



Homestake Mining Company of California

Thomas Wohlford
Closure Manager

23 May 2018

Mr. William Pearson
Ground Water Quality Bureau
New Mexico Environment Department
PO Box 5469
Santa Fe, NM 87502-5469

40-8903

**RE: Homestake Mining Company, Grants Reclamation Project, Discharge Permit DP-200:
Notification of Unplanned Release and Corrective Actions Taken per Condition 55.**

Dear Mr. Pearson:

Pursuant to Condition 55 of New Mexico Environment Department (NMED) Discharge Permit DP-200, this letter provides the 7-day verification and follow-up of our previous verbal notification that Homestake Mining Company (HMC) has identified an unplanned release of water treatment plant effluent to the environment containing a uranium concentration greater than allowed per the discharge permit. In addition, this letter also serves as the 15-day corrective action report required under Condition 55.

Specifically, on Wednesday May 2, 2018, HMC received analytical results for the monthly water treatment plant sample from Sampling Point 2 (SP-2) collected on April 25, 2018, which identified a uranium concentration of 0.186 mg/L, which was above the groundwater quality concentration standards for Site contaminants of concern in Table 1 of DP-200 (0.16 mg/L). This exceedance of the groundwater quality concentration standards was confirmed by the laboratory on May 22, 2018 with an exhibited uranium concentration of 0.187 mg/L. All other samples of SP-2 in 2018 have been compliant with DP-200, Table 1 standards.

The April 25, 2018 sample from SP-2 represents the composite water quality for the preceding month in the Post-Treatment Tank, which is a holding tank for the effluent from the approved groundwater corrective action program (GW CAP) water treatment system. The Post-Treatment Tank receives treated effluent from the reverse osmosis (RO) water treatment system, the zeolite water treatment system, as well as 300 gallons per minute of clean water from the San Andres-Glorieta aquifer. Water from the Post-Treatment Tank is then re-injected into the groundwater within the NRC licensed area as part of the approved GW CAP.

Based on its initial review of operating data, HMC believes that the RO water treatment system circuit LPRO3 failed to perform as designed, though the reason for this failure has not yet been determined nor this specific cause confirmed. HMC believes there are no imminent threats to public health and safety, and there are no significant potential additional radiological exposures for this condition.

Upon receipt of the initial laboratory report, HMC initiated several corrective actions, which include cessation of use of RO3 and assessment of failure, initiation of RO1 and RO2, and weekly sampling of the RO effluent (monitoring point SP-1) and the Post-Treatment Tank (compliance monitoring point SP-2).

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original by
PM JAW

If you have any questions or comments regarding this matter, please contact me via e-mail at twohlford@homestakeminingco.com or at the Grants office at 505.290.2187.

Respectfully,



Thomas Wohlford

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