UNITED STATES GOVERNMENT *lemorandum* : Eber R. Price, Assistant Director DATE: MAR 2 1 1962 Division of Licensing and Regulation FROM : Lec Dubinski, Assistant Director for Materials Division of Compliance SUBJECT: TRACE ELEMENTS CORPORATION, MAYBELL, COLORADO; LICENSE NO. R-212 - REPORTED DISCHARGE OF TAILINGS MATERIAL CO: EGO Subject licensee informed L&R by letter dated December 13, 1961, that an accidental discharge of solid tailings material occurred at the mill on December 6, 1961. Attached is a copy of a memorandum investigation report dated March 8, 1962, wherein Region IV, Division of Compliance, sets forth the results of an inquiry of this occurrence. It is reported that the discharge occurred because of a build-up of sand in the tailings pond caused by failure to have adequate slimes in the flow of the sand to the pond. It appears that the overflow has created no hazard to health. The licensee has specified corrective action to be taken to eliminate a recurrence of the overflow. The report notes that the licensee was in noncompliance with Item 1 of the Amendment to the license.

We believe that no further inquiry is necessary.

Attachment:

Cpy memo invest. rpt. fm CO:IV, dtd 3/8/62, w/encl.

cc: D. I. Walker, CO:IV, w/o H. K. Shapar, OGC, w/attach