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## NEW MEXICO ENVIRONMENT DEPARTMENT

### Ground Water Quality Bureau

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**James C. Kenney**  
Cabinet Secretary

**Jennifer J. Pruett**  
Deputy Secretary

### ELECTRONIC DELIVERY

October 16, 2020

Brad Bingham, Facilities Manager  
Homestake Mining Company of California  
P.O. Box 98, Hwy 605  
Grants, New Mexico 87020

#### **RE: Request for Additional Information, Corrective Action Report, Unauthorized Discharge from Off-site Well, DP-200, Homestake Mining Company**

Dear Mr. Bingham:

On September 1, 2020, the Mining Environmental Compliance Section (MECS) of the New Mexico Environment Department (NMED) received oral notification of an unauthorized release of extraction water from the off-site collection pipeline at Well 940 at the Homestake Mining Company (permittee) uranium mill site. The release was discovered by the permittee on September 1, 2020. Oral notification was provided to NMED within 24 hours of discovery as required in Paragraph (1) of Subsection A of the 20.6.2.1203 NMAC. A 7-Day notification letter was received by NMED on September 8, 2020. The permittee submitted a Corrective Action Report (CAR) on September 16, 2020. The information submitted by the permittee fulfills the reporting timeframes of Subsection A of 20.6.2.1203 NMAC of the Water Quality Control Commission (WQCC) Regulations (20.6.2 NMAC).

#### Description of Unauthorized Discharge and Immediate Corrective Action Taken

On August 26, 2020, the permittee began operation of the zeolite treatment system after it had been out of operation since November 2019. Selected off-site extraction wells were pumped and the water was directed to the zeolite water treatment plant through the off-site collection pipeline. On September 1, 2020, a permittee technician discovered that extraction water was

being discharged to the ground surface at Well 490. The area where water was ponding adjacent to Well 490 is on the permittee's property south of the license boundary but north of active extraction well locations and is isolated from surrounding properties with containment berms. The technician turned off flow to Well 490 upon discovery of the release.

Further investigation by the permittee showed that a check valve on the pipeline at Well 490 had failed and that the discharge valve was in a position that allowed water to backflow from the active pipeline and out a sample port valve which was left open to prevent wellhead damage that could result from freezing. The volume of extraction water released onto the ground surface was estimated to be between 133,000 and 216,000 gallons. The 7-Day notification stated that based on results of a radiological dose assessment of the release from Well 490, the incremental increase in uranium concentrations in surface soils in the affected area is insignificant and is unlikely to be measured in excess of background with available soil sampling techniques and analytical laboratory equipment. The CAR indicates the permittee performed an incident investigation to identify additional corrective actions to prevent this type of incident in the future. These additional corrective actions include updating standard operating procedures specific to zeolite operation, and additional personnel training.

NMED requests additional information prior to making a determination regarding approval of the CAR in accordance with Paragraph (7) of Subsection A of 20.6.2.1203. NMED requests that the permittee provide the following information to NMED within 30 days of the date of this letter.

1. The permittee shall submit to NMED for review the updated standard operating procedures specific to the zeolite operation and additional personnel training that will be implemented to prevent subsequent releases of this nature. NMED also requests the permittee provide a review and discussion of mechanisms that can be implemented to ensure earlier detection of releases from the impacted groundwater extraction and conveyance system, such as timelier visual inspections upon system startup.
2. The permittee shall provide a work plan to NMED for approval to conduct additional soil characterization of the affected area. Specifically, NMED requests that the permittee conduct soil sampling and analyses to verify the results of the radiological dose assessment.

NMED may require additional corrective actions if information becomes available indicating that the corrective actions proposed or taken are inadequate and/or groundwater contamination occurs as a result of the described discharge. NMED's response to the CAR does not relieve the permittee of its responsibility to comply with any other applicable federal, state and/or local laws and regulations.

Brad Bingham  
October 16, 2020  
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Please contact Ashlynn Winton of MECS [ashlynn.winton@state.nm.us](mailto:ashlynn.winton@state.nm.us) to submit the information requested above by November 15, 2020, and to raise any questions about this letter.

Sincerely,

Rebecca Roose, Director  
Water Protection Division

RR:AW

cc: Ron Linton, NRC (signed PDF copy sent via electronic mail to: [Ron.Linton@nrc.gov](mailto:Ron.Linton@nrc.gov))  
Mark Purcell, EPA Region 6 (signed PDF copy sent via electronic email to:  
[purcell.mark@epa.gov](mailto:purcell.mark@epa.gov) )  
Kurt Vollbrecht, Program Manager, MECS (signed PDF copy sent via electronic mail to:  
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