, please contact Patrick Longmire or Maxine Goad. If you have any questions about the radioactive materials license, please contact Kent Breese or Gerald Stewart.

Sincerely,



THOMAS E. BACA
Director

TEB/MSG/sm

cc: William Bennett, EID, District I
Carl Woolfolk, EID, Milan
Gerald Stewart, Radiation Protection Bureau, EID
Maxine S. Goad, Water Pollution Control Bureau, EID
John Abbiss, UNC, Gallup
Tom Hill, United Nuclear Corporation, Gallup