



STATE OF NEW MEXICO

ENVIRONMENTAL IMPROVEMENT DIVISION
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Thomas E. Baca, M.P.H., Director

Bruce King
GOVERNOR

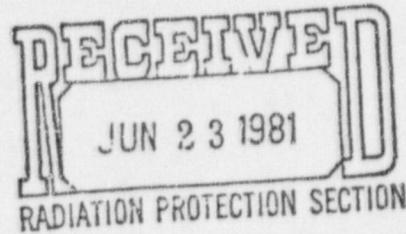
George S. Goldstein, Ph.D.
SECRETARY

Larry J. Gordon, M.S., M.P.H.
DEPUTY SECRETARY

CERTIFIED MAIL--RETURN RECEIPT REQUESTED

June 23, 1981

Mr. Thomas Bailey, President
UNC Mining and Milling
United Nuclear Corporation
Church Rock Operations
P. O. Drawer QQ
Gallup, New Mexico 87301



RE: Discharge Plan DP-152

Dear Mr. Bailey:

This letter is to confirm our telephone conversation of June 22, 1981 in which we agreed that a meeting between UNC Mining and Milling and the Environmental Improvement Division would be held in Santa Fe on July 9, 1981 at 9 a.m. The purpose of this meeting is to discuss the conditions listed in my May 26, 1981 letter to Thomas M. Hill, UNC, regarding discharge plan (DP-152) for the Church Rock Uranium Mill tailings.

The reason that I have asked that you personally attend this meeting is that I feel that it is imperative that a representative of the company who is able to set policy be in attendance. On page 2 of the above mentioned May 26, 1981 letter you will note in the second to the last paragraph that I indicated that it was of paramount importance that a new tailings disposal site be located and constructed with the necessary approvals at the earliest possible time. I plan to make this concern a major topic of discussion at the July 9, 1981 meeting and would hope that at that time I can receive your commitment that a new site will be located and constructed within a specific time period.

Further, I wish to make it absolutely clear that I view the construction of the evaporation ponds approved by me on June 17, 1981, to also be of paramount importance if the company wishes to continue to discharge without an approved discharge plan. It is my view that unless the tailings fluid is discharged to the proposed new lined evaporation ponds in the immediate future, further discharge without an approved plan will not be allowed. This is because the use of the lined evaporation ponds is an important part of solving the seepage problems; putting the ponds into use is necessary for UNC to show good faith progress and maintain good cause for allowing the discharge to continue without an approved discharge plan

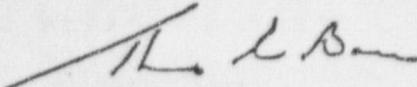
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pursuant to Section 3-106.A. of the Water Quality Control Commission regulations. I would therefore appreciate at the July 9, 1981 meeting a construction time table for the construction of the new lined evaporation ponds including a date upon which these ponds will become operational.

While I have been specific about the above mentioned topics, I do not wish to indicate that the other conditions in my letter of May 26, 1981 are of less importance. The company should be prepared to respond to those remaining conditions also at the July 9, 1981 meeting.

Sincerely,



THOMAS E. BACA
Director

TEB/JAP/sm

cc: Thomas Hill, UNC, Albuquerque
John Abbiss, UNC, Gallup
William Bennett, EID, District I
Carl Woolfolk, EID, Milan
Gerald Stewart, EID, Radiation
Maxine S. Goad, EID, Water Pollution Control