UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1445 ROSS AVENUE, SUITE 1200
DALLAS TX 75202-2733

CERCLA 104(e) INFORMATION REQUEST
URGENT LEGAL MATTER: PROMPT REPLY REQUESTED
VIA CERTIFIED MAIL – RECEIPT NO. 7004 1160 0003 0353 6032

Larry Bush
United Nuclear Corporation
State Highway 566
21 Miles Northeast Gallop
(P.O. Box 3077)
Gallup, NM 87301

JUN 08 2011

Re: 104(e) Information Request
San Mateo Creek Basin Legacy Uranium Sites
Cibola/McKinley County, New Mexico SSID No. A6K6

Dear Mr. Bush:

The U.S. Environmental Protection Agency (EPA) seeks cooperation from the United Nuclear Corporation (United Nuclear) in providing information and documents relating to certain mines located within the San Mateo Creek Basin Region in northwest New Mexico (Site). Obtained information will aid the EPA in its investigation of the release or threat of release of certain hazardous substances, pollutants or contaminants within the San Mateo Creek Basin. United Nuclear's response will also help EPA develop a better understanding of activities that occurred at the Site.

This information request is not a determination that your company is responsible or potentially responsible for contamination that occurred at the Site. The EPA is sending this letter as part of its investigation of the Site and does not expect your company to pay for or perform any site-related activities at this time. If EPA determines that your company is responsible or potentially responsible for response activities at the Site, your company will receive a separate letter clearly stating such a determination as well as the basis EPA has for the determination.

The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Section 104(e), 42 U.S.C. § 9604(e), gives EPA the authority to require that United Nuclear respond to this information request (see Enclosure 1). We encourage your company to give this matter its full attention, and ***we respectfully request that United Nuclear respond to this request for information within thirty (30) days of its receipt of this letter***. You may designate another official of United Nuclear with the requisite authority to respond on behalf of the company. However, failure to respond to this information request may result in EPA seeking penalties of up to $37,500 per day of violation. In addition, furnishing false, fictitious or fraudulent statements or representations is subject to criminal penalty under 18 U.S.C. § 1001.

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Please provide a written response to Mr. Stephen Capuyan, Enforcement Officer, at the address included in the Information Request. Please refer to the enclosures below, which include important instructions and definitions, as well as the questions for response, in the preparation of your reply to this Information Request.

If you have any questions regarding this letter, contact Mr. Capuyan at (214) 665-2163. For legal questions concerning this letter, please have your legal counsel contact Ms. Pam Travis, Senior Assistant Regional Counsel, at (214) 665-8056. Thank you for your attention to this matter.

Sincerely yours,

Wren Stenger, Associate Director
Technical and Enforcement Branch
Superfund Division

Enclosures (3)

cc: CT Corporation System, Registered Agent(s)

ENCLOSURE 1

SAN MATEO CREEK BASIN LEGACY URANIUM SITES (A6K6) INFORMATION REQUEST

RESPONSE TO INFORMATION REQUEST

Under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), commonly known as the federal "Superfund" law, the U.S. Environmental Protection Agency (EPA) responds to the release or threat of release of hazardous substances, pollutants or contaminants into the environment to stop additional contamination and to clean-up or otherwise address any prior contamination.

EPA is requesting information under CERCLA Section 104(e). Section 104(e) may be found in the United States Code (U.S.C.) at Title 42 Section (section is denoted by the symbol "§") 9604(e). 42 U.S.C. §9604(e).

Pursuant to the authority of CERCLA §104(e), you are hereby requested to respond to the enclosed information request. If you have any questions concerning the Site's history or this information request letter, please contact Mr. Stephen Capuyan, the designated Enforcement Officer for the Site, at phone number (214) 665-2163, fax number (214) 665-6660 or via email at Capuyan.Stephen@epa.gov. Please mail your response within 30 calendar days of your receipt of this request to the following address:

Mr. Stephen Capuyan, Enforcement Officer
Superfund Enforcement Assessment Section (6SF-TE)
U.S. EPA, Region 6
1445 Ross Avenue
Dallas, TX 75202-2733

If you or your attorney has legal questions that pertain to this information letter request, please contact Ms. Pam Travis at phone number (214) 665-8056, fax number (214) 665-6660 or via email at Travis.Pamela@epa.gov. For contact via mail, use the following address:

