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NEW MEXICO ENVIRONMENT DEPARTMENT

Ground Water Quality Bureau

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ELECTRONIC DELIVERY

April 15, 2021

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

RE: Approval of Corrective Action Report, DP-200, Liner Tear During Brine Transfer to Evaporation Pond 1, Homestake Mining Company

Dear Mr. Bingham:

On March 24, 2021, the Mining Environmental Compliance Section (MECS) of the New Mexico Environment Department (NMED) received oral notification of a tear in the Evaporation Pond 1 (EP-1) synthetic liner that occurred during transfer of brine from Evaporation Pond 2 (EP-2) at the Homestake Mining Company (HMC) uranium mill site. HMC provided oral notification to NMED within 24 hours of discovery as required in Paragraph (1) of Subsection A of the 20.6.2.1203 NMAC. A combination 7-day notification letter and a 15-day Corrective Action Report (CAR) was received by NMED on March 30, 2021. The written information submitted by the permittee fulfills the reporting timeframes of Subsection A of the 20.6.2.1203 NMAC of the Water Quality Control Commission (WQCC) Regulations (20.6.2 NMAC).

NMED hereby approves the CAR in accordance with Paragraph (7) of Subsection A of 20.6.2.1203 and the NMED Delegation Order dated September 14, 2020, through which the Cabinet Secretary has delegated this authority to the Director of the Water Protection Division and Chief of the Ground Water Quality Bureau. NMED's approval of the CAR is based on the following proposed actions outlined below.

Description of Unauthorized Discharge and Immediate Corrective Action Taken

On March 23, 2021, HMC commenced transferring brine water from EP-2 to EP-1. During transfer, the discharge stream into EP-1 resulted in liner tears above the water level. Based on the duration of the discharge, the size of the tears in the liner, and the time of discovery, HMC estimates that a minimal volume of brine was lost through the liner. The evaporation ponds are constructed on top of the Small Tailing Pile, so the brine was released into the underlying tailing which contains highly impacted water. The CAR indicates HMC performed repairs to the EP-1 liner on March 25, 2021. Additional corrective actions will include placement of another section of HDPE liner on top of the liner that was repaired and placing conveyor belt material (sediment from EP-2) on top of the new liner. The new liner will be placed directly under the discharge pipe from EP-2 and extended to the water line to prevent future tears in this location.

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 approval of the CAR does not relieve the permittee of its responsibility to comply with any other applicable federal, state and/or local laws and regulations.

Please contact Ashlynn Winton of MECS at (505) 660-8926 or ashlynn.winton@state.nm.us with any questions.

Sincerely,

Rebecca Roose, Director
Water Protection Division

RR:AW

cc: Ron Linton, NRC (signed copy: ron.linton@nrc.gov)
Mark Purcell, EPA (signed copy: Purcell.mark@epa.gov)
Kurt Vollbrecht, MECS Program Manager (signed copy: kurt.vollbrecht@state.nm.us)
Anne Maurer, Mining Act Team Leader, MECS (signed copy: anne.maurer@state.nm.us)