



# Rio Algom

**William Paul Goranson, P.E.**  
**Manager, Radiation Safety**  
**Regulatory Compliance and Licensing**

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June 30, 2000

Certified Mail 7000 1670 0013 4034 8493  
Return Receipt Requested

Melvyn Leach, Chief  
Fuel Cycle Licensing Branch, NMSS  
Mail Stop T-8A33  
U.S. Nuclear Regulatory Commission  
Washington, DC 2055

Re: Smith Ranch Facility  
SUA-1548, Docket 40-8964  
Wyoming Department of Environmental Quality Bond  
Permit to Mine #633  
License Condition 9.11, Annual Surety Update

Dear Mr. Leach:

Rio Algom Mining Corp. submits the following surety documents to support the 2001 annual surety update to the source material license referenced above. Rio Algom Mining Corp. is proposing a new surety bond \$8.676 million as required in license condition 9.5 to the Source Material License.

Attached to this letter, pursuant to requirements in license condition 9.5, are the pertinent documents necessary to continue the Irrevocable Letter of Credit in favor of the State of Wyoming. These include:

- (1) Letter of Credit from the Canadian Imperial Bank of Commerce (proposed);
- (2) Surety Estimate Detail

A signed original of items (1) will be submitted to NRC within 90 days of NRC approval of the new proposed surety.

If you have any questions regarding this submittal, please contact me at (405) 858-4807.

Sincerely,

**William Paul Goranson, P.E.**  
**Manager, Radiation Safety, Regulator Compliance**  
**and Licensing**

Attachments: As Stated

xc: M. Freeman - w/attachment (RAMC-OKC)  
B. Ferdinand - w/attachment (RAMC - Smith Ranch)  
J. Cash - w/attachment (RAMC - Smith Ranch)  
D. Kavanagh - w/attachments  
Division of Radiation Safety - (NRC/Arlington, Texas)  
file

*NMSS01 Public*

APPENDIX A

RECLAMATION COST BREAK-DOWN

RIO ALGOM MINING CORP.  
ANNUAL ADJUSTMENT OF RECLAMATION SURETY  
2001-2002

Shown below is the 2001-2002 proposed annual surety adjustment for the Smith Ranch facility. The 2001-2002 annual surety adjustment continues to use the WDEQ and NRC approved reclamation surety basis for this year's revised surety.

This annual surety proposal is presented in three (3) sections. The first section, entitled "Part I - Surety Bond Summary", is a summary of the itemized reclamation costs. The second section which is labeled as "Part II - Surety Bond Detail", presents the detailed calculations of the summaries noted in Part I. The final section, "Part III - Cost Basis", contains the basis that were used in the bond calculations in Part II.

It should be noted that during the 1997-1998 annual surety review, Rio Algom was requested by the WDEQ to present the bond in 1997 dollars. Accordingly, Rio Algom will continue to use the August 4, 1997, review as its surety basis although there is no difference monetarily between the earlier surety reviews which were expressed in 1993 dollars and adjusted to present, constant dollars using the Consumer Price Index (CPI). The surety however, has been modified to reflect disturbances due to construction activities associated with the 1999 commercial operations along with the projected one (1) year forward commercial operation activities.

The adjustments to the proposed WDEQ 2001-2002 surety includes new disturbances resulting from commercial construction activities as shown in Table 2, along with the anticipated one year (1) forward reclamation costs associated with installation and operation of wellfield #1, wellfield #3, wellfield #4, wellfield #4a, Wellfield #3 extension, main facility, and Satellite #1 plant. Additionally, pursuant to discussions with WDEQ, Rio Algom is including the cost of bonding delineation holes within the permit area rather than including these reclamation bonding costs within the Company's exploration drilling Permit 236DN.

Accordingly, the surety recognizes these items and where applicable, utilizes the inflation rate of 10.42% from April 1997 (CPI 160.2) through April 2001 (CPI 176.9). The proposed 2001-2002 reclamation surety amount for the WDEQ is \$8.676 million.

#### PART I - SURETY BOND SUMMARY

Presented below in Table 1, is the summary of the itemized bond calculations for the review period of 2001-2002. The proposed adjustment to the WDEQ surety existing disturbances and new disturbances from commercial construction activities which are presented in Table 2, and the scheduled operation of wellfield #1, wellfield #3 , wellfield #4, wellfield #4a and Satellite #1 plant. Rio Algom has also included within this surety update reclamation costs associated with the facility's fuel storage area, water wells and fencing at the facility and around the wellfields as requested by WDEQ.

## Groundwater Restoration Cost Estimate

During the previous Reporting Period, RAMC performed additional modeling and evaluation of wellfield restoration plans and cost estimates for the commercial wellfields. That work used both Q-sand pilot restoration information as a calibration of the wellfield model and used that information to conduct both hydrological and geochemical modeling. Based on the results of that work, RAMC developed a new methodology for developing the size of the Affected Pore Volume, (Section 7).

Figure 7-1 is derived from Figure 3-16 in "Evaluation and Simulation of Wellfield Restoration at the RAMC Smith Ranch Facility" dated October 29, 1999. This document was submitted to the Wyoming DEQ - Land Quality Division with a letter dated December 13, 1999 for review. In that document, RAMC proposed a methodology developed through hydraulic and geochemical modeling that uses the geometry of the wellfield to estimate a Flare Factor. In this case, the number of perimeter injection wells are counted, the surface area of the wellfield pattern is measured using a CAD based map, a ratio is developed of the # of perimeter injection wells to the surface area of the wellfield patterns. That ratio is located on the horizontal axis of figure 7-1. From that intercept, a vertical line is projected to intersect the curve. At that intersection, a horizontal line is projected to intercept the vertical axis. The estimated flare factor is derived from that intercept.

On May 11, 2000, RAMC met with LQD to discuss the review of the document and RAMC's proposed approach for estimating groundwater restoration costs. RAMC verified that the curve shown on Figure 7-1 had been validated using modeling for flare factors of 1.5 and higher, but it had not been verified for Flare Factors lower than 1.5. RAMC stated that for bonding purposes only, it would not use a Flare Factor lower than 1.5 for estimating the predicted costs for groundwater restoration.

The proposed groundwater restoration costs in Section 7 uses the new methodology with the constraints agreed to at the May 11, 2000 meeting between LQD and RAMC.

TABLE 1  
**RIO ALGOM MINING CORP. - SMITH RANCH FACILITY**  
 2001-2002 PROPOSED WDEQ/LQD BOND

| WORK UNIT   | ONE YEAR FORWARD<br>WDEQ/LQD & NRC<br>2001-2002<br>BOND AMOUNT |
|---|--|
| <u>Ion Exchange Plant<sup>(1)</sup> (NRC Related Activity)</u>                    |  |
| 1.1 Building  | 40,116   |
| 1.2 Tankage and Vessels   | 39,913   |
| 1.3 Piping  | 12,924   |
| 1.4 Pumps   | 6,094  |
| 1.5 Electrical  | 9,470  |
| 1.6 Foundations   | 48,588   |
| 1.7 Plant Site  | 2,058  |
| 1.8 Access Road   | 1,054  |
| 1.9 SUB-TOTAL   | 160,217  |
| <u>Central Processing Plant (NRC Related Activity)</u>                            |  |
| 2.1 Buildings   | 57,548   |
| 2.2 Tankage and Vessels   | 60,246   |
| 2.3 Piping  | 10,846   |
| 2.4 Pumps   | 10,965   |
| 2.5 Electrical  | 19,682   |
| 2.6 Foundations   | 70,019   |
| SUB-TOTAL   | 229,306  |
| <u>Dryer Area (NRC Related Activity)</u>  |  |
| 3.1 Buildings   | 16,222   |
| 3.2 Equipment   | 14,739   |
| 3.3 Foundations   | 16,802   |
| SUB-TOTAL   | 47,763   |
| <u>Existing Facilities</u>  |  |
| 4.1 Buildings <sup>(2)</sup> (NRC Related Activity)                               | 95,635   |
| 4.2 Structures <sup>(3)</sup> (NRC Related Activity)                              | 17,963   |
| 4.3 Pilot Plant Equipment<br>(NRC Related Activity)                               | 22,620   |
| 4.4 Foundations <sup>(2)</sup> (NRC Related Activity)                             | 139,333  |
| 4.5 Site Reclamation <sup>(2)</sup>   | 178,287  |
| 4.6 O-Sand Pilot (NRC Related Activity)   | 41,435   |
| 4.7 Q-Sand Pilot (NRC Related Activity)   | N/A  |
| 4.8 Mine Water Treatment Ponds  | 19,878   |
| SUB-TOTAL   | 515,151  |
| <u>Unit Header Site &amp; Wellfields<sup>(4)</sup><br/>(NRC Related Activity)</u> |  |
| 5.1 Buildings   | 79,463   |

| WORK UNIT   |  | ONE YEAR FORWARD<br>WDEQ/LQD & NRC<br>2001-2002<br>BOND AMOUNT |
|---|--|--|
| 5.2   | Header Piping  | 140,306  |
| 5.3   | Secondary Electrical   | 135,073  |
| 5.4   | Wells-Totals   | 540,292  |
| 5.5   | Monitor Wells-Total  | 73,515   |
| 5.6   | Site Reclamation   | 52,275   |
|   | SUB-TOTAL  | 1,020,924  |
| <u>Associated Structures</u>  |  |  |
| 6.1   | #1 Trunkline (5,000 ft ea)<br>(NRC Related Activity)         | 52,108   |
| 6.2   | #2 Trunkline (10,000 ft ea)<br>(NRC Related Activity)        | 104,216  |
| 6.3   | Radium Settling Ponds<br>(NRC Related Activity)              | 70,077   |
| 6.4a  | Plugging & Aband. Disposal Well #1<br>(NRC Related Activity) | 77,735   |
| 6.4b  | Plugging & Aband. Disposal Well #2<br>(NRC Related Activity) | 77,735   |
| 6.5   | Sand Mining Area   | 13,173   |
| 6.6   | Land Fill  | 1,500  |
| 6.7   | Fire Protection System                                       | 11,623   |
|   | SUB-TOTAL  | 408,167  |
| <u>Groundwater Reclamation &amp; RO Units<br/>(NRC Related Activity)</u>      |  |  |
| 7.1   | Restoration  | 3,605,272  |
| <u>Health Physics and Radiation Surveys<br/>(NRC Related Activity)</u>        |  |  |
| 8.1   | Monitoring   | 168,470  |
| <u>Whole Trucking (Remaining Fractional Units)<br/>(NRC Related Activity)</u> |  |  |
| 9.1   | Contaminated Trucking  | 523  |
| 9.2   | Non-contaminated Trucking                                    | 157  |
|   |  |  |
| 10.1  | Delineation Hole Reclamation                                 | 129,953  |
|   | SUB-TOTAL OF ALL ABOVE                                       | 6,285,903  |
|   | Overhead and Profit at 10%                                   | 628,590  |
|   | Contingency at 15%   | 942,855  |
|   | SUB-TOTAL OF ALL ABOVE                                       | 7,857,348  |
|   | Inflation - 10.42% (4/97 CPI-160.2 through                   | 818,736  |

| WORK UNIT         | ONE YEAR FORWARD<br>WDEQ/LQD & NRC<br>2001-2002<br>BOND AMOUNT |
|-------------------|--|
| 4/01 CPI-176.9)   |  |
|                   |  |
|                   |  |
|                   |  |
| TOTAL (in 2001\$) | 8,676,084  |
| Proposed Bonding  | 8,676,084  |

- (1) Represents the construction of one (1) satellite during 1997-1998
- (2) Incorporates new office annex building.
- (3) Incorporates additional surface disturbances (10.46 acres) from commercial construction activities along with new items including fencing, water wells, and fuel storage area.
- (4) Represents 1 year forward of 513 patterns to be restored.

