



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6

1445 ROSS AVENUE, SUITE 1200

DALLAS, TX 75202-2733

MAY 04 2000

40-8903

Mr. Roy R. Cellan
Corporate Manager, Reclamation
Homestake Mining Company
Highway 605
P.O. Box 98
Grants, New Mexico 87020

Dear Mr. Cellan:

This letter is a follow-up to our meeting at your offices in Grants, New Mexico, on March 14, 2000, and subsequent conversations concerning the deletion of Homestake Mining Company from the National Priority List (NPL). Those in attendance included yourself and your staff from Homestake Mining Company of California (HMC), representatives from the Nuclear Regulatory Commission (NRC), the New Mexico Environment Department (NMED), myself and a colleague of mine from the Environmental Protection Agency (EPA), Region 6 office in Dallas. We discussed what would be required before EPA could initiate the process to delete the site and the support we would need from all the other stakeholders.

In the 1989 Record of Decision (ROD), EPA recommended a formalized agreement be developed between EPA and NRC governing the remedial action at the HMC site. In 1992, a Memorandum of Understanding (MOU) was signed. The MOU's purpose is to ensure that the cleanup and closure of the HMC site is conducted in a manner that protects human health and the environment and eliminates dual regulation and oversight of HMC from the federal government. In accordance with the MOU, EPA maintains its authority to review and provide comments on any requested amendments to the site license. NRC will also seek concurrence from EPA on any such license amendments that affect the site closure plans. We discussed at the meeting some of the supporting arguments for deleting the site such as minimizing the amount of direct federal oversight of HMC's closure activities by the NRC and EPA.

During the meeting, we discussed the need to conduct a Superfund Five-Year Review of the site prior to initiating the deletion process. This review will provide EPA and NMED with sufficient information to determine if current site conditions still support the "No Further Action" decision outlined in the 1989 ROD. This review will also provide area residents with information on current site conditions, activities, and future plans.

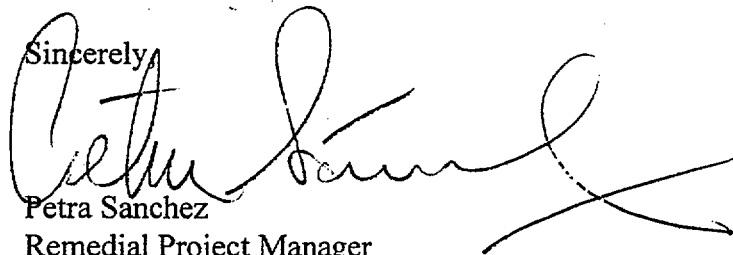
The general purpose for performing a Five-Year Review at the HMC site is to determine whether the decision made by EPA regarding a remedy for the site continues to be protective of

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human health and the environment. It is not intended to reconsider decisions made during the selection of the remedy. According to the Superfund law, a Five-Year Review must be conducted if both of the following conditions are true: (1) upon completion of the remedial action, hazardous substances, pollutants, or contaminants will remain above level that allow for unlimited use and unrestricted exposure and (2) the Record of Decision (ROD) for the site was signed on or after October 17, 1986 (the effective date of SARA). In the case of HMC, both of these conditions have been met.

We believe a review of the remedial action is necessary at this time to ensure that the conclusions about the site documented in the 1989 ROD are still valid and that the remedy remains appropriate. If you would like to discuss this further, please contact me at your earliest convenience. I may be reached at (214) 665-6686 to discuss options available for meeting our statutory requirements.

Sincerely,

A handwritten signature in black ink, appearing to read 'Petra Sanchez', with a long horizontal flourish extending to the right.

Petra Sanchez
Remedial Project Manager
US EPA Region 6

cc: Mr. Ken Hooks, Nuclear Regulatory Commission ✓
Ms. Birgit Landin, New Mexico Environment Department