

September 9, 2010

Mr. Alan D. Cox, Project Manager  
Grants Reclamation Project  
Homestake Mining Company  
P.O. Box 98/Highway 605  
Grants, NM 87020

SUBJECT: TREATMENT ALTERNATIVES TESTING IN THE LARGE TAILINGS PILE,  
HOMESTAKE MINING COMPANY GRANTS RECLAMATION PROJECT,  
DOCKET: 040-8903, LICENSE: SUA-1471

Dear Mr. Cox:

By letter dated August 13, 2010 (ML102510305), Homestake Mining Company (HMC) submitted its plans for Treatment Alternatives Testing in the Large Tailings Pile at the Grants Reclamation Project. An environmental report analyzing the potential environmental impacts associated with this Treatment Alternatives Testing was included as an attachment to the plan.

The NRC staff has determined that submittal of the Treatment Alternatives Testing Plan and associated environmental report meets the requirements of License Condition 16. Further, the staff has reviewed the plan and environmental report and determined that the environmental impacts associated with the proposed Treatment Alternatives Testing within the large tailings pile (LTP) are insignificant because: (1) the quantity of uranium injected into the LTP is not increased; (2) testing will be performed in areas of increased uranium requiring restoration; (3) the potential for down-gradient transport and migration of injection additives is minimal; and (4) the proposed testing will not increase the hydraulic conductivity of the alluvial aquifer. Since the potential environmental impact from the proposed testing is insignificant, no license amendment is required prior to the start-up of testing.

If you have any questions regarding this letter or the enclosure, please contact John Buckley at (301) 415-6607 or by e-mail to [john.buckley@nrc.gov](mailto:john.buckley@nrc.gov).

Sincerely,

**/RA/**

John T. Buckley, Senior Project Manager  
Decommissioning and Uranium Recovery  
Licensing Directorate  
Division of Waste Management and  
and Environmental Protection  
Office of Federal and State Materials  
and Environmental Management Programs

Docket No.: 40-8903  
License No.: SUA-1471

cc: Homestake Distribution List

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