Ms. Pam Travis, Senior Assistant Regional Counsel
Office of Regional Counsel (6RC-S)
U. S. EPA Region 6
1445 Ross Avenue
Dallas, Texas 75202-2733

BACKGROUND INFORMATION

The San Mateo Creek Legacy Uranium Mine Site (Site), located in an area known as the Grants Mining District, comprises an area of 100 miles by 25 miles that was the primary location of uranium extraction and production activities in New Mexico from the 1950s until late into the 20th century. The Grants Mining District extends along the southern margin of the San Juan basin in Cibola, McKinley, Sandoval, and Bernalillo counties as well as Tribal lands. Three mining sub-districts located within the Grants Mining District-Ambrosia Lake, Laguna, and Marquez-contain an estimated 96 legacy uranium mines with recorded uranium ore production outside of the boundaries of the Navajo Nation (mines that are located on lands within the boundaries of the Navajo Nation are being addressed in detail in the Health and Environmental Impacts of Uranium Contamination in the Navajo Nation Five-Year Plan). During the operational period, many of the larger mines conducted extensive dewatering to access ore below the water table. Most effluent from dewatering received little or no treatment before discharge to the ground or surface drainages during the majority of the mine operational period, causing perennial stream flows in major drainages. The extensive dewatering operations significantly changed areal hydrologic conditions, resulting in continuing influx of oxygenated ground water to areas that were dewatered during the mine operational period. Impacts to ground water from these discharges were noted both in a 1975 Environmental Protection Agency document titled "Summary of Ground-Water Quality Impacts of Uranium Mining and Milling in the Grants Mineral Belt, New Mexico" and a 1986 New Mexico Environmental Improvement Division (predecessor agency of New Mexico Environment Department) document. Other environmental impacts may have been caused by erosion and leaching of mine waste materials, some of which were deposited into arroyos where it remains to the present-day, and by the reported operation of on-site heap-leach and stope-leaching operations. Few of the legacy uranium mine sites have undergone surface reclamation, and many have physical hazards that remain such as open adits and shafts, as well as uncontrolled waste rock and ore piles on-site.

Residents within the Ambrosia Lake and Laguna sub-districts primarily rely on private wells for residential-domestic, stock-watering, and agricultural uses. Legacy uranium mining and milling operations generated liquid wastes that included water produced from mine dewatering and aquifer depressuring operations, and process waters from unlined on-site ore leach pads, evaporation and tailing ponds, heap- and stope-leaching, and uranium milling operations. These wastes were discharged to the alluvium directly, as well as via impoundment infiltration and overflow. From mining operations alone, approximately 80 billion gallons of mine water was extracted from the subsurface, with the majority discharged to the surface over a 30-year period. Effluent discharges that occurred prior to the establishment of state and federal ground water regulations had little or no treatment prior to discharge directly to the land surface or to surface water channels. These effluents that were discharged to alluvium during legacy uranium site operations, as well as subsequent runoff from contaminated soils continuing to the present and may impact regional bedrock drinking water aquifers that are accessed by scattered private residences and nearby municipal water systems. Additionally, extensive dewatering during underground mine operations created a regionally-extensive cone of depression, into which oxygenated ground water currently is flowing, and possibly dissolving and mobilizing unmined uranium and associated contaminants.

ENCLOSURE 2

SAN MATEO CREEK BASIN LEGACY URANIUM SITES (A6K6)
INFORMATION REQUEST

INSTRUCTIONS and DEFINITIONS

INSTRUCTIONS

1. Please provide a separate narrative response for each and every Question and subpart of a Question set forth in this Information Request.

2. Precede each answer with the Question (or subpart) and the number of the Question (and the letter of a subpart of a Question, if applicable) to which it corresponds.

3. If information or documents not known or not available to you as of the date of submission of a response to this Information Request should later become known or available to you, ***you must supplement*** your response to the U.S. Environmental Protection Agency (EPA). Moreover, should you find, at any time, after submission of your response, that any portion of the submitted information is false or misrepresents the truth, or, though correct when made, is no longer true, you must notify EPA of this fact as soon as possible and provide EPA with a corrected response.

