OFFICE OF THE SECRETARY
CORRESPONDENCE CONTROL TICKET

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ACTION OFFICE:	EDO		

To: Strosnider, NMSS

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AUTHOR:	Larry Carver
AFFILIATION:	NM
ADDRESSEE:	Mr. Al Cox
SUBJECT:	Water quality for clean up of pollution from the Homestake Mill, Cibola County
ACTION:	Appropriate
DISTRIBUTION:	RF
LETTER DATE:	06/01/2005
ACKNOWLEDGED	No
SPECIAL HANDLING:	
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FILE LOCATION:	ADAMS
DATE DUE:	**DATE SIGNED:**

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Logged N4C 6/14/05

7339

June 1, 2005

Mr. Al Cox
Grants Site Manager
Homestake/Barrick Gold Corp.
P. O. Box 98
Grants, NM 87020

Dear Mr. Cox,

We appreciate your willingness to meet with our community and to attempt to clarify our position in your summary of that meeting in your recent correspondence. Rather than respond to your points, we thought it would be simpler to outline what we consider acceptable solutions. They are as follows:

1. Drill each current landowner a well into the San Andres aquifer to enable us to return to watering gardens and livestock; provide a filtration system so that this water could be used for drinking; AND move the tailings to a lined site with no potential for future contamination. We would only accept this option if we were assured existing injection wells are not contaminating the San Andres and that there is no threat of such contamination until the tailings are removed.

2. Buy our properties at the price for which they would have been valued if the contamination had not occurred.

At a recent association meeting, we discussed the third option, which was to relocate the entire community, and decided it was not viable. There are no parcels large enough with similar water rights and soil conditions. Replacing homes and mature landscaping would be prohibitive. It was agreed that as attractive as this solution might seem, it was not possible in the Grants-Milan area.

We believe the first option is in the best interests of the surrounding community and has the best chance of protecting Milan residents' water supply from future contamination. We also prefer option 1 because it allows us to remain with our friends and neighbors and resume the lives we expected to live when we moved to this community. Many in our community are of an age that they would have a difficult time starting over elsewhere.

Although we have been told option 1 is too expensive, we maintain there are parties other than Homestake, including state and federal agencies, that have contributed to this situation and could be expected to help provide a solution.

We would like to convene a meeting in July with decision-makers from Homestake, EPA, NRC, and NMED as well as our elected officials to discuss our situation. We will be

sending copies of this letter to each and will look forward to replies suggesting dates for that meeting. Please know that we will not be willing to meet unless our elected officials are able to attend.

We are also enclosing our response to proposed background levels for groundwater remediation at the site. Homestake and the government agencies are using what we realize are sophisticated calculations and we understand many people have worked very hard to produce those calculations, but they are based on previously contaminated samples. In essence, you are suggesting that we were drinking polluted water before Homestake began their milling operations and so you will try to return our groundwater to those polluted levels. Your evidence for that claim is flawed. While we may understand Homestake proposing such unacceptable levels in order to save Barrick Gold from even more expense, we are hoping the state and federal agencies will act to protect our health and will reject Homestake's proposal and revise their own calculations based on the evidence we have provided. We are quite sure those making these unfair proposals would not be willing to let their families use water at the levels suggested and neither are we.

Sincerely,

Larry Carver

Larry Carver, President
Murray Acres Community Association
Member signatures attached
P.O. Box 2970
Milan, NM 87021
Enclosures

Distribution:

President George W. Bush
Nils J. Diaz, United States Nuclear Regulatory Commission
Michael O.Leavitt, U.S.Environmental Protection Agency
Ron Curry, NM Environment Department
Governor Bill Richardson
Senator Joseph A. Fidel
Representative George J. Hanosh
Representative Ken W. Martinez
Representative Heather Wilson
Representative Steve Pearce
RepresentativeTom Udall
Senator Jeff Bingaman
Senator Pete Domenici
William von Till, United States Nuclear Regulatory Commission
Sai Appaji, U. S. Environmental Protection Agency

Mark Purcell, U. S. Environmental Protection Agency
Kevin Myers, New Mexico Environment Department
Dana Bahar, New Mexico Environment Department
Jerry Schoeppner, New Mexico Environment Department
Mike Huber, New Mexico Environment Department
Bill Olsen, New Mexico Environment Department
Jake Ingram, New Mexico Environment Department
Gregory Wilkins, Barrick Gold Corp.
Lawrence Parnell, Barrick Gold Corp.
Al Cox, Barrick Gold Corp.
Office of the New Mexico State Engineer
Southwest Research and Information Center

May 27, 2005

Ron Curry, Cabinet Secretary
State of New Mexico Environment Dept.
P. O. Box 261100
Santa Fe, New Mexico 87502-0110

Re: Establishment of Background Water Quality for Clean up of Pollution from the Homestake Mill, Cibola County

Dear Mr. Curry:

As you are aware, the quality of water in the San Mateo alluvial (and now the Chinle formation) has been contaminated by Homestake Mining Company's mill.

