EXON MINERALS COMPANY

P.O. BOX 2180, HOUSTON, TEXAS 7700 Re:

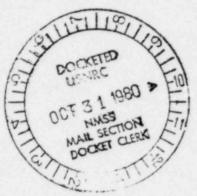
U. S. Nuclear Regulatory Commission Division of Waste Management Uranium Recovery Licensing Branch Washington, D. C. 20555

Attention: Mr. John J. Linehan

Gentlemen:

October 21, 1980

Docket No. 40-8064 Source Material License SUA-1064 Amendment No. 3 Highland Solution Mining R&D



Aquifer restoration of the original Highland solution mine wellfield has progressed satisfactorily. The 6 original production wells have been returned to water quality consistent with restoration target values of the licensed second wellfield pilot. However, concentrations of several parameters remain marginally high in ground water from the center original injection well and the 2 offset wells located 40 and 50 feet from the injector.

Although nearly 35 million gallons of ground water have been produced since leach operations were concluded, only about one-third has been produced from the 3 center wells. The remainder was pumped from the ring of producing wells in restoring ground water quality of the outer portion of the 0.6 acre pattern area.

To complete restoration of the center portion of the leached area, we are proceeding with arrangements which will permit injection of ground water produced from a water source well near the project area into the currently shut-in 6 producing wells. It is anticipated that productivity of the 3 center wells will be increased, permitting the restoration process to be accelerated. Modification of surface facilities to permit injection will be carried out this month and actual injection of the clean ground water is expected to begin in November.

Sincerely

H. H. Trussell, Jr.

RST:dh

c: Mr G. D. Ortloff

A DIVISION OF EARON CORPORATION