4. For each document produced in response to this Information Request, indicate on the document, or in some other reasonable manner, the number of the Question (and the letter of a subpart of a Question, if applicable) to which it responds.

5. You may assert a business confidentiality claim covering part or all of the information which you submit in response to this request. Any such claim must be made by placing on (or attaching to) the information, at the time it is submitted to EPA, a cover sheet or a stamped or typed legend or other suitable form of notice employing language such as "trade secret," "proprietary," or "company confidential." Confidential portions of otherwise non-confidential documents should be clearly identified and may be submitted separately to facilitate identification and handling by EPA. If you make such a claim, the information covered by that claim will be disclosed by EPA only to the extent, and by means of the procedures, set forth in subpart B of 40 CFR Part 2. If no such claim accompanies the information when it is received by EPA, it may be made available to the public by EPA without further notice to you. The requirements of 40 CFR Part 2 regarding business confidentiality claims were published in the Federal Register on September 1, 1976, and were amended September 8, 1976, and December 18, 1985.

6. Personal Privacy Information. Personnel and medical files, and similar files the disclosure of which to the general public may constitute an invasion of privacy should be segregated from your responses, included on separate sheet(s), and marked as "Personal Privacy Information."

7. Objections to questions. If you have objections to some or all the questions within the Information Request Letter, you are still required to respond to each of the questions.

DEFINITIONS

The following definitions shall apply to the following words as they appear in this enclosure:

1. The terms "and" and "or" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of this Information Request any information which might otherwise be construed to be outside its scope.

2. The term "any", as in "any documents" for example, shall mean "any and all."

3. The term "arrangement" means every separate contract or other agreement between two or more persons.

4. The terms "document(s)" and "documentation" shall mean any object that records, stores, or presents information, and includes writings of any kind, formal or informal, whether or not wholly or partially in handwriting, including by way of illustration and not by way of limitation, any invoice, manifest, bill of lading, receipt, endorsement, check, bank draft, canceled check, deposit slip, withdrawal slip, order, correspondence, record book, minutes, memorandum of telephone and other conversations including meetings, agreements and the like, diary, calendar, desk pad, scrapbook, notebook, bulletin, circular, form, pamphlet, statement, journal, postcard, letter, telegram, telex, telecopy, telefax, report, notice, message, analysis, comparison, graph, chart, map, interoffice or intra office communications, photostat or other copy of any documents, microfilm or other film record, any photograph, sound recording on any type of device, any punch card, disc pack; any tape or other type of memory generally associated with computers and data processing (together with the programming instructions and other written material necessary to use such punch card, disc, or disc pack, tape or other type of memory and together with the printouts of such punch card, disc, or disc pack, tape or other type of memory); and (a) every copy of each document which is not an exact duplicate of a document which is produced, (b) every copy which has any writing, figure or notation, annotation or the like on it, (c) drafts, (d) attachments to or enclosures with any document and (e) every document referred to in any other document.

5. The term "identify" means, with respect to a natural person, to set forth the person's name, present or last known business and personal addresses, email address(es), and telephone numbers, and present or last known job title, position or business. Also provide e-mail addresses.

6. The term "identify" means, with respect to a corporation, partnership, business trust or other association or business entity (including, but not limited to, a sole proprietorship), to set forth its full name, address, and legal form (e.g. corporation [including state of incorporation], partnership, etc.), organization, if any, a brief description of its business, and to indicate whether or not it is still in existence and, if it is no longer in existence, to explain how its existence was terminated and to indicate the date on which it ceased to exist. Also provide e-mail addresses.

7. The term "identify" means, with respect to a document, to provide the type of document, to provide its customary business description, its date, its number, if any (invoice or purchase order number), subject matter, the identity of the author, addressor, addressee and/or recipient, and the present location of such document.

8. *The term* "person" shall have the same definition as in Subsection 101 (21) of CERCLA, 42 U.S.C. § 9601 (21).

9. The term "Site" shall mean and include the San Mateo Creek Basin Legacy Uranium Mines located in Cibola and McKinley Counties, New Mexico.

10. The term "you" or "Respondent" shall mean the addressee of this Request, the addressee's officers, managers, employees, contractors, trustees, partners, successors and agents.

11. Words in the masculine shall be construed in the feminine, and vice versa, and words in the singular shall be construed in the plural, and vice versa, where appropriate in the context of a particular question or questions as necessary to bring within the scope of this Information Request any information which might otherwise be construed to be outside its scope.

