



Grants Office

Alan D. Cox  
Project Manager

26 November 2012

Mr. John Buckley, Sr. Project Manager  
c/o Document Control Desk  
Fuel Cycle Facilities Branch (Mailstop T8-A33)  
Division of Fuel Cycle Safety and Safeguards  
Office of Nuclear Materials Safety and Safeguards  
U. S. Nuclear Regulatory Commission  
11545 Rockville Pike  
Two White Flint North  
Rockville, MD 20852-2738

RE: **Grants Reclamation Project**  
**Docket No. 40-8903**  
**License No. SUA-1471**  
**License Amendment No. 45 – Administrative Revision to Project Milestone Dates**

Dear Mr. Buckley:

Homestake Mining Company of California (HMCo) received the above referenced License Amendment (No. 45) document on October 5, 2012. The Administrative Revision corrected errors made in the previous License Amendment No. 41 with respect to milestone completion dates for the project outlined in License Conditions (LC) 36, paragraphs A and B. HMCo is responding to the amendment corrections with the following summary information regarding the status of the Grants Reclamation Project groundwater remediation program and final reclamation and decommissioning of the site.

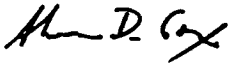
1. Milestone objectives outlined in LC 36.A.(1) and (2) have been met with respect to retrieval and placement of windblown tailings into the tailings piles and placement of interim radon barrier cover on the small and large tailings piles. The area associated with Evaporation Pond 1 (EP-1), situated on the small tailings pile, is discussed separately below.
2. Final radon barrier and erosion protective cover has not been completed pursuant to the date outlined in LC 36.A.3. Placement of final radon barrier would preclude the tailings pile flushing activities that are currently underway on the large tailings pile (LTP). These activities involve a number of collection and injection wells and associated piping/plumbing and electrical supply over most of the large tailings pile top surface area. These activities are projected to continue as outlined in the proposed project schedule detailed in the updated Corrective Action Plan (CAP); this Plan is currently under review by NRC as mentioned in the NRC cover letter for License Amendment No. 45. Timing of final radon barrier placement for the LTP is, or will be, as outlined in the CAP and forthcoming Decommissioning and Reclamation Plan (DRP), which is currently under development and is expected to be filed with NRC in the next few months.
3. The small tailings pile (STP) presently has interim radon barrier cover on the portions of the pile that are not associated with evaporation pond EP-1; therefore the milestone date for the STP referenced in LC 36.A.3 has been met. Timing of final radon barrier and erosion protective layer placement on the STP is, or will be, as outlined in the CAP and DRP. The reclamation and groundwater corrective action milestone dates detailed in LC 36.B. are addressed in the CAP and DRP.
4. Annual radon flux surveys have been, and will continue to be, performed annually on the LTP and STP to verify compliance with the radon flux standard of 20 pCi/m<sup>2</sup>-sec flux rate; the annual flux survey is filed with the project Annual Performance Review report due March 31 of each year as outlined in LC 35.E.

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As NRC is aware, a material portion of the delay in meeting previously set milestone dates for achieving groundwater remediation/cleanup and subsequent final reclamation and decommissioning of the Grants site are related to regulatory permit approval delays and, more recently, regulatory restrictions on the projects' ability to operate the land treatment program for advancing groundwater cleanup. We are presently focusing our attention on identifying potential alternative solutions for groundwater treatment/remediation with the expectation of implementing those solution(s) as an alternate to the land treatment program that has been utilized at the site since 2000. As appropriate and necessary, any alternative remediation solution(s) will be presented to NRC for review, comment and approval.

Thank you for your time and attention on this matter. If you have any questions at this time, please contact me in our Grants office at (505) 287-4456 Ext. 25 or via cell phone at (505) 400-2794.

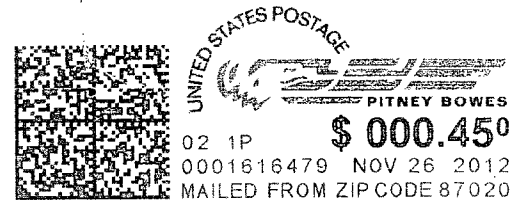
Sincerely yours,



**HOMESTAKE MINING COMPANY  
OF CALIFORNIA**  
Alan D. Cox  
Project Manager / RSO

xc: B. Ferdinand – SLC  
P. Malone - SLC  
  
G. Hoffman – Hydro Eng – Casper  
P. DeDycker – Arcadis - Denver

Homestake Mining Company  
PO Box 98  
Grants, NM 87020



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