APPENDIX B

SURETY DOCUMENTS

#SBGT717209

ISSUE DATE: April 1, 2001 AMOUNT: \$8,676,084

EXPIRY DATE: April 1, 2002

Beneficiary:  
Wyoming Department of Environmental  
Quality, Land Quality Division  
Herschler Building, 3<sup>rd</sup> Floor  
Cheyenne, WY 82002  
U.S.A.

Applicant:  
Rio Algom Mining Corp.  
6305 Waterford Blvd. Suite 325  
Oklahoma City, OK 73118  
U.S.A.

Re: WDEQ Permit No.633  
NRC License No. SUA-1548  
NRC Docket No. 40-8964

We, Canadian Imperial Bank of Commerce, New York Agency, 425 Lexington Avenue, New York, New York 10017 ("CIBC"), on behalf of Rio Algom Mining Corp., hereby issue in your favour this irrevocable letter of credit for the above-mentioned amount.

This letter of credit is available for payment upon presentation to CIBC at its above noted address or Two Paces West, 2727 Paces Ferry Road, Suite 1200, Atlanta, Georgia 30339 of the following documents:

1. Your draft drawn at sight on CIBC, purportedly signed by the Director of the Wyoming Department of Environmental Quality and by the Wyoming Land Quality Administrator and bearing the clause: "Drawn under Canadian Imperial Bank of Commerce Letter of Credit No:SBGT717209";
2. Beneficiary's dated statement addressed to CIBC, purportedly signed by the Director of the Wyoming Department of Environmental Quality and by the Wyoming Land Quality Administrator and stating either (a), (b) or (c) below:
  - (a) "We, the undersigned Director of the Wyoming Department of Environmental Quality and by the Wyoming Land Quality Administrator, hereby advise you that the accompanying sight draft in the amount of \$..... (..... United States Dollars) drawn under Canadian Imperial Bank of Commerce Letter of Credit No:SBGT717209 is an amount identical to the amount of the order that has been entered by the Environmental Quality Council pursuant to W.S. 35-11-421, forfeiting all or part of the amount of the said Letter of Credit because of any violation of the Wyoming Environmental Quality Act, by Rio Algom Mining Corp., Permit No.633. "; or
  - (b) "We, the undersigned Director of the Wyoming Department of Environmental Quality and by the Wyoming Land Quality Administrator, hereby advise you that the accompanying sight draft in the amount of \$..... (..... United States Dollars) drawn under Canadian Imperial Bank of Commerce Letter of Credit No:SBGT717209 is an amount identical to the amount of the Settlement Agreement signed on behalf of the Department of Environmental Quality and on behalf of the operator, Rio Algom Mining Corp., Permit No.633, in which the parties have agreed to an amount due to the Department because of a violation of the Wyoming Environmental Quality Act, and that Rio Algom Mining Corp. has failed to pay the amount due within the period of time specified in the said agreement."; or
  - (c) "We, the undersigned Director of the Wyoming Department of Environmental Quality and by the Wyoming Land Quality Administrator, hereby advise you that a sight draft in the amount of \$..... (..... United States Dollars) drawn under Canadian Imperial Bank of Commerce Letter of Credit No:SBGT717209 is accompanying this statement and certify that the operator, Rio Algom Mining Corp., Permit No.633, has not

filed with the Department an extension to the said Letter of Credit, a substitute Letter of Credit or other acceptable evidence of financial responsibility in the place of the said Letter of Credit, and that it is thirty (30) days or less until the current expiration date of the said Letter of Credit."

Partial drawings are permitted hereunder. The total amount of any drawings payable hereunder shall not exceed in aggregate the sum of USD8,676,084.

This letter of credit shall be reduced automatically, by the amount of each drawing paid hereunder and/or by amendment, by the amount of reduction that may be authorized by your written request, purportedly signed by the Director of the Wyoming Department of Environmental Quality and by the Wyoming Land Quality Administrator, given to CIBC.

CIBC understands that Chapter XII, Land Quality Division Noncoal Regulations, requires that the bank give immediate notice to the permittee, Rio Algom Mining Corp., and the Director of the Wyoming Department of Environmental Quality of: (a) any notice received or action filed alleging the insolvency or bankruptcy of the bank; or (b) alleging any violations of regulatory requirements which could result in suspension or revocation of the bank's charter or license to do business; or (c) the bank, for any reason, becomes unable to fulfill its obligation under the letter of credit. CIBC hereby agrees to give such notification as specified in this paragraph to the permittee, Rio Algom Mining Corp., and the Director of the Wyoming Department of Environmental Quality.

CIBC hereby agrees that your drafts drawn under and in compliance with the terms of this letter of credit will be duly honoured if presented to the its above noted address on or before April 1, 2002 (the "expiry date").

It is a condition of this letter of credit that it shall be deemed to be automatically extended without amendment for one year from the present or any future expiration date hereof, unless at least ninety (90) days prior to any such date, CIBC notifies the Director of the Wyoming Department of Environmental Quality in writing by registered mail or courier that CIBC elects not to consider this letter of credit renewed for such further period. Upon receipt by you of such notice, you may draw hereunder as above.

Notwithstanding the expiration date and the condition above, this letter of credit shall be cancelled effective the date of receipt by CIBC of the original letter of credit instrument and a dated letter addressed to CIBC, purportedly signed by the Director of the Wyoming Department of Environmental Quality, referencing this letter of credit number and requesting the cancellation of same.

This letter of credit shall be governed by and construed in accordance with the laws of the State of Wyoming and is also subject to the "Uniform Customs and Practice for Documentary Credits (1993 Revision) International Chamber of Commerce, Publication No. 500", up to the extent that it is not inconsistent with the laws of the State of Wyoming. Any conflicts or disputes with respect to this letter of credit shall be determined according to the laws of the State of Wyoming.

APPENDIX C  
SURETY DETAIL

## PART II - SURETY BOND DETAIL

This section presents the support details for the summary totals included in Table 1. Within this part, the bond detail is divided into ten (10) sections that encompass the mining activities at the Smith Ranch facility. These 10 divisions match each of the summary sections that are presented in Table 1.

These bond division areas include; ion exchange plants, central processing plant, dryer area, existing facilities, header sites and wellfields, associated structures, groundwater reclamation and RO Units, whole trucking, and delineation hole reclamation. The cost basis for these calculations are from contractor quotes. These quotes are presented in "Part III - Cost Basis".

**SECTION 1**  
**ION EXCHANGE PLANT RECLAMATION COSTS**  
**Cost Summary**

| ITEM                    | COSTS (\$97)   |
|-------------------------|----------------|
| 1.1 Building            | 40,116         |
| 1.2 Tankage and Vessels | 39,913         |
| 1.3 Piping              | 12,924         |
| 1.4 Pumps               | 6,094          |
| 1.5 Electrical          | 9,470          |
| 1.6 Foundations         | 48,588         |
| 1.7 Plant Site          | 2,058          |
| 1.8 Access Road         | 1,054          |
| <b>Total Cost</b>       | <b>160,217</b> |

**1.1 Building**

Calculation Basis: 70 Ft. x 165 Ft. with 23 Ft. Eave  
Floor Area = 11,550 Ft<sup>2</sup>  
Skin Area = 10,810 Ft<sup>2</sup>

**A. Washdown Building - 6 Days:**

Wash 10,810 Ft<sup>2</sup> @ 1 Gal/Ft<sup>2</sup> = 10,818 Gal  
Wash 10,810 Ft<sup>2</sup> @ 450 Ft<sup>2</sup>/Man-Day = 24 Man-Days  
= 6 Crew-Days

- Labor Crew = 1 - Foreman @ \$21.58/Hr  
4 - Laborers @ \$13.02/Hr  
\$73.66/Hr x 48 Hr = \$ 3,536
- Travel = \$73.66/Hr x 6 Day x 1 Hr/Day = \$ 442
- Eq. Rental = 4 - Pressure Washers @ \$ 8.71/ Hr  
\$ 34.84/Hr x 48 Hr = \$ 1,672
- Materials = Soap @ \$1.09/BBL  
10,810 Gal x BBL x \$1.09/BBL = \$ 281  
42 Gal
- Dispose of Fluid @ \$0.11/BBL  
10,810 Gal x BBL x \$0.11/BBL = \$ 28  
42 Gal
- Sub-total = \$ 5,959

**B. Dismantle and Load - 15 Days:**

11,550 Ft<sup>2</sup> @ 100 Ft<sup>2</sup>/Man-Day = 115.5 Man-Days  
= 15.0 Crew-Days

- Labor Crew = 1 - Foreman @ \$ 21.58/Hr  
2 - Welders @ \$ 19.35/Hr  
2 - Operators @ \$ 17.71/Hr  
4 - Laborers @ \$ 13.02/Hr  
\$147.78/Hr x 120 Hr = \$ 17,734
- Travel = \$147.78/Hr x 15 Days x 1 Hr/Day = \$ 2,217

- Eq. Rental = 2 - 20 Ton Cranes @ \$37.39/Hr  
 2 - Welders/Torches @ \$10.90/Hr  
 \$96.58/Hr x 120 Hr = \$ 11,590

Sub-total = \$ 31,541

C. Haul and Dispose - On-Site Land Fill:

Building = 235,000# = 5 Truck Loads\*\* @ 47,000#  
 • Haul = 5 Trucks x 8 Hrs/Truck x \$65.39/Hr = \$ 2,616  
 • Dispose = Cost Included in Section 6.5

\*\* 5 Trucks required to move building in 1988

*Building Total* = \$ 40,116

1.2 Tankage and Vessels

Basis: See Table 1.1

A. Decontaminate - 0 Days: (Assume No Decontamination)

B. Remove and Load - 11 Days:

- Labor Crew = 1 - Foreman @ \$21.58/Hr\*  
 1 - Operator @ \$17.71/Hr  
 2 - Laborers @ \$13.02/Hr  
 \$65.33/Hr x 88 Hr = \$ 5,749

- Travel = \$65.33/Hr x 11 Days x 1 Hr/Day = \$ 719

- Eq. Rental = 1 - 20 Ton Crane @ \$37.39/Hr  
 \$37.39/Hr x 88 Hr = \$ 3,290

\* This foreman will also supervise 1.2 C.

