

*To Mike
Then file
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Hendricks Milling Company
Milling Base Metal and Precious Metal Ores

February 15, 1983

Mr. Richard Gamewell
Colorado Department of Health
Radiation Control Division
4210 East 11th Avenue
Denver, CO 80220

Dear Mr. Gamewell:

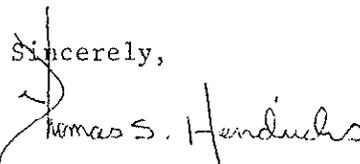
Enjoyed very much our meeting yesterday morning regarding our tailings pond area. As I mentioned in our meeting, Hendricks Milling Company is lessee of the Valmont Mill facility from Tusco, Inc. of Denver. Our company has strong environmental policies that are implemented as the necessary funds become available.

As I outlined in our meeting, we have developed long-range plans for the maintenance and environmental stabilization of the tailings pond area that I am sure will meet with the approval of all agencies. As you agreed yesterday morning, our gold and silver-silica tailings sand that we are adding to the pond is certainly providing a good cover over the old Allied Chemical sands. Any future dike work and related plans will be presented to the State Engineer as well as your office for review.

I have written a number of letters to Mr. Al Hazle requesting an update on the current status of any licenses, etc. We have not heard any response from him for some time. We continue to maintain the pond and conduct weekly inspections and keep records like we did during the first years that we were on the property. It is my understanding that Tusco is currently questioning whether or not a license is necessary for the property. Please keep us informed as to the goings on as you know you will receive our full cooperation.

In our association with the pond since January of 1977, we don't feel there exists any hazardous situations, particularly with proper maintenance procedures.

Sincerely,


Thomas S. Hendricks
President

TSH/rgj
cc: Jerris Danielson
Rick Hay
Al Hazle
John Henderson