



COGEMA
Mining, Inc.

May 3, 2000

Mr. Thomas H. Essig
Chief, Uranium Recovery and
Low-Level Waste Branch
Division of Waste Management
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, D. C. 20555-001

REF: Docket No. 40-8502, License No. SUA-1341
Irigaray/Christensen Ranch ISL Project

Dear Mr. Essig:

Pursuant to a requirement of condition 9.5 of the above referenced license, please find enclosed a recent review by the Wyoming Department of Environmental Quality (DEQ) of the surety bonding level for the Irigaray/Christensen Ranch ISL Project. Also enclosed is a copy of the latest letter of credit amendment that was sent to DEQ. Please call me if you have any questions.

Sincerely,

D. L. Wichers
General Manager

Enclosures

CC: WDEQ – LQD District III (cover letter only)
NRC – Region IV/Arlington, TX



The State
of Wyoming

cc DLW
WWH
CWT



Department of Environmental Quality

Jim Geringer, Governor

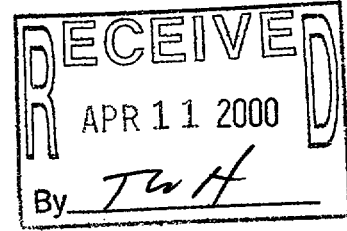
1043 Coffeen Avenue, Suite D • Sheridan, Wyoming 82801

AIR QUALITY
(307) 672-6457
Fax (307) 674-6050

LAND QUALITY
(307) 672-6488
Fax (307) 672-2213

WATER QUALITY
(307) 672-6457
Fax (307) 674-6050

April 10, 2000



Mr. Thomas Hardgrove
COGEMA Mining, Inc.
P. O. Box 730
Mills, WY 82644

**RE: Irigaray-Christensen Operations, Permit No. 478, Review of 1999
Semiannual and Annual Reports**

Dear Mr. Hardgrove:


I have reviewed the 1999 Semiannual and Annual Reports on the Irigaray and Christensen Ranch Operations as well as the reclamation bond calculations submitted with the Annual Report and updated in October of last year.

This closes out my review of the above-referenced Reports.

In the attached memo, I find the reclamation bond should be reduced to a total of \$15,018,000.00. This amount includes a 13.0% inflation factor based on the CPI as of December 1999. I will recommend this decrease in the bond to the Director.

Please feel free to call me if you have any questions.

Sincerely,


Glenn Mooney
Senior Geologist

\gm

Attachment

cc: R. Chancellor
NRC-MD

478anrv.0gm

A-10-d

COGEMA Mining, Inc.
Irigaray-Christensen Ranch Operations
Report Review Memo
Permit No. 478
April 7, 2000
Page No. 12

Bond Estimate

1.	Groundwater Restoration	\$5,385,661
	A. Cost of shallow sand and deep well clean-up	\$400,000
	Subtotal Groundwater Restoration	\$5,785,661

2.	Decommissioning and Surface Reclamation	
	A. Process plants equipment removal and disposal	\$262,060
	B. Plant buildings demolition and disposal	\$524,967
	C. Process pond sludge and liner handling	\$2,069,181
	D. Well abandonment	\$680,098
	E. Wellfield equipment removal and disposal	\$923,817
	F. Topsoil replacement and revegetation	\$568,868
	G. Miscellaneous reclamation activities	\$124,336
	Subtotal Decommissioning and Surface Reclamation	\$10,938,988

Contingency

Project Design	2%	
Contractor profit and mobilization	8%	
Preconstruction Investigation and Stabiliz.	1%	
Project management	3%	
On-site monitoring	0.5%	
Site security and liability insurance	1%	
Long-term admin. and accounting	2%	
Unknowns	<u>4%</u>	
Total Contingency	21.5%	\$2,351,882

Subtotal \$13,290,870

13.0% Inflation factor from August 1994 through December 1999 \$1,528,450

Total \$15,018,684

Say \$15,018,000



CREDIT COMMERCIAL DE FRANCE

New York Branch

MAY 01, 2000

BENEFICIARY: THE STATE OF WYOMING, DEPARTMENT OF ENVIRONMENTAL QUALITY, LAND QUALITY DIVISION, HERSCHLER BLDG. # 122 WEST 25th ST., CHEYENNE, WYOMING 82002

APPLICANT: COGEMA RESOURCES, INC.
7401 WISCONSIN AVE.
BETHESDA, MD 20814

ON BEHALF OF:

COGEMA MINING, INC.
P.O. BOX 730
MILLS, WYOMING 82644

EXPIRATION DATE: EXPIRES IN NEW YORK, NEW YORK ON (I) JULY 23, 2001 OR (II) ANY AUTOMATICALLY EXTENDED EXPIRATION DATE AS HEREINBELOW SET FORTH.