Sub-total = \$ 9,758

C. Dismantle, Cut, or Crush - 11 Days:

Cut Steel @ 30 Ft.<sup>3</sup>/Man-Day @ 631.4 Ft.<sup>3</sup> = 21 Man-Day  
 Crush FRP @ 60 Ft.<sup>3</sup>/Man-Day @ 240.5 Ft.<sup>3</sup> = 4 Man-Day

- Labor Crew = 1 - Foreman @ Foreman supervises both 1.2 (B) & (C)  
 2 - Welders @ \$19.35/Hr  
 2 - Laborers @ \$13.02/Hr  
 \$64.74/Hr x 88 Hr = \$ 5,697

- Travel = \$64.74/Hr x 11 Days x 1 Hr/Day = \$ 712

- Eq. Rental = 1 - D8N Dozer @ \$117.71/Hr for 4 Days  
 \$117.71/Hr x 32 Hr = \$ 3,767

- 2 - Welders/Torches @ \$ 10.90/Hr  
 \$ 21.80/Hr x 88 Hr = \$ 1,918

Sub-total = \$ 12,094

D. Haul and Dispose - Licensed (NRC SUA - #1473) Site:

100% of Contaminated Service = 835.4 Ft.<sup>3</sup> @ 198,380#  
 Total = 30.9 Cu.Yd. @ 198,380# = 5 Truck Loads @ 40,000#

|   |   |                 |
|---|---|-----------------|
| • Haul = 5 Truck x 800 Mile x \$3.27/Mile                                 | = | \$ 13,080       |
| • Dispose = 198,380# = 99.1 tons<br>@ \$50/ton disposal cost <sup>1</sup> | = | \$ 4,955        |
| <b>E. Haul and Dispose - On-Site Land Fill:</b>                           |   |                 |
| 100% of Non-Contaminated Service = 36.5 Ft <sup>3</sup> @ 2,320#          |   |                 |
| Total = 1.4 Cu.Yd. @ 2,230# = 0.05 Truck Loads @ 47,000#                  |   |                 |
| • Haul = 0.05 Trucks x 8 Hrs/Truck x \$65.39/Hr                           | = | \$ 26           |
| • Dispose = Cost Included in Section 6.5                                  |   |                 |
| <i>Tankage and Vessel Total</i>   | = | <u>\$39,913</u> |

### 1.3 Piping

Basis: See Table 1.2

|   |   |                 |
|---|---|-----------------|
| <b>A. Remove, Cut or Crush and Load - 5 Days:</b>                         |   |                 |
| PVC & Poly - 2,800 Ft @ 140 Ft/Man-Day = 20 Man-Day<br>= 5 Crew-Day       |   |                 |
| Steel - 1,100 Ft @ 110 Ft/Man-Day = 10 Man-Day<br>= 5 Crew-Day            |   |                 |
| • Labor Crew = 1 - Foreman @ \$ 21.58/Hr                                  |   |                 |
| 2 - Welders @ \$ 19.35/Hr   |   |                 |
| 1 - Operator @ \$ 17.71/Hr  |   |                 |
| 4 - Laborers @ \$ 13.02/Hr  |   |                 |
| \$130.07/Hr x 40 Hr   | = | \$ 5,203        |
| • Travel = \$130.07/Hr x 5 Days x 1 Hr/Day                                | = | \$ 650          |
| • Eq. Rental = 1 - 20 Ton Crane @ \$37.39/Hr                              |   |                 |
| 2 - Welders/Torches @ \$10.90/Hr  |   |                 |
| \$59.19/Hr x 40 Hr  | = | \$ 2,368        |
| <b>Sub-total</b>  | = | <u>\$ 8,221</u> |
| <b>B. Decontaminate - 0 Days:</b>   |   |                 |
|   |   | \$ 0            |
| <b>C. Haul and Dispose - Licensed (NRC SUA #1473) Site:</b>               |   |                 |
| 100% Piping = 886.7 Ft <sup>3</sup> @ 52,080#                             |   |                 |
| Total = 32.8 Cu.Yd. @ 52,080# = 1.3 Truck Load @ 40,000#                  |   |                 |
| • Haul = 1.3 Truck x 800 Mile x \$3.27/Mile                               | = | \$ 3,401        |
| • Dispose = 52,080# = 26.04 tons<br>@ \$50/ton disposal cost <sup>2</sup> | = | \$ 1,302        |

<sup>1</sup> See 1997-1998 Permit to Mine 633 2<sup>nd</sup> Round Responses. Cost is provided in 1998 NRC Surety for SUA-1548, and determined acceptable by NRC and it is based on actual fees charged by Quivira Mining Co., NRC license SUA-1473

<sup>2</sup> See 1997-1998 Permit to Mine 633 2<sup>nd</sup> Round Responses. Cost is provided in 1998 NRC Surety for SUA-1548, and determined acceptable by NRC and it is based on actual fees charged by Quivira Mining Co., NRC license SUA-1473

*Piping Total* = \$ 12,924

#### 1.4 Pumps

Basis: See Table 1.3

A. Removal and Loading - 6 Days:

21 Pumps @ 2 Pumps/Man-Day = 10.5 Man-Days  
= 6.0 Crew-Days

• Labor Crew = 1 - Foreman @ \$21.58/Hr  
1 - Operator @ \$17.71/Hr  
2 - Laborers @ \$13.02/Hr  
\$65.33/Hr x 48 Hrs = \$ 3,136

• Travel = \$65.33/Hr x 6 Days x 1 Hr/Day = \$ 392

• Eq. Rental = 1 - 20 Ton Crane @ \$37.39/Hr  
\$37.39/Hr x 48 Hrs = \$ 1,795

Sub-total = \$ 5,323

B. Haul and Dispose - Licensed (NRC SUA #1473) Site:

Contaminated Pumps = 77.9 Ft.<sup>3</sup> @ 5,700#  
Total = 2.9 Cu. Yd. @ 5,700# = 0.2 Truck Loads @ 40,000#

• Haul = 0.2 Truck x 800 Mile x \$3.27/Mile = \$ 523

• Dispose = 5,700# = 2.85 tons  
@ \$50/ton disposal cost<sup>3</sup> = \$ 143

C. Haul and Dispose - On-Site Land Fill:

Non-Contaminated Motors = 69.9 Ft.<sup>3</sup> @ 8,445#  
Non-Contaminated Pumps = 2 Ft.<sup>3</sup> @ 100#  
Total = 71.9 Ft.<sup>3</sup> @ 8,545# = 0.2 Truck Loads @ 47,000#

• Haul = 0.2 Trucks x 8 Hrs/Truck x \$65.39/Hr = \$ 105

• Dispose = Cost Included in Section 6.5

*Pump Total* = \$ 6,094

#### 1.5 Electrical

A. Remove, Cut and Load - 5 Days:

• Labor Crew = 1 - Journeyman Elect. @ \$ 34.88/Hr  
2 - Helpers @ \$ 30.51/Hr  
1 - Welder @ \$ 19.35/Hr  
1 - Operator @ \$ 17.71/Hr  
\$132.96/Hr x 40 Hr = \$ 5,318

• Elec. Travel = \$95.90/Hr x 5 Days x 2 Hr/Day = \$ 959

<sup>3</sup> See 1997-1998 Permit to Mine 633 2<sup>nd</sup> Round Responses. Cost is provided in 1998 NRC Surety for SUA-1548, and determined acceptable by NRC and it is based on actual fees charged by Quivira Mining Co., NRC license SUA-1473





|                         |   |                 |
|-------------------------|---|-----------------|
| Sub-total               | = | \$ 614          |
| <i>Plant Site Total</i> | = | <u>\$ 2,058</u> |

1.8 Access Road

Basis: Gravel Road = 21 Ft. x 1320 Ft. = 27,720 Ft.<sup>2</sup> = 0.6 Acres

|                    |   |   |                 |
|--------------------|---|---|-----------------|
| A.                 | <u>Rip and Contour:</u>   |   |                 |
|                    | • Basis: See Table 1.4  |   |                 |
|                    | • Rip and Contour @ \$166.68/Acre   | = | \$ 233          |
| B.                 | <u>Topsoil Placement:</u>   |   |                 |
|                    | Replace 6 in. Topsoil = 27,720 Ft. <sup>2</sup> x 0.5 = 13,860 Ft. <sup>3</sup> = 513 Cu.Yd |   |                 |
|                    | • Topsoil Placement @ \$1.09/Cu.Yd.   | = | \$ 559          |
| C.                 | <u>Revegetate:</u>  |   |                 |
|                    | • Grade and Contour @ \$ 87.19/Acre x 0.6 Acre  | = | \$ 52           |
|                    | • Seedbed Prep.   |   |                 |
|                    | (Disc. + Harrow) @ \$ 21.80/Acre x 0.6 Acre   | = | \$ 13           |
|                    | • Mulch (Drill + Seed + Mow) @ \$ 49/Acre x 0.6 Acre  | = | \$ 29           |
|                    | • Drill Seed and Fertilize @ \$163/Acre x 0.6 Acre  | = | \$ 98           |
|                    | (Drill + Seed + Fertilizer)   |   |                 |
|                    | • Revegetation Contingency @ \$233.80/Acre* x 0.3 Acre                                      | = | \$ 70           |
|                    | (All items excluding grading)   |   |                 |
| Sub-total          |   | = | \$ 262          |
|                    | *Assume only 50% of acreage requires reseeding  |   |                 |
| <i>Access Road</i> |   | = | <u>\$ 1,054</u> |

