APPENDIX A

NOTICE OF DEVIATION

Homestake Mining Company Milan Mill

Docket No.: 40-8903 License No.: SUA-1471

During an NRC inspection conducted on December 18, 1990, it appeared that certain of your activities were not conducted in conformance with your commitments to the Commission. The deviation involved the failure of the licensee to collect an adequate number of liner quality control samples. Based on the results of the inspection and in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Action," 10 CFR Part 2, Appendix C (1990), the following deviation was identified:

A. Quality control specifications for the liner installation stated that a liner sample would be taken and tested for every 10,000 square feet of liner laid.

Contrary to this commitment, the licensee took a liner sample for every 30,000 square feet of liner laid.

Homestake Mining Company is hereby requested to submit to this office, within 30 days of the date of this Notice of Deviation, a written statement or explanation in reply, including: (1) the reason for the deviation if admitted; (2) the corrective steps which have been taken and the results achieved; (3) the corrective steps which will be taken to avoid further deviation; and (4) the date when full compliance will be achieved.

Where good cause is shown, consideration will be given to extending the response time.

Date at NRC, Region IV, Uranium Recovery Field Office, this 14 day of JAruany, 1991.

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/Ramon E. Hall Director

PDR ADOCK 04008903