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January 31, 1997

40-8904
Kennecott

Charlotte Abrams
High Level Waste and Uranium Recovery Branch,
Division of Waste Management NMSS (5E2)
U. S. Nuclear Regulatory Commission
11555 Rockville Pike
Rockville, Maryland 20850

**Subject: Sohio Western Mining Co.
 L-Bar, New Mexico
 License SUA-1472
 NMED DP-150**

Dear Ms. Abrams:

Enclosed are two copies of the 1996 Review Report: L-Bar Groundwater Corrective Action Program. Also enclosed are two copies of the Semi-Annual Groundwater Monitoring Report-- Second Half, 1996.

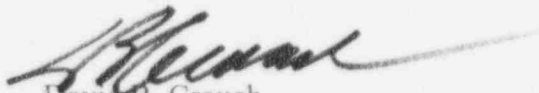
We believe the data documents that the groundwater protection program at the L-Bar site continues to perform as designed. Based on the extensive hydrogeological investigation of the tailings during 1995-96, it was concluded that the toe drain component of the system had served its purpose and was no longer a significant factor in the drainage of the tailings or groundwater protection. Therefore, this system was taken out of service in July 1996.

In anticipation of final closure requirements, we are currently conducting groundwater flow, contaminant transport, and geochemical modeling studies for the site. When the results of these studies are available, we believe it would be mutually beneficial to discuss them together with the tailings characterization conclusions we recently submitted to NRC.

By copy of this letter, we are also providing copies of the reports to Region IV and the New Mexico Environment Department.

Please advise if you have any questions.

Sincerely,



David B. Crouch
On behalf of Sohio Western Mining Co.

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Enclosures

cc: Katherine Everett, NMED
Linda McLean, Reg. IV
Tom Osborn, INTERA w/o Encl.