

c/o DMB (IE - 07)
Docket File No. 40-8903
LFMB
DBangart, RIV
RHeyer
HPettengill
VSCovill
HRose
PGarcia
DPowers, RIV
JPerry, Info Systems
YHughes, RIV
MBrown, RCPD, NM
Suspense File
URFO r/f

40-8903/PJG/87/10/30/0

- 1 -

NOV 24 1987

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

Homestake Mining Company
ATTN: Mr. Edward Kennedy
P.O. Box 98
Grants, New Mexico 87020

Gentlemen:

This refers to the routine unannounced radiation safety inspection conducted by Messrs. Heyer, Rose, Scovill, and Garcia of this office on October 19-22, 1987 of the activities authorized by NRC Source Material License SUA-1471, and to the discussion of our findings held by the inspectors with members of your staff at the conclusion of the inspection. The enclosed NRC Inspection Report 40-8903/87-001 documents this inspection.

The inspection was an examination of the activities conducted under the license as they relate to radiation safety and to compliance with the Commission's rules and regulations, and the conditions of the license. The inspection consisted of selective examinations of procedures and representative records, interviews of personnel, independent measurements, and observations by the inspectors.

During this inspection certain of your activities were found not to be conducted in full compliance with NRC requirements. Consequently you are required to respond to this matter in writing in accordance with the provisions of Section 2.201 of the NRC "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Your response should be based on the specifics contained in the Notice of Violation enclosed with this letter.

During this inspection, it was found that certain of your activities appeared to deviate from accepted industry standards. This item and reference to the standard are identified in the enclosed Notice of Deviation. You are requested to respond to this deviation in writing.

OFC :	8801060185 871124	:	:	:
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NAME :	SUA-1471	:	:	:
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DATE : 87/11/24	:	:	:	:

Your response should be based on the specifics contained in the Notice of Deviation enclosed with this letter.

The inspectors also reviewed the corrective action you had taken with respect to program deficiencies observed during our previous inspection, which was conducted June 9-13, 1986. They verified that the corrective actions with respect to these items were implemented as stated in your reply of October 17, 1986 to our letter dated August 18, 1986.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter and the enclosed inspection report will be placed in the NRC's Public Document Room.

The response directed by this letter and the accompanying Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

Should you have any questions concerning this letter, we will be pleased to discuss them with you.

Sincerely,

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Harry. J. Pettengill, Chief
Licensing Branch 2
Uranium Recovery Field Office
Region IV

Enclosures:

- 1. Appendix A - Notice of Violation
- 2. Appendix B - Notice of Deviation
- 3. Appendix C - NRC Inspection Report No. 40-8903/87-001

OFC	: URFO <i>PJG</i>	: URFO <i>RH</i>	: URFO <i>HR</i>	: URFO <i>V</i>	: URFO <i>HJP</i>	: URFO <i>DP</i>	: RIV <i>R</i>	: URFO <i>RDS</i>
NAME	: PJGarcia/db	: RHeyer	: HRose	: VScovill	: HJPettengill	: DPowers		: RDSmith
DATE	: 87/11/20	: <i>11-23-87</i>	: 11/24/87	: 11/24/87	: 11/24/87			: 11/24/87

Phone conference 11/24