

New Mexico Health and Environment Department

40-8968

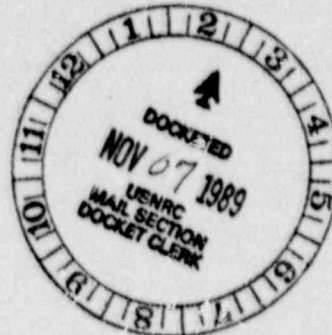
GARREY CARRUTHERS
Governor
DENNIS BOYD
Secretary
MICHAEL J. BURKHART
Deputy Secretary
RICHARD MITZELFELT
Director

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

RETURN ORIGINAL TO PDR, HQ.

November 2, 1989

Mr. Mark Pelizza
Environmental Manager
HRI, Inc.
12377 Merit Drive
Suite 750, LB14
Dallas, TX 75251



RE: Conditional Approval of DP-558
HRI, Inc. Churchrock Uranium ISL Project

Dear Mr. Pelizza:

The discharge plan (DP-558) for the HRI, Inc. Churchrock Uranium ISL Project located at T16N, R16W, Section 8, McKinley County, New Mexico is hereby approved subject to the conditions listed below. The approved discharge plan consists of the plan dated April 13, 1988, and the materials dated April 18, 1988, May 20, 1988 (Larson), May 20, 1988 (Pelizza), May 1988 (Environmental Report), August 2, 1988, September 1, 1988, December 1, 1988, December 21, 1988, April 10, 1989, April 20, 1989, April 26, 1989, August 25, 1989, October 5, 1989, submitted as supplements to the discharge plan. In order to facilitate coordination with the U.S. Nuclear Regulatory Commission, this approval is subject to the following conditions:

- 1) HRI, Inc. provides financial assurances which satisfy both the U.S. Nuclear Regulatory Commission and the State of New Mexico.
- 2) HRI, Inc. obtains a Materials License from the U.S. Nuclear Regulatory Commission.

The discharge plan was submitted pursuant to Section 3-106 of the New Mexico Water Quality Control Commission Regulations. It is approved pursuant to Section 3-109. Please note subsections 3-109.E. and 3-109.F., which provide for possible future modification of the plan. Please be advised that the approval of this plan does not relieve you of liability should your operation result in actual pollution of surface or ground waters which may be actionable under other laws and/or regulations.

Further, approval of this ground water discharge plan does not relieve you of your responsibility to comply with any other applicable local laws and regulations, such as zoning requirements and nuisance ordinances.

DESIGNATED ORIGINAL

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PDR ADOCK 04008968
C FDC

Certified By *Mary C. Hood*

ENVIRONMENTAL IMPROVEMENT DIVISION -
Harold Runnels Building
1190 St. Francis Dr.
Santa Fe, New Mexico 87503

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The monitoring and reporting shall be as specified in the discharge plan and supplements thereto. These requirements are summarized on the attached sheet(s). Any inadvertent omissions from this summary of a discharge plan monitoring or reporting requirement shall not relieve you of responsibility for compliance with that requirement.

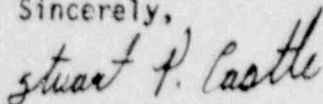
Please note that Section 3-104 of the regulations requires that "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan."

Please be aware that in this discharge plan you have made commitments which are legally enforceable under the New Mexico Water Quality Act (74-6-2 to 74-6-4, 74-6-6 to 74-6-13 NMSA 1978). These include constructing all aspects of your installation as designed, properly installing and maintaining any required monitor wells in the prescribed locations and completely fulfilling any required monitoring commitments on schedule. You are susceptible to fines should you not fulfill these obligations.

Pursuant to subsection 3-109.G.4., the term of this discharge plan approval shall commence on the date the discharge begins. Prior to discharging, written notification shall be given to the New Mexico Environmental Improvement Division stating the date the discharge is to commence. The term of this approval shall be five years from the date the discharge commences, or seven years from the date of this letter, whichever occurs first. You should submit an application for new approval in ample time before the expiration date.

On behalf of the Ground Water Section, I wish to thank you for your cooperation during the discharge plan review.

Sincerely,



Stuart P. Castle
Bureau Chief
Ground Water Bureau

SPC/JP/k1

cc: Dan Vigil, EID Acting Dist. I Manager, Albuquerque
Gary Knowinski, NRC/URFO, Denver