TABLE 1.4  
IX PLANT  
SCARIFY (RIP) COMPACTED SURFACE

Equipment = Cat. 140G Motor Grader @ \$65.39/Hr - Complete  
 Speed = 3.9 mph (2nd gear)  
 Width = 9 Ft/Pass

$$\begin{aligned}
 \text{Productivity} &= \frac{3.9 \text{ Mile}}{\text{Hr}} \times \frac{5280 \text{ Ft}}{\text{Mile}} \times \frac{9 \text{ Ft}}{\text{Pass}} \times 0.83 \text{ Eff.} \\
 &= \frac{153,822 \text{ Ft}^2}{\text{Hr}} \\
 &= \frac{3.53 \text{ Acre}}{\text{Hr}}
 \end{aligned}$$

$$\begin{aligned}
 \$/\text{Acre} &= \frac{\$65.39}{\text{Hr}} \times \frac{\text{Hr}}{3.53 \text{ Acre}} = \underline{\$18.52} \text{ /Acre}
 \end{aligned}$$

From Above - Ripping @ \$166.68/Acre Allows for 9 Passes

SECTION 2  
CENTRAL PROCESSING PLANT RECLAMATION COSTS

Cost Summary

| ITEM                    | COSTS (\$97)   |
|-------------------------|----------------|
| 2.1 Building            | 57,548         |
| 2.2 Tankage and Vessels | 60,246         |
| 2.3 Piping              | 10,846         |
| 2.4 Pumps               | 10,965         |
| 2.5 Electrical          | 19,682         |
| 2.6 Foundations         | 70,019         |
| <b>Total Cost</b>       | <b>229,306</b> |

2.1 Building

Basis: 100 Ft. x 165 Ft. with 30 Ft. Eave  
 Floor Area = 16,500 Ft<sup>2</sup>  
 Skin Area = 15,900 Ft<sup>2</sup>

A. Washdown Building - 9 days:

Wash 15,900 Ft<sup>2</sup> @ 1 Gal/Ft<sup>2</sup> = 15,900 Gal  
 Wash 15,900 Ft<sup>2</sup> @ 450 Ft<sup>2</sup>/Man-Day = 35 Man-Days  
 = 9 Crew-Days

- Labor Crew = 1 - Foreman @ \$21.58/Hr  
 4 - Laborers @ \$13.02/Hr  
 \$73.66/Hr x 72 Hr = \$ 5,303
- Travel = \$73.66/Hr x 9 Days x 1 Hr/Day = \$ 663
- Eq. Rental = 4 - Pressure Washers @ \$ 8.71/Hr  
 \$ 34.84/Hr x 80 Hr = \$ 2,787
- Materials = Soap @ \$1.09/BBL  
 15,900 Gal x BBL x \$1.09/BBL = \$ 413  
 42 Gal
- Dispose of Fluid @ \$0.11/BBL  
 15,900 Gal x BBL x \$0.11/BBL = \$ 42  
 42 Gal
- Sub-total = \$ 9,208

B. Dismantle and Load - 21 Days:

Dismantle and Load @ 100 Ft<sup>2</sup>/Man-Day  
 16,500 Ft<sup>2</sup> @ 100 Ft<sup>2</sup>/Man-Day = 165 Man-Days = 168 Man-Days  
 = 21 Crew-Days

- Labor Crew = 1 - Foreman @ \$ 21.58/Hr  
 2 - Welders @ \$ 19.35/Hr  
 2 - Operators @ \$ 17.71/Hr  
 4 - Laborers @ \$ 13.02/Hr  
 \$147.78/Hr x 168 Hr = \$24,827

|   |                        |          |
|---|------------------------|----------|
| • Travel = \$147.78 Hrs x 21 Days x 1 Hr/Day  | =                      | \$ 3,103 |
| • Eq. Rental = 2 - 20 Ton Cranes @ \$ 37.39/Hr<br>2 - Welders/Torches @ \$ 10.90/Hr | \$ 96.58/Hr x 168 Hr = | \$16,225 |
| Sub-total   | =                      | \$44,155 |

C. Haul and Dispose - On-Site Land Fill:

Building = 376,000# = 8 Truck Loads\* @ 47,000#

|  |   |          |
|--|---|----------|
| • Haul = 8 Trucks x 8 Hrs/Truck x \$65.39/Hr | = | \$ 4,185 |
| • Dispose = See Appendix 6.5                 |   |          |

*Building Total* = \$ 57,548

2.2 Tankage and Vessels

Basis: See Table 2.1

A. Decontaminate - 0 Days: = \$ 0

B. Remove and Load - 19 Days:

|                |                            |            |
|----------------|----------------------------|------------|
| • Labor Crew = | 1 - Foreman @ \$ 21.58/Hr  |            |
|                | 1 - Operator @ \$ 17.71/Hr |            |
|                | 2 - Laborers @ \$ 13.02/Hr |            |
|                | \$ 65.33/Hr x 152 Hr       | = \$ 9,930 |

• Travel = \$65.33/Hr x 19 Days x 1 Hr/Day = \$ 1,241

• Eq. Rental = 1 - 20 Ton Crane @ \$ 37.39/Hr  
\$ 37.39/Hr x 152 Hrs = \$ 5,683

Sub-total = \$ 16,854

C. Dismantle, Cut, or Crush - 19 Days:

Cut Steel @ 30 Ft<sup>3</sup>/Man-Day @ 518.5 Ft<sup>3</sup> = 17 Man-Days  
Crush FRP @ 60 Ft<sup>3</sup>/Man-Day @ 111.4 Ft<sup>3</sup> = 1.9 Man-Days

|  |            |
|--|------------|
| • Labor Crew = 1 - Foreman @ \$ Foreman Supervises both 2.2(A) & (B) |            |
| 1 - Welder @ \$ 19.35/Hr   |            |
| 2 - Laborers @ \$ 13.02/Hr   |            |
| \$ 45.39/Hr x 152 Hrs  | = \$ 6,899 |

• Travel = \$45.39/Hr x 19 Days x 1 Hr/Day = \$ 862

• Eq. Rental = 1 - D8N Dozer @ \$117.71/Hr  
1 - Welder/Torch @ \$ 10.90/Hr  
\$128.61/Hr x 152 Hrs = \$ 19,549

Sub-total = \$ 27,310

D. Haul and Dispose - Licensed (NRC SUA #1473) Site:

100% of Contaminated Service = 1236.7 Ft.<sup>3</sup> @ 172,420#  
Total = 45.8 Cu.Yd. @ 172,420# = 4.3 Truckloads @ 40,000#

• Haul = 4.3 Trucks x 800 Mile x \$3.27/Mile = \$ 11,249

• Dispose = 172,420# = 86.2 tons  
 @ \$50/ton disposal cost<sup>5</sup> = \$ 4,310

E. Haul and Dispose - On-Site Land Fill:  
 100% of Non-Contaminated Service = 393.2 Ft<sup>3</sup> @ 45,010#  
 Total = 14.6 Cu.Yd. @ 45,010# = 1 Truckloads @ 47,000#

• Haul = 1 Truck x 8 Hrs/Truck x \$65.39/Hr = \$ 523

• Dispose = See Appendix 6.5

*Tankage and Vessel Total* = \$ 60,246

### 2.3 Piping

Basis: See Table 2.2

A. Remove, Cut or Crush and Load - 9 days:

PVC and Poly @ 140 Ft/Man-Day @ 5,000 Ft = 36 Man-Days  
 = 9 Crew-Days

• Labor Crew = 1 - Foreman @ \$ 21.58/Hr  
 1 - Operator @ \$ 17.71/Hr  
 4 - Laborers @ \$ 13.02/Hr  
 \$ 91.37/Hr x 72 Hr = \$ 6,579

• Travel = \$91.37/Hr x 9 Days x 1 Hr/Day = \$ 822

• Eq. Rental = 1 - 20 Ton Crane @ \$ 37.39/Hr  
 \$ 37.39/Hr x 72 Hr = \$ 2,692

Sub-total = \$ 10,093

B. Decontaminate - 0 Days: = \$ 0

C. Haul and Dispose - Licensed (NRC SUA #1473) Site:

100% Pipe = 244 Ft.<sup>3</sup> @ 9,136#  
 Total = 9 Cu. Yd. @ 9,136# = 0.2 Truckloads @ 40,000#

• Haul = 0.2 Trucks x 800 Mile x \$3.27/Mile = \$ 523

• Dispose = 9,136# = 4.6 tons  
 @ \$50/ton disposal cost<sup>6</sup> = \$ 230

*Piping Total* = \$ 10,846

### 2.4 Pumps

Basis: See Table 2.3

A. Removal and Loading - 11 Days:

2 Pumps/Man-Day @ 43 Pumps = 21.5 Man-Days  
 = 11.0 Crew-Days

<sup>5</sup> See 1997-1998 Permit to Mine 633 2<sup>nd</sup> Round Responses. Cost is provided in 1998 NRC Surety for SUA-1548, and determined acceptable by NRC and it is based on actual fees charged by Quivira Mining Co., NRC license SUA-1473

<sup>6</sup> See 1997-1998 Permit to Mine 633 2<sup>nd</sup> Round Responses. Cost is provided in 1998 NRC Surety for SUA-1548, and determined acceptable by NRC and it is based on actual fees charged by Quivira Mining Co., NRC license SUA-1473

|   |   |          |
|---|---|----------|
| • Labor Crew = 1 - Foreman @ \$21.58/Hr<br>1 - Operator @ \$17.71/Hr<br>2 - Laborers @ \$13.02/Hr | = |          |
| \$65.33/Hr x 88 Hr  | = | \$ 5,749 |
| • Travel = \$65.33/Hr x 11 Days x 1 Hr/Day  | = | \$ 719   |
| • Eq. Rental = 1 - 20 Ton Crane @ \$37.39/Hr  | = |          |
| \$37.39/Hr x 88 Hr  | = | \$ 3,290 |
| Sub-total   | = | \$ 9,758 |