AMOUNT: USD16,868,937.00 (SIXTEEN MILLION EIGHT HUNDRED SIXTY EIGHT THOUSAND NINE HUNDRED THIRTY SEVEN U.S. DOLLARS)

RE: IRIGARAY AND CHRISTENSEN PROJECT
RECLAMATION/RESTORATION COSTS, PERMIT TO MINE NO. 478 (FORMERLY PERMIT NO. 478 AND RESEARCH AND DEVELOPMENT LICENSE 14 RD) AND THE REQUIREMENT OF THE WYOMING ENVIRONMENTAL QUALITY ACT, SECTION 35-11-421.

GENTLEMEN:

WE HEREBY AMEND OUR IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER 93/832 IN YOUR FAVOR, FOR THE ACCOUNT OF COGEMA MINING, INC., P.O. BOX 730, MILLS, WYOMING 82644 AS FOLLOWS:

-THIS LETTER OF CREDIT AMOUNT IS DECREASED BY USD1,850,937.00 TO A NEW TOTAL AMOUNT OF USD15,018,000.00 (FIFTEEN MILLION EIGHTEEN THOUSAND U.S. DOLLARS).

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

WP-COG/STA-A832/SB



AUTHORIZED SIGNATURE



The State
of Wyoming



Department of Environmental Quality

Jim Geringer, Governor

1043 Coffeen Avenue, Suite D • Sheridan, Wyoming 82801

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April 17, 2000

Mr. Thomas Hardgrove
COGEMA Mining, Inc.
P. O. Box 730
Mills, WY 82644

RE: Bond Amount for Permit No. 478, Irigaray-Christensen Ranch ISL Operations

Dear Mr. Hardgrove:

The Land Quality Division District III reviewed information presented in the 1999 Irigaray Christensen Ranch, Permit No. 478 Annual Report. Glenn Mooney of the District III Staff conducted the Annual Inspection on October 19, 1999. In accordance with W.S. §35-11-411(d), I set the bond amount at \$15,018,000.00. This is a decrease of \$1,850,937.00 from the current bond. This decrease is primarily due to discontinuation of future mining plans.

This bond amount is based only on an estimate of the cost of the state performing reclamation in the event of bond forfeiture. If this estimate proves to be less than the amount required, the Department will bring suit to recover the additional cost as allowed under W.S. §35-11-422.

If you have any questions on how to decrease the bond, please contact Ms. Deanna Hill, Bonding Analyst at (307) 777-7756. If you have any questions regarding the bond amount, please contact Glenn Mooney in the Sheridan District Office.

Sincerely,

Dennis Hemmer
Director
Department of Environmental Quality

DH::
xc: Deanna Hill - Cheyenne DEQ-LQD
District III



COGEMA
Mining, Inc.

May 3, 2000

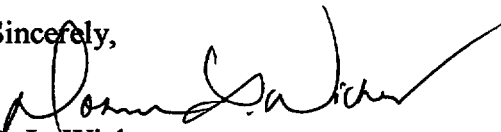
Ms. Deanna Hill
Land Quality Division
Wyoming Department of Environmental Quality
Herschler Building
122 West 25th Street
Cheyenne, Wyoming 82002

RE: Letter of Credit No. 93/832, Permit No. 478

Dear Ms. Hill:

Please find enclosed the original amendment of the above referenced surety letter of credit for the Irigaray-Christensen Ranch project to adjust the bond amount to \$15,018,000.00, a decrease of \$1,850,937.00, pursuant to the letter dated April 17, 2000, from Dennis Hemmer to COGEMA Mining, Inc. Please contact me if you have any questions regarding this matter.

Sincerely,



D. L. Wichers
General Manager

Enclosure

cc: USNRC Headquarters