This aquifer has also been contaminated by the mining and milling in the Ambrosia Lake area during the years that the mines and the mills were allowed to dump their water into the arroyos that flow into the San Mateo drainage. This water ran as a stream to just above the curve on New Mexico 53 (now 605) in Section 6, T12N, R9W, where it soaked into the alluvial approximately 4 miles upstream of Homestake mill in Section 26, T12N, R9W.

Based on my experience with groundwater flow in alluvial aquifers, the flow rate can be as high as 200 ft. per day. At a 10 ft. per day flow rate, it required only 5–6 years to reach the Homestake mill and Murray Acres area. I believe everyone agrees that some of the contamination has come from the Ambrosia Lake activities prior to this discharge being stopped in the 1980s.

Therefore, we expect NMED, EPA & NRC to require cleanup to pre-mining-milling conditions. We realize this will require cleanup above Homestake's millsite and will require the participation of not only Homestake but also Kerr McGee, Phillips (or NRC as they are now responsible for the Phillips Mill Site) as well as other producers that operated in the Ambrosia Lake area mining or milling and discharging water to the arroyos.

As the New Mexico Department of Public Health and the NM State Engineers Office both had knowledge of water samples that showed Homestake's mill ponds were polluting the alluvial aquifer less than 2 years after the mill start-up, we believe the State of New Mexico is also responsible for not stopping the pollution then or at a minimum, should have informed the public so that they could make decisions based on this knowledge.

If you review the pre-1958 data in the area of the Homestake mill, it is quite obvious the water was of good, potable quality. The samples in T12N, R10W, Sections 27. 29 and 30 and T11N, R10W, Sections 21, 22 and 26 average the following:

- sulfate 272
- chloride 38.4
- fluoride 0.44
- nitrate 10.09
- TDS 624
- Spec. Cond. 1021
- pH 7.56

As residents of this area and would-be users of these aquifers, we feel very strongly that the water must be cleaned to pre-1958 conditions and be kept clean in the future. Attached you will find the background levels our community finds acceptable. (See Exhibit-A, attached). This will require moving the tailings piles to lined ponds that are not on top of an alluvial aquifer. It may also require removing the contaminated soils below the existing tailings down to the alluvial aquifer.

Sincerely,

Milton Head

Milton Head,
Vice-President
Murray Acres Irrigation Association
P. O. Box 2038
Milan, New Mexico 87021

EXHIBIT - A

Background COCs Homestake - 1958 data

Avg. of these samples (rows 3–14)

#	Sampling Location	Year Compl.	Date Collected	D/W	TD	Sulfate	Chloride	Fluoride	Nitrate	TDS	Spec. Cond.	pH	Selenium	Uranium	Molybdenum	Vanadium	Thorium	Ra226/228
1	10.9.17.113	1946	[illegible]	41.9	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	6840	ns						
2	11.9.30.122a	1950	8/2/1956	41	105	ns	406	ns	ns	ns	3760	7.7						
3	11.10.21 221	1947	6/7/1957	64.1	180	147	16	0.4	8.2	451	898	7.6						
4	11.10.21 242	1948	7/24/1956	48	90	168	21	ns	ns	ns	761	7.6						
5	11.10 22 311	1946	7/24/1956	48.8	140	238	57	ns	ns	ns	942	7.6						
6	11.10.26.321	1948	5/7/1957	7.4	110	285	53	ns	3.1	ns	1170	7.4						
7	11 10.26.321a	1940?	10/21/1944	33.8	100+/-	199	27	0.3	5.7	555	863	ns						
8	11 10 26 321a	1940?	6/15/1955	33.8	100+/-	255	41	0.6	3.8	712	1000	7.4						
9	11 10.26 321b	1929?	12/16/1933		95	350	75	0.4	0	903	ns	ns						
10	12 10 27 244	1945	7/25/1956	90.5	371M	808	86	ns	10	ns	2060	7.7						
11	12 10 29 434	1944	7/12/1946	65.5	152	194	16	0.5	14	499	765	ns						
12	12.10 30 242	1930+/-	8/12/1953	88.4	160	ns	22	ns	ns	ns	981	ns						
13	12 10 30 242	1930+/-	6/28/1956	88.4	160	178	24	ns	26	ns	906	7.5						
14	12 10 30 242	1930+/-	5/7/1957	107	160	172	24	ns	20	ns	885	7.7						
15	12 11 11 334	1948	6/27/1956	122	160	258	32	ns	18	ns	960	7.3						
16	12 11 11 334	1948	5/9/1957	122	160	252	32	ns	14	ns	925	7.7						
17	12 11 14 213	1949	7/23/1956	98.3	115	119	8	ns	0.9	ns	604	7.4						
						6463	1695	2.9	124.8	8620	24320	90.6						
	Average					430.9	99.7	0.48	10.4	1437	1520	7.55						
	Median					238	32	0.5	14	712	942	7.6						
	HMC Proposed					1870	112		23	3060			0.14	0.15	0.05	0.02	0.3	5
	WQCC					600	250		10	1000		6-9	0.05	0.03	1			30
	Proposed by Murray Acres Irrigation					272	38.4	0.44	10.09	624	1021	7.56	Should meet drinking water standards State & Federal					

CHAIRMAN REC'D

05 JUN 14 PM 3:36