



UNITED STATES
NUCLEAR REGULATORY COMMISSION

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

JUL 10 1992

Docket No. 40-8903

Homestake Mining Company
ATTN: Fred R. Craft
P.O. Box 98
Grants, New Mexico 87027

Dear Mr. Craft:

We are in receipt of your June 8, June 24, and June 29, 1992, submittals concerning the design of the toe drain system and recontouring of the large tailings pile at the Milan Mill. The June 24, 1992, submittal indicated that the toe drain system is scheduled for installation on July 8, 1992. The recontouring activities discussed in your June 29, 1992, submittal are scheduled to begin in August 1992.

These activities do not require amendment of Source Material License SUA-1471, and you may proceed with these activities without NRC review. NRC does not intend to review and comment on the recontouring activities. However, NRC considers an adequate toe drainage system an integral part of the reclamation plan and site stability due to the proposed construction sequencing that will place the radon barrier on the side slopes prior to determining that dewatering is essentially complete. Please be advised that your submittal did not provide our office with sufficient time to review the specific toe drain design prior to your scheduled installation date. Therefore, until NRC concurs that the proposed drainage system will be adequate, placement of more than an interim cover to control windblown tailings will be done at your own risk.

Sincerely,

Ramon E. Hall
Director

cc:
Jerry Danni, Homestake
B. Garcia, RCPD NM
E. Montoya, NMED

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PDR ADOCK 04008903
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Case No. 04008903580E

bcc:
PDR/DCS
URFO r/f
LJCallan, RTV
LLUR Branch, LLWM
DJacoby
PGarcia
8903/580E/DLJ/92/07/09/1.

PM:URFO
DJacoby
07/09/92

PM:URFO
PGarcia
07/09/92

DD:URFO
EHawkins
07/10/92

D:URFO:RIV
REHall
07/10/92