



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

August 9, 2021

Mr. Brad Bingham  
Closure Manager  
Grants Reclamation Project  
Homestake Mining Company of California  
P.O. Box 98/Highway 605  
Grants, NM 87020

SUBJECT: HOMESTAKE MINING COMPANY OF CALIFORNIA, U.S. NUCLEAR  
REGULATORY COMMISSION REQUEST FOR ADDITIONAL INFORMATION,  
2021 FINANCIAL SURETY FOR AMENDMENT TO LICENSE NO. SUA-1471,  
DOCKET 040-08903

Dear Mr. Bingham:

By letter dated March 30, 2021, the Homestake Mining Company of California (HMC, or the licensee) submitted to the U.S. Nuclear Regulatory Commission (NRC), its financial surety package regarding the estimated closure guarantee for 2021 for the Homestake's Grants Reclamation Project, pursuant to License Condition 28 (Agencywide Documents Access and Management System [ADAMS] Accession No. ML21090A167). The NRC accepted the submission for review in letter dated June 14, 2021 (ADAMS Accession No. ML21160A020).

The NRC staff has initiated its detailed technical review and has identified information needed to be able to complete the review. The information needed to continue the NRC staff review is described in the enclosed request for additional information (RAI). Responses to the enclosed RAI should be provided by September 30, 2021. If HMC is unable to meet this response date, please notify the NRC staff, within two weeks of receipt of this letter, of your new submittal date. If the RAI response does not provide sufficient information, the NRC staff will notify the licensee if the information provided is not acceptable.

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's ADAMS. ADAMS is accessible from the NRC Web site at <https://www.nrc.gov/reading-rm/adams.html>.

B. Bingham

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If you have any questions regarding this matter, please contact me at 301-415-7777, or via e-mail at [Ron.Linton@nrc.gov](mailto:Ron.Linton@nrc.gov).

Sincerely,



Signed by Linton, Ron  
on 08/09/21

Ron C. Linton, Project Manager  
Uranium Recovery and Materials  
Decommissioning Branch  
Division of Decommissioning, Uranium Recovery  
and Waste Programs  
Office of Nuclear Material Safety  
and Safeguards

Docket No.: 040-08903

License No.: SUA-1471

Enclosure: as stated

SUBJECT: HOMESTAKE MINING COMPANY OF CALIFORNIA, U.S. NUCLEAR REGULATORY COMMISSION REQUEST FOR ADDITIONAL INFORMATION, 2021 FINANCIAL SURETY FOR AMENDMENT TO LICENSE NO. SUA-1471, DOCKET 040-08903. Date: August 09, 2021.

**DISTRIBUTION:**

- R. Evans, RIV
- L. Gersey, RIV
- H. Gepford, RIV
- P. Holahan, DUWP
- A. Roberts, DUWP

Homestake ListServ

**ADAMS Accession No.:** ML21215A578

\*concur via e-Concurrence

OFFICE	NMSS/DUWP/URMDB	NMSS/REFS/FAB	NMSS/REFS/FAB
NAME	RLinton*	SMcCarthy*	KKline*
DATE	08/06/2021	08/09/2021	08/09/2021
OFFICE	NMSS/DUWP/URMDB	NMSS/DUWP/URMDB	
NAME	BvonTill*	RLinton*	
DATE	08/09/2021	08/09/2021	

**OFFICIAL RECORD COPY**

**U.S. Nuclear Regulatory Commission (NRC) Request for Additional Information (RAI)  
Homestake Mining Company of California (HMC), Financial Surety,  
License Amendment Request, Materials License SUA-1471**

**RAI-1**

Clarify the number of wells abandoned in 2020.

**Discussion**

In the March 30, 2021, Financial Surety License Amendment Request, HMC indicated that it had abandoned 394 wells as work performed in 2020 at a cost of \$1890/well. However, these numbers could not be verified by NRC staff due to conflicting well closure numbers cited in several HMC publications.

**The July – Dec 2020 Semi-Annual Report (Agencywide Documents Access and Management System [ADAMS] Accession No. ML21067A499) stated the following:**

**3.4 Well Drilling and Closures**

Four new wells were drilled during the period from July through December of 2020 as indicated in Table 3.4-1 while 394 tailings wells were abandoned.

**The 2020 Annual Monitoring Report / Performance Review for HMC Grant's Project (ADAMS Accession No. ML21090A190) stated the following:**

**3.1 TAILINGS OPERATIONS**

Tailings well locations are shown on Figures 3.1-1, 3.1-1A and 3.1-1B. The tailings wells on the outslope of the LTP [Large Tailing Pile] are shown on Figure 3.1-1 while the wells on top of the LTP are shown on Figures 3.1-1A and 3.1-1B for the west and east half of the LTP respectively. These three figures show locations for wells that have been abandoned, wells permitted to be abandoned, and wells that are planned to be preserved for monitoring of the tailings. Two hundred and fifty-seven [257] wells were abandoned in 2020.

**The Grants Reclamation Project 2020 Annual Engineer of Record (EOR) Inspection March 24, 2021 - Executive Summary (contained in the 2020 Annual Monitoring Report) stated the following:**

Executive Summary:

Plugging and abandonment of injection, recovery, and monitoring wells on top of the LTP began in 2018 and is scheduled for completion in 2021. HMC plugged and abandoned 394 tailings wells on the top surface of the LTP in 2020. Six permitted wells will remain in place after well abandonment is complete, in addition to a few other existing well locations to be agreed upon with the regulatory agencies in 2021.

**The Grants Reclamation Project 2020 Annual EOR Inspection March 24, 2021 –  
4.2 LARGE TAILINGS PILE (contained in the 2020 Annual Monitoring Report) stated  
the following:**

**4.2 LARGE TAILINGS PILE**

**4.2.1 Inspection**

HMC's subcontractor was on site performing well abandonment on the LTP. Photos of well abandonment activities are included in Appendix B. HMC plugged and abandoned 156 tailings wells on the top surface of the LTP in 2020. Plugging and abandonment of injection, recovery, and monitoring wells on top of the LTP began in 2018 and is scheduled for completion in 2021. Six permitted wells will remain in place after well abandonment is complete, in addition to a few additional well locations to be agreed upon with the regulatory agencies in 2021.

Basis

Title 10 CFR Part 40, Appendix A, Criterion 9 (f) states, in part, the amount of surety liability should be adjusted to recognize any increases or decreases resulting from: (3) Activities performed.

**RAI-2**

Provide a completed NRC Form 313 for the 2021 financial surety update.

Discussion

The proposed change in surety amount will result in a license amendment. NRC Form 313 is required as the request, if approved, will result in a license amendment.

Basis

Title 10 CFR Section 40.44, states:

*Applications for amendment of a license shall be filed on NRC Form 313 in accordance with [10 CFR] 40.31 and shall specify the respects in which the licensee desires the license to be amended and the grounds for such amendment.*