14. All terms not defined herein shall have their ordinary meaning, unless such terms are defined in CERCLA, RCRA, 40 CFR Part 300 or 40 CFR Parts 260-280, in which case the statutory or regulatory definitions shall apply.

ENCLOSURE 3

SAN MATEO CREEK BASIN LEGACY URANIUM SITES (A6K6)
INFORMATION REQUEST

QUESTIONS

Mining Operations

1. Please identify those individuals who assisted in the preparation of this information response. For each individual, provide the following: name, current or last known address and telephone number.

For each mine listed below, answer questions 2 through 7.

Mine Name	Known Alias(es)
Ann Lee	Phillips No. 1, Section 28, Spider Rock
John Bully	John Bully Shaft
Sandstone	Section 34
Section 32	UN-HP
Section 12	Dysart Group, Tana and Alto
Dysart No. 2	Section 11, SE Shaft
Mary No. 1	Section 11 NWQ, Dysart No. 3

2. Identify and describe any portion of the mine or assets at the mine owned, operated, leased, or mined or explored by the Respondent, and the dates during which the mine was owned operated, leased, mined, or explored, including areas where borings were taken and provide copies of all documents evidencing or relating to such ownership, operation, or lease, including but not limited to purchase and sale agreement, royalty payments, deeds, and leases including mining leases, and gravel and tailings leases.

3. Where not provided as a response to Question 2, above, provide information about each mine , including but not limited to the following:

    a. Property boundaries, including a written legal description;
    b. A map identifying the property location;
    c. Maps of the mine plans and boring hole locations;
    d. Location and description of surface structures (e.g., protore, waste pile, retention ponds, buildings, housing, etc.);
    e. Location and description of any ground water wells or sources of surface water used in mine operations;
    f. Maps, drawings, aerial photographs of the property.

4. For each mine, describe the activities or operations which were conducted by you on that mine. Provide any and all documentation in your possession which describes the operations which occurred at that mine.

5. Provide any records on the dewatering of the mine that provide specific information on pump rates, pump station locations, pump sizes and changes in aquifer piezometric heads.

6. Describe what waste by-product(s) was produced during your operations. For each waste by-product identified by the Respondent, describe what you did with these waste by-products.

    a. Specifically, also describe what you did with:
        i. Uranium protore or uneconomic material
        ii. Any listed or unlisted hazardous substances
        iii. Dewatering or surface water discharge
    b. Provide all documentation which describes how waste by-product was stored, treated, disposed or deposited at the property.
    c. For each waste by-product identified, provide a map identifying where on the property these wastes were stored, treated, disposed or deposited.

7. Identify and describe all reclamation or cleanup efforts made by the Respondent to address waste by-products and/or prevent potential releases of hazardous substances.

Corporate history

8. Identify all of the Respondent's predecessor corporations.

9. Identify all subsidiaries of the Respondent's predecessor corporations.

10. If the Respondent is a corporation, provide EPA with a copy of the Articles of Incorporation and By-Laws of the Respondent.

11. Was the Respondent ever dissolved, either formally or otherwise? If so, describe the dissolution of the company which dissolved. In your description, identify to whom the assets were transferred. In your description, identify to whom the liabilities were transferred.

12. Has the Respondent ever filed for bankruptcy or been liquidated? If so, describe the bankruptcy or liquidation. In your description, identify to whom the assets were transferred. In your description, identify to whom the liabilities were transferred.

13. Has the Respondent ever been sold? If so, describe the sale. In your description, identify to whom the assets were transferred. In your description, identify to whom the liabilities were transferred. In your description, describe the form and terms of the transfer (e.g., whether it was a sale of assets, a sale of stock, or other form of transaction.

14. Has the Respondent ever been merged with or acquired by another entity? If so, describe the merger or acquisition. In your description, identify to whom the assets were transferred, to whom the liabilities were transferred, and the form and terms of the transfer (e.g., whether it was a sale of assets, a sale of stock, or other form of transaction.).

15. If you have any reason that there may be persons able to provide a more detailed or complete response to any part of this information request or who may be able to provide additional responsive documents, please identify such persons, including their last known addresses and telephone number.