**B. Haul and Dispose - Licensed (NRC SUA #1473) Site:**

100% Contaminated = 164.3 Ft.<sup>3</sup> @ 10,612#  
Total = 6.1 Cu. Yd. @ 10,612# = 0.3 Truck Load @ 40,000#

|   |   |        |
|---|---|--------|
| • Haul = 0.3 Truck x 800 Mile x \$3.27/Mile                             | = | \$ 785 |
| • Dispose = 10,612# = 5.3 tons<br>@ \$50/ton disposal cost <sup>7</sup> | = | \$ 265 |

**C. Haul and Dispose - On-Site Land Fill:**

100% Non-Contaminated = 106.5 Ft.<sup>3</sup> @ 10,723#  
Total = 3.9 Cu. Yd. @ 10,723# = 0.3 Truck Load @ 47,000#

|   |   |        |
|---|---|--------|
| • Haul = 0.3 Truck x 8 Hrs/Truck x \$65.39/Hr | = | \$ 157 |
| • Dispose = See Appendix 6.5                  |   |        |

*Pump Total* = \$ 10,965

**2.5 Electrical**

**A. Remove, Cut and Load - 10 Days:**

|   |   |           |
|---|---|-----------|
| • Labor Crew = 1 - Journeyman Elect. @ \$ 34.88/Hr<br>2 - Helpers @ \$ 30.51/Hr<br>1 - Welder @ \$ 19.35/Hr<br>1 - Operator @ \$ 17.71/Hr |   |           |
| \$132.96/Hr x 80 Hr   | = | \$ 10,637 |

|   |   |          |
|---|---|----------|
| • Elec. Travel = \$132.96/Hr x 10 Days x 2 Hr/Day | = | \$ 2,659 |
| + \$0.54/Mile x 10 Days x 120 Mile/Day            | = | \$ 648   |

|  |   |        |
|--|---|--------|
| • Other Travel = \$37.06/Hr x 10 Days x 1 Hr/Day | = | \$ 371 |
|--|---|--------|

|  |   |          |
|--|---|----------|
| • Eq. Rental = 1 - 20 Ton Crane @ \$ 37.39/Hr<br>1 - Truck @ \$ 12.26/Hr<br>1 - Welder/Torch @ \$ 10.90/Hr |   |          |
| \$ 60.55/Hr x 80 Hr  | = | \$ 4,844 |

Sub-total = \$ 19,159

**B. Haul and Dispose - On-Site Land Fill:**

<sup>7</sup> See 1997-1998 Permit to Mine 633 2<sup>nd</sup> Round Responses. Cost is provided in 1998 NRC Surety for SUA-1548, and determined acceptable by NRC and it is based on actual fees charged by Quivira Mining Co., NRC license SUA-1473

MCC#1 = 11.75 Ft. x 1.25 Ft. x 7.5 Ft. = 110.2 Ft.<sup>3</sup> @ 4,550#  
MCC#2 = 11.75 Ft. x 1.25 Ft. x 7.5 Ft. = 110.2 Ft.<sup>3</sup> @ 4,550#  
Cable = 220.4 Ft.<sup>3</sup> x 0.5\* = 110.2 Ft.<sup>3</sup> @ 36,700#  
(555#/Ft.<sup>3</sup> @ 40% Void = 333#/Ft.<sup>2</sup>)  
Total = 330.6 Ft.<sup>3</sup> @ 45,800#  
= 12.2 Cu. Yd. @ 45,800# = 1 Truck @ 47,000#

• Haul = 1 Truck x 8 Hrs/Truck x \$65.39/Hr = \$ 523

• Dispose = See Appendix 6.5

\* Cable Volume = 1/2 MCC Volume

*Electrical Total* = \$ 19,682

## 2.6 Foundation

### A. Decontaminate Slab - 5 Days:

16,500 Ft<sup>2</sup> @ 1000 Ft<sup>2</sup>/Man-Day = 17 Man-Days  
= 5 Crew-Days

• Labor Crew = 1 - Foreman @ \$ 21.58/Hr  
4 - Laborers @ \$ 13.02/Hr  
\$ 73.66/Hr x 40 Hr = \$ 2,946

• Travel = \$73.66/Hr x 5 Days x 1 Hr/Day = \$ 368

• Eq. Rental = Hand Tools @ \$ 10.90/Hr  
(Broom, Squeegee) \$ 10.90/Hr x 40 Hr = \$ 436

• 10% HCl = 2 Gal/Ft<sup>2</sup> x 16,500 Ft<sup>2</sup>  
= 33,000 Gal.

make-up from 20° Be HCl Stock @ \$0.508/Gal  
Require 288 Gal. Stock per 1,000 Gal. - 10%

33,000 x 0.288 x \$0.55/Gal = \$ 5,227

• Dispose of Fluid @ \$0.11/BBL  
33,000 Gal x BBL x \$0.11/BBL = \$ 86  
42 Gal

Sub-total = \$ 9,063

### B. Break and Remove 25% of Slab - 14 Days:

16,500 Ft<sup>2</sup> x 0.25 = 4,125 Ft<sup>2</sup>  
4,125 Ft<sup>2</sup> @ 37.5 Ft<sup>2</sup>/Hr = 110 Hrs

• Labor Crew = 1 - Operator @ \$ 17.71/Hr  
\$ 17.71/Hr x 110 Hrs = \$ 1,948

• Travel = \$17.71/Hr x 14 Days x 1 Hr/Day = \$ 248

• Eq. Rental = 1 - Pavement Breaker @ \$ 31.33/Hr  
\$ 31.33/Hr x 110 Hrs = \$ 3,446

1- Cat 980C Loader @ \$ 92.64/Hr  
\$ 92.64/Hr x 56 Hrs = \$ 5,188

|   |   |   |
|---|---|---|
| Sub-total   | = | \$ 10,830                               |
| <b>C. Haul and Dispose - Licensed (NRC SUA #1743) Site:</b> |   |   |
| Concrete = 4,125 Ft <sup>2</sup> x <u>8 In.</u>             | = | 2,750 Ft <sup>3</sup> Set               |
| 12 In/Ft  |   |   |
|   | = | 539,000# @ 196#/Ft <sup>3</sup>         |
|   | = | 4,583 Ft <sup>3</sup> Loose (40% Voids) |
| Total = 170 Cu.Yd. @ 539,000# = 13.5 Truckloads @ 40,000#   |   |   |
| • Haul = 13.5 Truckloads x 800 Miles x \$3.27/Mile          | = | \$ 35,316                               |
| • Dispose = 539,000# = 269.5 tons                           |   |   |
| @ \$50/ton disposal cost <sup>8</sup>                       | = | \$ 13,475                               |
| <b>D. Bury Area with 2 Ft. Cover:</b>                       |   |   |
| • Material = 1,225 Cu.Yd. Cover @ \$1.09/Cu.Yd.             | = | \$ 1,335                                |
| <b>Foundation Total</b>                                     | = | <u><b>\$70,019</b></u>                  |

<sup>8</sup> See 1997-1998 Permit to Mine 633 2<sup>nd</sup> Round Responses. Cost is provided in 1998 NRC Surety for SUA-1548, and determined acceptable by NRC and it is based on actual fees charged by Quivira Mining Co., NRC license SUA-1473



|   |                     |   |          |
|---|---------------------|---|----------|
| • Labor Crew = 1 - Foreman @ \$21.58/Hr<br>1 - Operator @ \$17.71/Hr<br>4 - Laborers @ \$13.02/Hr | 91.37/Hr x 56 Hrs   | = | \$ 5,117 |
| • Travel = \$91.37/Hr x 7 Days x 1 Hr/Day   |                     | = | \$ 640   |
| • Eq. Rental = 1 - 20 Ton Crane @ \$37.39/Hr  | \$37.39/Hr x 56 Hrs | = | \$ 2,094 |
| Sub-total   |                     | = | \$ 7,851 |

**B. Dismantle and Cut - 7 Days:**

Cut Steel @ 30 Ft<sup>3</sup>/Man-Day @ 198.6 Ft<sup>3</sup> = 7 Man-Days

|   |                    |   |          |
|---|--------------------|---|----------|
| • Labor Crew = 1 - Foreman @ \$ Foreman supervises 3.2(A) & (B)<br>1 - Welders @ \$19.35/Hr | \$19.35/Hr x 56 Hr | = | \$ 1,084 |
| • Travel = \$19.35/Hr x 7 Days x 1 Hr/Day   |                    | = | \$ 135   |
| • Eq. Rental = 1 - Welder/Torch @ \$10.90/Hr  | \$10.90/Hr x 56 Hr | = | \$ 610   |

Sub-total = \$ 1,829

**C. Haul and Dispose - Licensed (NRC SUA #1473) Site:**

100% of Contaminated = 183.6 Ft.<sup>3</sup> @ 53,800#

Total = 6.8 Cu. Yd. @ 53,800# = 1.4 Truck Loads @ 40,000#

|   |  |   |          |
|---|--|---|----------|
| • Haul = 1.4 Truck x 800 Mile x \$3.27/Mile                               |  | = | \$ 3,662 |
| • Dispose = 53,800# = 26.9 tons<br>@ \$50/ton disposal cost <sup>10</sup> |  | = | \$ 1,345 |

**D. Haul and Dispose - Land Fill:**

100% Non-Contaminated = 15 Ft.<sup>3</sup> @ 4,400#

Total = 0.6 Cu. Yd. @ 4,400# = 0.1 Truck Loads @ 47,000#

|   |  |   |       |
|---|--|---|-------|
| • Haul = 0.1 Truck x 8 Hrs/Truck x \$65.39/Hr |  | = | \$ 52 |
| • Dispose = See Appendix 6.5                  |  |   |       |

*Equipment Total* = \$14,739

**3.3 Foundation**

**A. Decontaminate Slab - 2 Day:**

3500 Ft<sup>2</sup> @ 1000 Ft<sup>2</sup>/Man-Day Twice = 7 Man-Days

= 2 Crew-Days

|  |                     |   |          |
|--|---------------------|---|----------|
| • Labor Crew = 1 - Foreman @ \$21.58/Hr<br>4 - Laborers @ \$13.02/Hr | \$73.66/Hr x 16 Hrs | = | \$ 1,179 |
|--|---------------------|---|----------|

