

HRI, Inc.

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November 6, 1996

Mr. Joseph J. Holonich, Chief
Uranium Recovery Branch
Division of Waste Management
NMSS (T-7-J9)
Nuclear Regulatory Commission
11545 Rockville Pike
Rockville, MD 20850

Dear Mr. Holonich:

This letter is in response to your letter of November 1, 1996 regarding clarification of NRC's position with respect to primary and secondary groundwater restoration goals for the Crownpoint, New Mexico in-situ leach mining project, and to request HRI's acknowledgment and acceptance of NRC's position in writing. (HRI also notes that these restoration goals would be applicable to the Churchrock and Unit One projects.)

First, HRI agrees without reservation that the primary goal of restoration shall be baseline (background) as established based on a wellfield average of samples from wells drilled for production of uranium in each of the project areas.

Second, HRI agrees with the NRC that, where achieving primary restoration goals is impracticable, secondary goals should be the United States EPA standards of prior use, namely drinking water standards, for those parameters that currently meet drinking water standards within the wellfield areas.

Third, there have been some difficulties in reaching an understanding between the NRC and HRI on secondary water quality constituents for which no EPA standards have been established, primarily because no adverse health effects are indicated for such constituents. For example, bicarbonate, carbonate, calcium, magnesium, sodium and potassium have no State or Federal standards. HRI had not proposed unlimited allowable increases in concentration as secondary standards for these constituents, but rather, since they are the dominant portion of total dissolved solids (TDS), that the maximum allowable EPA drinking water standard for TDS of 500 mg/liter would effectively serve as a "cumulative" limit. Thus, under HRI's original proposal, the individual constituents, taken both individually and together, would not be allowed to exceed this "cumulative" standard of 500 mg/liter TDS. HRI understands that this proposal is not

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necessarily unacceptable to NRC, but that the required evaluation could not be achieved in order for the FEIS to be completed in 1996.

Therefore, because HRI's original proposal would require additional time for analysis by the NRC staff, HRI agrees, consistent with the past and current provisions and accepted standards applicable to other NRC ISL licenses, that:

(1) Secondary restoration goals for the mine groundwater constituents that are not subject to current Federal standards, will be based on a baseline average of samples from production wells to be drilled in the proposed wellfields on a parameter by parameter basis (i.e. except for barium and flouride for which HRI has proposed using the more stringent State standard.),

(2) Consistent with relevant statutory and regulatory provisions as well as the provisions of other NRC ISL licenses, if HRI finds it impracticable to restore to primary or secondary goals, HRI may request a license amendment from the NRC allowing some change in restoration requirements on a parameter by parameter basis, and,

(3) HRI further re-states its commitment that the company will replace water wells in the town of Crownpoint as an additional element of HRI's and NRC's defense in depth approach to protecting the water quality of water being consumed by local residents.

Sincerely,

Richard Clement
By Craig Bartlett

Richard F. Clement, Jr.
President

RFC/amt

cc: Tony Thompson
Mark Pelizza