



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
URANIUM RECOVERY FIELD OFFICE
BOX 25325
DENVER, COLORADO 80225

FEB 13 1990

URFO:PJG
Docket NO. 40-8903

Homestake Mining Company
ATTN: Richard F. Farrell
P.O. Box 98
Grants, New Mexico 87020

Dear Mr. Farrell:

We are in receipt of your letter of January 25, 1990 in response to our letter and the attached Notice of Violation dated December 21, 1989. Our review of your response has taken into account the fact that the mill has been shut down and placed in an indefinite standby status since the inspection. On that basis, your reply and the corrective actions taken should be adequate to resolve the items of non-compliance with NRC requirements identified in the Notice of Violation.

The corrective actions taken to reduce airborne concentrations of ore dust in the crusher building appear to be reasonable efforts to lower concentrations below those defining an Airborne Radioactivity Area as specified in 10 CFR 20.203(d)(1)(ii). However, the ultimate measure of the adequacy of the corrective actions is the level of airborne ore dust which exists in the building. If future survey results reveal high levels of airborne radioactive material, Homestake is required to implement additional measures to reduce concentrations or to control personnel exposure as specified in 10 CFR 20.103(b). The evaluation of the adequacy of process or other engineering controls is required to be an ongoing, dynamic process.

Homestake has concluded that "the corrective actions conducted since the NRC inspection have reduced the levels of airborne radioactive particulates to acceptable levels in the ore crushing and sampling areas." We find the attitude evidenced in that statement to be of concern. The data provided in your letter indicates that levels had been "reduced" to an overall average of 24 percent of MPC in the crusher building. An average concentration one percent below limits should not be considered to be "acceptable" for the routine exposure of mill workers. Adherence to the ALARA philosophy would dictate additional efforts to lower airborne concentrations even in shutdown facilities during the standby period, and certainly should the mill resume operation.

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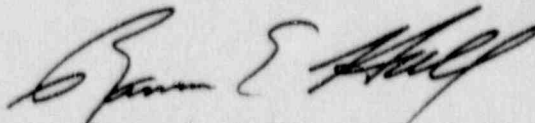
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We will review the implementation of your corrective actions during a future inspection to determine that full compliance has been achieved and will be maintained.

Sincerely,

A handwritten signature in black ink, appearing to read "Ramon E. Hall". The signature is fluid and cursive, with the first name "Ramon" being the most prominent part.

Ramon E. Hall
Director

FEB 13 1990

8903/PJG/90/02/12/1

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