<sup>10</sup> See 1997-1998 Permit to Mine 633 2<sup>nd</sup> Round Responses. Cost is provided in 1998 NRC Surety for SUA-1548, and determined acceptable by NRC and it is based on actual fees charged by Quivira Mining Co., NRC license SUA-1473

|   |   |          |
|---|---|----------|
| • Travel = \$73.66/Hr x 2 Days x 1 Hr/Day   | = | \$ 147   |
| • Eq. Rental = Hand Tools<br>(Broom, Squeegee) @ \$10.90/Hr<br>\$10.90/Hr x 16 Hrs        | = | \$ 174   |
| • 10% HCl = 2 Gal x 3500 Ft <sup>2</sup> x 2<br>Ft <sup>2</sup><br>= 14,000 Gal.          |   |          |
| Make-Up from 20° Be HCl Stock @ \$0.55/Gal<br>Require 288 Gal. Stock per 1,000 Gal. - 10% |   |          |
| 14,000 x 0.288 x \$0.55/Gal   | = | \$ 2,218 |
| • Dispose of Fluid @ \$0.11/BBL<br>14,000 Gal x <u>BBL</u> x \$0.11/BBL<br>42 Gal         | = | \$ 37    |
| Sub-Total   | = | \$ 3,755 |

**B. Break and Remove 25% of Slab - 3 Day:**

|  |   |          |
|--|---|----------|
| 3500 Ft <sup>2</sup> x 0.25 = 875 Ft <sup>2</sup><br>875 Ft <sup>2</sup> @ 37.5 Ft <sup>2</sup> /Hr = 23 Hrs |   |          |
| • Labor Crew = 1 - Operator @ \$17.71/Hr<br>\$17.71/Hr x 23 Hrs  | = | \$ 407   |
| • Travel = \$17.71/Hr x 3 Days x 1Hr/Day   | = | \$ 53    |
| • Eq. Rental = 1 - Pavement Breaker @ \$31.33/Hr<br>\$31.33/Hr x 24 Hrs                                      | = | \$ 752   |
| 1- Cat 980C Loader @ \$92.64/Hr<br>\$92.64/Hr x 12 Hr  | = | \$ 1,112 |
| Sub-total  | = | \$ 2,324 |

**C. Haul and Dispose - Licensed (NRC SUA #1743) Site:**

|  |   |          |
|--|---|----------|
| Concrete = 875 Ft <sup>2</sup> x 8 In = 583 Ft <sup>3</sup> Set<br>12 In/Ft = 114,268# @ 196#/Ft <sup>3</sup><br>= 972 Ft <sup>3</sup> Loose (40% Voids) |   |          |
| Total = 36 Cu.Yd. @ 114,268# = 2.9 Truckloads @ 40,000#  |   |          |
| • Haul = 2.9 Truck x 800 Mile x \$3.27/Mile  | = | \$ 7,586 |
| • Dispose = 114,268# = 57.1 tons<br>@ \$50/ton disposal cost <sup>11</sup>   | = | \$ 2,855 |

**D. Bury Area with 2 Ft Cover:**

|  |   |        |
|--|---|--------|
| • Materials = 259 Cu.Yd. Cover @ \$1.09/Cu.Yd. | = | \$ 282 |
|--|---|--------|

**Foundation Total** = \$16,802

<sup>11</sup> See 1997-1998 Permit to Mine 633 2<sup>nd</sup> Round Responses. Cost is provided in 1998 NRC Surety for SUA-1548, and determined acceptable by NRC and it is based on actual fees charged by Quivira Mining Co., NRC license SUA-1473

SECTION 4  
EXISTING FACILITIES RECLAMATION COSTS  
Cost Summary

| ITEM                      | COSTS (\$97)   |
|---------------------------|----------------|
| 4.1 Buildings             | 95,635         |
| 4.2 Structures            | 17,963         |
| 4.3 Pilot Plant Equipment | 22,620         |
| 4.4 Foundation            | 139,333        |
| 4.5 Site Reclamation      | 178,287        |
| 4.6 O-Sand Pilot          | 41,435         |
| 4.7 Q-Sand Pilot          | N.A.           |
| 4.8 Mine Water Trt Ponds  | 19,878         |
| <b>Total Cost</b>         | <b>515,151</b> |

4.1 Buildings

Basis: Floor Area = 33,248 Ft<sup>2</sup>  
Skin Area = 22,828 Ft<sup>2</sup> (13 Ft Eave)

- 1 @ 200 Ft. x 60 Ft. = 12,000 Ft<sup>2</sup> (Pilot ISL Building)
- 0 @ 70 Ft. x 48 Ft. - Demolished & Removed Sept. 1991
- 1 @ 70 Ft. x 68 Ft. = 4,760 Ft<sup>2</sup> (Existing Office Building)
- 1 @ 48 Ft. x 24 Ft. = 1,152 Ft<sup>2</sup> (Storage Building)
- 1 @ 24 Ft. x 24 Ft. = 576 Ft<sup>2</sup> (Water Treatment Plant)
- 1 @ 40 Ft x 120 Ft. = 4,826 Ft<sup>2</sup> (Shop Building)
- 1 @ Building = 9,934 Ft<sup>2</sup> (New Office Annex Building)

A. Washdown Building - 8 Days

22,828 Ft<sup>2</sup> @ 1 Gal/Ft<sup>2</sup> = 22,828 Gal  
22,828 Ft<sup>2</sup> @ 450 Ft<sup>2</sup>/Man = 51 Man-Days  
= 13 Crew-Days

- Labor Crew = 1 - Foreman @ \$ 21.58/Hr  
4 - Laborers @ \$ 13.02/Hr  
\$ 73.66/Hr x 104 Hr = \$ 7,661
- Travel = \$ 73.66/Hr x 13 Days x 1 Hr/Day = \$ 958
- Eq. Rental = 4 - Pressure Washers @ \$ 8.71/Hr  
\$ 34.84/Hr x 104 Hr = \$ 3,623
- Materials = Soap @ \$1.09/BBL  
22,828 Gal x BBL x \$1.09/BBL = \$ 592  
42 Gal
- Dispose of Fluid @ \$0.11/BBL  
22,828 Gal x BBL x \$0.11/BBL = \$ 60  
42 Gal
- Sub-total = \$ 12,894

B. Dismantle and Load - 24 Days:

33,248 Ft<sup>2</sup> @ 100 Ft<sup>2</sup>/Man-Day = 332 Man-Days  
= 42 Crew-Days

|   |   |   |                  |
|---|---|---|------------------|
| • Labor Crew                                    | = 1 - Foreman @ \$ 21.58/Hr   |   |                  |
|   | 2 - Welders @ \$ 19.35/Hr   |   |                  |
|   | 2 - Operators @ \$ 17.71/Hr   |   |                  |
|   | 4 - Laborers @ \$ 13.02/Hr  |   |                  |
|   | <u>\$147.78/Hr x 336 Hrs</u>  | = | \$ 49,654        |
| • Travel  | = \$147.78/Hr x 42 Days x 1 Hr/Day  | = | \$ 6,207         |
| • Eq. Rental                                    | = 2 - 20 Ton Cranes @ \$37.39/Hr  |   |                  |
|   | 2- Welder/Torches @ \$10.90/Hr  |   |                  |
|   | <u>\$96.58/Hr x 336 Hrs</u>   | = | \$ 32,450        |
| Sub-total                                       |   | = | \$ 88,311        |
| C. <u>Haul and Dispose - On-Site Land Fill:</u> |   |   |                  |
|   | Buildings = 676,800# = 14 Truck Loads* @ 47,000#                          |   |                  |
| • Haul  | = 14 Trucks x 8 Hrs/Truck x \$65.39/Hr                                    | = | \$ 7,324         |
| • Dispose                                       | = See Appendix 6.5  |   |                  |
| * 5 Trucks                                      | x $\frac{18,488 \text{ Ft.}^2}{11,550 \text{ Ft.}^2} = 14 \text{ Trucks}$ |   |                  |
| <i>Buildings Total</i>                          |   | = | <u>\$ 95,635</u> |
| 4.2 Structures                                  |   |   |                  |
| A. <u>Plug Shaft - Completed in 1994</u>        |   | = | \$ 0             |
| B. <u>Plug Venthole</u>                         |   |   |                  |
| • Backfill 335 ft. of hole                      | (270 c.y. @ \$1.09/yd)  | = | \$ 294           |
| • Backhoe 16 hrs @ \$27.25/hr                   |   | = | \$ 436           |
| • Steel plate and rebar                         |   | = | \$ 300           |
| • Cement - 10 c.y. @ \$76/c.y. delivered        |   | = | \$ 760           |
| • 40 man hours @ \$13.02/hr                     |   | = | \$ 521           |
| • Dirt cover - 100 c.y. @ \$1.09/c.y.           |   | = | \$ 109           |
| Sub-total                                       |   | = | \$ 2,420         |
| C. <u>Mine Water Treatment Ponds</u>            |   |   |                  |
|   | See Section 4.8   |   |                  |
| D. <u>Evaporation Ponds</u>                     |   |   |                  |
|   | Total Area = 200 Ft. x 100 Ft. = 20,000 Ft. <sup>2</sup> = 0.5 Acres      |   |                  |
| • Total = 0.5 Acres                             | x $\frac{\$65,392^*}{5 \text{ Acres}}$                                    | = | \$ 6,539         |

\* See Section 6 - part 6.2 for the cost on a 5 acre basis

#### E. Headframe Removal

- Dismantle - Completed in 1991 = \$ 0
- Haul & Dispose - Completed in 1993 = \$ 0

**F. Fencing (includes delineation posts)**

Facility Fence - 5900 ft  
 Wellfield #1 - 6600 ft  
 Wellfield #3 - 7500 ft  
 Wellfield #4/4A-25,000 ft  


---

 45000 ft

- Cost to remove fencing = \$0.15/ft<sup>12</sup> = \$ 7,426

**G. Water Wells**

- Water wells (2) are 5 inch diameter wells with depth of 750 feet.
- Cost Basis - \$285/well (\$7705 per 27 wells, see "Section 5.4 - Wells") = \$ 570

**H. Fuel Area**

- Size - 15 ft x 25 ft = 375 Ft<sup>2</sup>.  
 375 Ft<sup>2</sup> @ 37.5 Ft<sup>2</sup>/Hr = 10 Hrs
- Labor Crew = 1 - Operators @ \$17.71/Hr  
 \$17.71/Hr x 10 Hrs = \$ 177
- Travel = \$17.71/Hr x 2 Days x 1 Hr/Day = \$ 35
- Eq. Rental = 1- Pavement Breaker @ \$31.33/Hr  
 \$31.33/Hr x 10 hrs = \$ 313
- 1- Cat 980C Loader @ 92.64/Hr  
 \$96.58/Hr x 5 hr = \$ 483
- Sub-total = \$ 1008
- Structures Total = \$17,963**

**4.3 Pilot Plant Equipment**

**A. Tanks:**

- 15 Tanks
- Total = 15 Tanks x \$55,926\* = \$ 16,449  
 51 Tanks

**B. Piping:**

- 1500 Ft. @ 6" Dia. or Less
- Total = 1500 Ft. x \$10,616\* = \$ 3,185  
 5,000 Ft.

