



State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
and the
ENVIRONMENT DEPARTMENT

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Electronic Transmission

October 14, 2022

Lance Hauer
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Legacy Site Team Leader – Environmental Remediation
Global Operations, Environment, Health & Safety
General Electric Company
c/o Angelica Todd
1 River Road
Bldg. 5, 7th Floor West
Schenectady, NY 12345-6000

Re: Permit requirements for the Section 27 Mine, McKinley County

Mr. Hauer,

The New Mexico Environment Department (NMED) and the Energy, Minerals and Natural Resources Department, Mining and Minerals Division (MMD) (the Agencies) are jointly submitting this letter to United Nuclear Corporation (UNC). The purpose of this letter is to address outstanding permitting requirements for the Section 27 former uranium mine under the New Mexico Water Quality Act and the New Mexico Mining Act.

Project History

NMED – In 2004, NMED sent an abatement plan required letter to UNC. The request was made based on site inspections and water quality results exceeding New Mexico Water Quality Control Commission (WQCC) standards promulgated in 20.6.2.3103 NMAC for iron, manganese, radium 226, sulfate, total dissolved solids, and uranium. In 2006, UNC submitted the Stage 1 Abatement Plan Proposal (S1APP). NMED conditionally approved the S1APP in 2006. Conditions of approval included a) materials characterization of the waste material, b) additional groundwater analysis, and c) reporting requirements. The final Stage 1 Abatement Report (S1AR) was submitted in 2007. NMED provided comments on the S1AR in December of 2007. The S1AR was revised and submitted again in 2008. A Sampling and Analysis plan was submitted in 2009. A second approval

letter was sent in 2010. In 2015, after submitting annual reports for five years, UNC requested an adjustment to the approved sampling program, which NMED approved on June 16, 2015.

MMD – In July 2003, MMD received a Permit Application and Site Assessment from UNC followed by the submittal of a Closeout Plan in January 2004. Based on MMD and agency comments UNC submitted a Revised Closeout Plan to MMD in August 2008 and a Supplement to the Closeout Plan in November 2008. MMD approved a reclamation only Permit No. MK005RE including the Closeout Plan in October 2009. In April 2010, UNC initiated reclamation in accordance with the approved Closeout Plan. In May 2010, MMD discovered additional surface radiological contamination within and outside, adjacent to the permit boundary that was not characterized in the previous site assessments. In June 2010, MMD sent a letter to UNC requiring the Closeout Plan be amended to reclaim the additional radiologically contaminated areas consistent with the reclamation plan for the ore and ball mill reject piles. In an August 2010 letter, UNC rejected MMD's request to amend the Closeout Plan for the additional radiologically contaminated areas. MMD sent a letter to UNC in September 2010 stating that if UNC did not amend the Closeout Plan that MMD would issue an appropriate order to comply. In October 2010, MMD received a letter from MWH on behalf of UNC including a Post-Reclamation Risk Evaluation for the Section 27 Mine that was followed by a letter in June 2011 with a Supplemental Characterization Survey Results Report. Also in June 2011, UNC applied for permit modification including a Supplemental Closeout Plan to MMD. MMD deemed the application administratively complete and began a technical review of the application under Modification 11-1. In March 2016, MMD and NMED drafted a "Joint Guidance for the Cleanup and Reclamation of Existing Uranium Mining Operations in New Mexico" (Joint Cleanup Guidance). The Joint Cleanup Guidance Radiation Cleanup Criteria for Existing Uranium Mines mirrors the USEPA UMTRCA "5/15 standard".

Recent Activity

The Agencies visited the site in 2017. The Agencies observed erosion, animal burrows and inactive mine infrastructure present.

NMED - UNC has continued to submit timely Annual Groundwater Characterization reports to NMED pursuant to the approved S1APP. The 2019 Annual Groundwater Characterization report stated groundwater sampling would not continue. In a letter dated January 12, 2021, NMED informed UNC the approved monitoring program shall continue. In 2022, NMED was contacted by a party interested in purchasing some of the property impacted by activities at the Section 27 mine. Known as the Schmidt section, this area has not been remediated to the soil clean-up levels applied to the UNC-owned areas and will require additional characterization and remediation.

MMD - In February 2018, MMD sent UNC comments on the Supplemental Closeout Plan indicating that UNC should revise the Supplemental Closeout Plan to meet the Joint Cleanup Guidance Radiation Cleanup Criteria. In June 2018, UNC sent a letter in response to comments MMD made on the Supplemental Closeout Plan. UNC refused to apply the Joint Cleanup Guidance to the Supplemental Closeout Plan with respect to soil cleanup levels.

Next Steps

As stated in the May 30, 2006 letter from NMED to UNC, the surface soil is in direct contact with groundwater, and thus the clean-up of the impacted surface soil is a critical piece to addressing known groundwater contamination. An August 14, 2006 letter from UNC to NMED documented a conversation between NMED and UNC, stating NMED will provide the environmental determination for the Mining Act permit, with the understanding that the abatement process would also be completed. In order to continue addressing groundwater contamination under abatement and surface clean-up under both abatement and the Mining Act, the Agencies request the following:

1. NMED requests UNC submit a Stage 2 Abatement Plan Proposal (S2APP) pursuant to Section 20.6.2.4106.D NMAC. Details of the required procedure and elements of the S2APP and associated documentation can be found in Sections 20.6.2.4106.E, 20.6.2.4108.B, 20.6.2.4109.E, 20.6.2.4110 and 20.6.2.4111 NMAC. NMED requests that the S2APP address the outstanding items from the February 5, 2009 letter from NMED to UNC including:
 - a. SPLP analysis from the Materials Characterization Plan
 - b. baseline concentrations in groundwater
 - c. groundwater flow within the regional aquifer system
 - d. any new applicable information from regional groundwater modeling updates
2. MMD requests that UNC comply with MMD's 2018 request to revise the Supplemental Closeout Plan to meet the Joint Cleanup Guidance.

The Agencies request a response from UNC in 45 days to address the timing of the requested items above.

Please contact respective NMED and MMD permit leads Amber Rheubottom 505-660-2379 amber.rheubottom@state.nm.us and David Ohori 505-216-8945 or David.ohori@state.nm.us with any questions regarding permitting issues for the Section 27 Mine.

Sincerely,



Joseph Fox
Mining Environmental Compliance Section
Ground Water Quality Bureau - NMED

Holland Shepherd
Mining Act Reclamation Program
Mining and Minerals Division - MMD

cc: Jerry Schoeppner, MMD Director, EMNRD
John Rhoderick, Acting Director, NMED Water Protection Division
Anne Maurer, Team Leader, NMED MECS
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Mine File (MK005RE)