**C. Pumps:**

- 12 Pumps
- Total = 12 Pumps x \$10,700\* = \$ 2,986  
 43 Pumps

<sup>12</sup> Cost per linear foot based on Third Party Cost Quote dated 6/11/99

\* Reference Section 2 - parts 2.2, 2.3 & 2.4

*Pilot Plant Total* = \$ 22,620

4.4 Foundation

A. Decontaminate Slab - 5 Days:

33,248 Ft<sup>2</sup> @ 1000 Ft<sup>2</sup>/Man-Day = 33.2 Man-Days  
= 8.3 Crew-Days

• Labor Crew = 1 - Foreman @ \$ 21.58/Hr  
4 - Laborers @ \$ 13.02/Hr  
\$ 73.66/Hr x 66.4 Hrs = \$ 4,891

• Travel = \$73.66/Hr x 9 Days x 1 Hr/Day = \$ 663

• Eq. Rental = Hand Tools @ \$10.90/Hr  
(Brooms, Squeegee) @ \$10.90 /Hr x 66.4 Hrs = \$ 724

• 10% HCl = 2 Gal/Ft<sup>2</sup> x 33,248 Ft.<sup>2</sup>  
= 66,496 Gal.

Make-Up from 20° Be HCl Stock @ \$0.55/Gal  
Require 288 Gal. Stock per 1,000 Gal. - 10%

66,496 x 0.288 x \$0.55/Gal = \$ 10,532

• Dispose of Fluid @ \$0.11/BBL  
66,496 Gal x BBL x \$0.11 BBL  
42 Gal = \$ 174

Sub-total = \$ 16,984

B. Break and Remove 25% of Slab - 28 Days:

33,248 Ft<sup>2</sup> x 0.25 = 8,312 Ft<sup>2</sup>  
8,312 Ft<sup>2</sup> @ 37.5 Ft<sup>2</sup>/Hr = 221 Hrs

• Labor Crew = 1 - Operator @ \$17.71/Hr  
\$17.71/Hr x 221 Hrs = \$ 3,914

• Travel = \$17.71/Hr x 28 Days x 1 Hr/Day = \$ 496

• Eq. Rental = 1 - Pavement Breaker @ \$31.33/Hr  
\$31.33/Hr x 221 Hrs = \$ 6,923

1 - Cat 980C Loader @ \$92.64/Hr  
\$92.64/Hr x 111 Hrs = \$ 10,283

Sub-total = \$ 21,616

C. Haul and Dispose - Licensed (NRC SUA #1743) Site:

Concrete = 8,312 Ft<sup>2</sup> x 8 In. = 5,541 Ft<sup>3</sup> Set  
12 In/Ft  
= 1,086,101# @ 196#/Ft<sup>3</sup>  
= 9,235 Ft<sup>3</sup> Loose(40% Voids)

Total = 342 Cu.Yd. @ 1,086,101# = 27.1 Truckloads @ 40,000#

• Haul = 27.1 Truckloads x 800 Miles x \$3.27/Mile = \$70,894

• Dispose = 1,086,101# = 543.1 tons  
 @ \$50/ton disposal cost<sup>13</sup> = \$27,155

**D. Bury Area with 2 Ft Cover:**

• Materials = 2,462 Cu. Yd. Cover @ \$1.09/Cu. Yd. = \$ 2,684

*Foundation Total* = \$139,333

**4.5 Site Reclamation**

Basis: 201.53 Acres = 8,778,647 Ft.<sup>2</sup>

**A. Rip & Contour:**

• Rip & Contour @ \$166.68/Acre x 201.53 Acre = \$ 33,591

**B. Topsoil Placement:**

Replace 8 In.\* Topsoil = 51,769 Cu.Yd.

• Topsoil @ \$1.09/Cu. Yd. = \$56,428

\* 8 In. Topsoil Removed in Previous Years

**C. Revegetate:**

• Grade and Contour @ \$87.19/Acre x 201.53 Acre = \$17,571

• Seedbed Prep.  
 (Disc. + Harrow) @ \$ 21.80/Acre x 201.53 Acre = \$ 4,393

• Mulch (Drill + Seed + Mow) @ \$ 49/Acre x 201.53 Acre = \$ 9,875

• Drill Seed and Fertilize  
 (Drill + Seed + Fertilizer)@ \$163/Acre x 201.53 Acre = \$32,849

• Revegetation Contingency\* @ \$234/Acre x 100.77 Acre = \$23,580  
 (All items excluding grading)

\* Assume only 50% of acreage requires reseeding

Sub-total = \$ 88,268

*Site Reclamation Total* = \$178,287

**4.6 O-Sand Pilot**

**A. Surface Reclamation:**

Basis = 6 Patterns

• Total = 6 Patterns x \$16,669\*  
 10 Patterns = \$ 10,001

\* Reference Section 5 - Summary Table Cost Per Pattern

<sup>13</sup> See 1997-1998 Permit to Mine 633 2<sup>nd</sup> Round Responses. Cost is provided in 1998 NRC Surety for SUA-1548, and determined acceptable by NRC and it is based on actual fees charged by Quivira Mining Co., NRC license SUA-1473

**B. Groundwater Restoration:**

Basis = 6 Patterns

• Total = 6 Patterns x \$5,239\* = \$ 31,434  
Pattern

\* Reference Appendix #7

Sub-Total = \$ 41,435

**4.7 Q-Sand Pilot**

Basis - 6 Patterns

• Building - Removed in 1992 = \$ 0  
• Plug & Abandon 10 Wells - Completed in 1992 = \$ 0  
• Reclaim Surface = To Be Completed With  
WF1 Operations = \$ 0

Sub-total = \$ 0

**4.8 Mine Water Treatment Ponds**

**A. Burial In-Place**

• Settled solids to Pond 3 for Burial In-Place

D8N Dozer - 40 Hrs @ \$117.71/Hr = \$ 4,708

• Backfill and Contour Settling Ponds

D8N Dozer - 120 Hrs @ \$117.71/Hr = \$14,125

Motor Grader - 16 Hrs @ \$65.34/Hr = 1,045

Sub-total = \$19,878

*Mine Water Treatment Total* = *\$19,878*

SECTION 5  
UNIT HEADER SITE AND ASSOCIATED WELLFIELD RECLAMATION COSTS

Cost Summary

| ITEM                      | Cost (\$97) per 10 Patterns | Cost (\$97) 513 Patterns 2001-2002 |
|---------------------------|-----------------------------|------------------------------------|
| 5.1 Buildings             | 1,549                       | 79,463                             |
| 5.2 Header Piping         | 2,735                       | 140,306                            |
| 5.3 Secondary Electrical  | 2,633                       | 135,073                            |
| 5.4 Wells-Total           | 10,532                      | 540,292                            |
| 5.5 Monitor Wells - Total | 1,450                       | 73,515*                            |
| 5.6 Site Reclamation      | 1,019                       | 52,275                             |
| <b>Total Cost</b>         | <b>19,918</b>               | <b>1,020,924</b>                   |

\* In period 2001-2002, the second completion to Wellfield #3 will be opened with 6 new patterns. These will be in-fill patterns and will not increase the area of Wellfield #3 or necessitate the addition of monitor wells.

5.1 Building

Basis: 12 Ft. x 24 Ft. with 10 Ft. Eave  
 Floor Area = 288 Ft<sup>2</sup>  
 Skin Area = 720 Ft<sup>2</sup>

A. Washdown Building - 1 Day:

Wash 720 Ft<sup>2</sup> @ 1 Gal/Ft<sup>2</sup> = 720 Gal  
 Wash 720 Ft<sup>2</sup> @ 450 Ft<sup>2</sup>/Man-Day = 1.6 Man-Days  
 = 0.8 Crew-Days

- Labor Crew = 1 - Foreman @ \$ 21.58/Hr  
 2 - Laborers @ \$ 13.02/Hr  
 \$ 47.62/Hr x 8 Hr = \$ 381
- Travel = \$47.62/Hr x 1 Day x 1 Hr/Day = \$ 48
- Eq. Rental = 2 - Pressure Washers @ \$ 8.71/Hr  
 \$ 17.42/Hr x 8 Hr = \$ 139
- Materials = Soap @ \$1.09/BBL  
 720 Gal x BBL x \$1.09/BBL = \$ 19  
 42 Gal
- Dispose of Fluid @ \$0.11/BBL  
 720 Gal x BBL x \$0.11/BBL = \$ 2  
 42 Gal
- Sub-total = \$ 589

B. Dismantle and Load - 1 Day:

Dismantle and Load @ 100 Ft<sup>2</sup>/Man-Day  
 288 Ft<sup>2</sup> @ 100 Ft<sup>2</sup>/Man-Day = 2.9 Man-Day  
 = 1.0 Crew-Day

- Labor Crew = 1 - Foreman @ \$ 21.58/Hr  
 1 - Welders @ \$ 19.35/Hr  
 2 - Laborers @ \$ 13.02/Hr  
 \$66.97/Hr x 8 Hr = \$ 536
- Travel = \$66.97/Hr x 1 Day x 1 Hr/Day = \$ 67

• Eq. Rental = 1 - Backhoe @ \$ 27.25/Hr  
 1 - Welder/Torch @ \$ 10.90/Hr  
 \$ 38.15/Hr x 8 Hr = \$ 305

Sub-total = \$ 908

C. Haul and Dispose - On-Site Land Fill:  
 Building = 4,700# = 0.1 Truck Loads\* @ 47,000#

• Haul = 0.1 Truck x 8 Hrs/Truck x \$65.39/Hr = \$ 52

• Dispose = See Appendix 6.5

\* 5 Truck x  $\frac{288 \text{ Ft.}^2}{11,550 \text{ Ft.}^2}$  = 0.1 Trucks

Sub-total = \$ 52

*Building Total* = \$ 1,549

5.2 Header Piping

Basis: 2000 Ft. - 1" Piping Buried @ 6 Ft.  
 Trench = 6 Ft. x 2 Ft. = 45 Cu. Yd./100 Ft.  
 Excavation = 26 Cu. Yd./Hr (Case 580 Backhoe - 24 in. Bucket)

A. Open Trenches - 5 Days:  
 (2000 Ft.) x  $\frac{45 \text{ Cu. Yd.}}{100 \text{ Ft.} \cdot 26 \text{ Cu. Yd.}}$  x (  Hr.  ) = 35 Hrs

• Eq. Rental = 1 - Backhoe @ \$ 27.25/Hr  
 \$ 27.25/Hr x 40 Hr = \$1,090

B. Remove, Cut and Load - 2.5 Days:  
 Trenches Opened at 400 Ft/Man-Day  
 Piping = 2000 Ft @ 400 Ft/Man-Day = 5 Man-Days  
 = 2.5 Crew-Days

• Labor Crew = 1 - Foreman @ \$ 21.58/Hr  
 2 - Laborers @ \$ 13.02/Hr  
 \$ 47.62/Hr x 20 Hr = \$

952

• Travel = \$47.62 x 3 Days x 1 Hr/Day = \$ 143

• Eq. Rental = 2 - Chainsaws @ \$2.40/Hr  
 \$4.8/Hr x 20 Hrs = \$ 96

Sub-total = \$ 1,191

C. Backfill Trenches - 2 Day:  
 Backfill @ 2.5 Time Excavation Rate or  
 Backfill @ 26 Cu.Yd. x 2.5 = 65 Cu.Yd./Hr  
 Hr  
 (2000 Ft) x  $\frac{45 \text{ Cu.Yd.}}{100 \text{ Ft} \cdot 65 \text{ Cu.Yd.}}$  x (  Hr  ) = 13.8 Hrs or 14 hours

• Eq. Rental = 1 - Backhoe @ \$ 27.25/Hr

\$ 27.25/Hr x 14 Hrs = \$ 382

D. Haul and Dispose - Licensed (NRC SUA #1473) Site:

1 1/4" Poly Pipe = 43 #/100 Ft. = 2,000 Ft. x 0.43#/Ft. = 860#

Volume =  $\frac{2,000 \text{ Ft} \times (43 \text{ \#/100 Ft.})}{62.4 \frac{\text{\#}}{\text{Ft.}^3} \times 0.6}$  = 23 Ft.<sup>3</sup>

Total = 0.9 Cu. Yd. @ 860# = 0.02 Truck Loads @ 40,000#

• Haul = 0.02 Trucks x 800 Mile x \$3.27/Mile = \$ 52

• Dispose = 860# = 0.4 tons @ \$50/ton disposal cost<sup>14</sup> = \$ 20

*Header Piping Total* = \$2,735

5.3 Secondary Electrical

Basis: Remove 2,000 ft - #10 AWG, Power Cable  
Remove Pole and Motor Starters

A. Remove Tray Cable - 1 Day:

• Labor Crew = 1 - Journeyman @ \$ 34.88/Hr  
1 - Helper @ \$ 30.51/Hr  
\$ 65.39/Hr x 8 Hr = \$ 523

• Travel = \$65.39/Hr x 1 Day x 2 Hr/Day = \$ 131  
+ \$0.54/Mile x 1 Day x 120 Mile/Day = \$ 65

• Eq. Rental = 1 - Truck @ \$12.26/Hr  
\$12.26/Hr x 8 Hr = \$ 98

Sub-total = \$ 817

B. Remove Motor Starters - 1 Day:

• Labor Crew = 1 - Journeyman @ \$ 34.88/Hr  
1 - Helper @ \$ 30.51/Hr  
\$ 65.39/Hr x 8 Hr = \$ 523

• Travel = \$65.39/Hr x 1 Day x 2 Hr/Day = \$ 131  
+ \$0.54/Mile x 1 Day x 120 Mile/Day = \$ 65

• Eq. Rental = 1 - Truck @ \$12.26/Hr  
\$12.26/Hr x 8 Hr = \$ 98

Sub-total = \$ 817

C. Disconnect Power Cable from Pole - 0.5 Days:

• Labor Crew = 1 - Journeyman @ \$ 34.88/Hr  
1 - Helper @ \$ 30.51/Hr  
\$ 65.39/Hr x 4 Hr = \$

262

• Travel = \$65.39/Hr x 0.5 Day x 2 Hr/Day = \$ 65

<sup>14</sup> See 1997-1998 Permit to Mine 633 2<sup>nd</sup> Round Responses. Cost is provided in 1998 NRC Surety for SUA-1548, and determined acceptable by NRC and it is based on actual fees charged by Quivira Mining Co., NRC license SUA-1473

|   |   |   |                 |
|---|---|---|-----------------|
|   | + \$0.54/Mile x 0.5 Day x 120 Mile/Day  | = | \$ 32           |
|   | • Eq. Rental = 1 - Bucket Truck @ \$ 37.36/Hr<br>1 - Truck @ \$ <u>12.26/Hr</u><br>\$ 49.62/Hr x 4 Hr   | = | \$ <u>198</u>   |
| Sub-total                                       |   | = | \$ 557          |
| <b>D. Remove Pole - 0.5 Day:</b>                |   |   |                 |
|   | • Labor Crew = 1 - Foreman @ \$ 21.58/Hr<br>1 - Operator @ \$ 17.71/Hr<br>1 - Laborer @ \$ <u>13.02/Hr</u><br>\$ 52.31/Hr x 4 Hr                    | = | \$ 209          |
|   | • Travel = \$52.31/Hr x 1 Day x 1 Hr/Day  | = | \$ 52           |
|   | • Eq. Rental = 1 - 20 Ton Crane @ \$ <u>37.39/Hr</u><br>\$ 37.39/Hr x 4 Hr  | = | \$ <u>150</u>   |
| Sub-total                                       |   | = | \$ 411          |
| <b>E. Haul and Dispose - On-Site Land Fill:</b> |   |   |                 |
|   | Cable = $\frac{3.14 \times (0.5)^2 \times 2,000}{4 \times 144 \times 0.6}$ = 4.5 Ft. <sup>3</sup> @ 1499#<br>(555#/Ft. <sup>3</sup> @ 40% Void)     |   |                 |
|   | Motor Starter =<br>$\frac{10 \times (24 \text{ in.} \times 10 \text{ in.} \times 8 \text{ in.})}{1728}$ = 11.1 Ft. <sup>3</sup> @ 260# (@ 26# Each) |   |                 |
|   | Pole = 1 Ft. Diam. x 35 Ft. = 27.5 Ft. <sup>3</sup> @ 825# (@ 30#/Ft <sup>3</sup> )   |   |                 |
|   | Total = 43.1 Ft. <sup>3</sup> @ 2,585#<br>= 1.6 Cu. Yd. @ 2,585# = 0.06 Trucks @ 47,000#  |   |                 |
|   | • Haul = 0.06 Trucks x 8 Hr/Truck x \$65.39/Hr  | = | \$ <u>31</u>    |
|   | • Dispose = See Appendix 6.5  |   |                 |
|   | <b>Secondary Electrical Total</b>   | = | <u>\$ 2,633</u> |

#### 5.4 Wells

Basis: 27 Wells per 10 Patterns  
5 in. Casing, 750 Ft. TD  
Pumps and Tubing Set @ 550 Ft.

##### A. Pull Pumps and Tubing - 2 Days:

10 Pumps @ 5 Pumps/Crew-Day = 2 Days

• Eq. Rental = 1 - Pulling Unit w/2-Man Crew @ \$ 32.70/Hr  
\$ 32.70/Hr x 16 Hrs = \$ 523

##### B. Plug and Abandon - 4.5 Days:

27 Wells @ 6 Wells/Crew-Day = 4.5 Days

10 - Sack Cement/Well  
800# - 'Shur-Gel'/Well

• Labor Crew = 1 - Foreman @ \$ 21.58/Hr  
1 - Operator @ \$ 17.71/Hr

|   |  |                       |                 |
|---|--|-----------------------|-----------------|
| 2 - Laborers  | @ \$13.02/Hr   |                       |                 |
|   | \$ 65.33/Hr x 36 Hrs   | =                     | \$ 2,352        |
| • Travel  | = \$65.33 x 5 Days x 1 Hr/Day                                | =                     | \$ 327          |
| • Eq. Rental =  | 1 - Backhoe @ \$ 27.25/Hr                                    |                       |                 |
|   | 1 - 6000# Forklift @ \$ 13.12/Hr*                            |                       |                 |
|   | 2 - Skid Tanks @ \$ 2.40/Hr                                  |                       |                 |
|   | \$ 45.17/Hr x 36 Hrs   | =                     | \$ 1,626        |
| * \$1927/Month  | @ 160 Hr/Month x 1.899 (CPI inflator) = \$13.12/Hr           |                       |                 |
| • Materials - 270 - Sacks Cement                            | @ \$ 5.45/each   |                       |                 |
| 21,600 - # 'Shur Gel'                                       | @ \$ 16.34/100#  |                       |                 |
|   | \$ 5,001   | =                     | \$ 5,001        |
| Sub-total   |  | =                     | \$ 9,306        |
| <b>C. Haul and Dispose - Licensed (NRC SUA #1473) Site:</b> |  |                       |                 |
| Pumps   | = 10 x 5 In. Dia. x 8 Ft. Long = 10.9 Ft. <sup>3</sup>       |                       |                 |
|   | @ 850# (@ 85# Each)  |                       |                 |
| Tubing  | = 27 x 550 Ft x 43#/100 Ft. = 170.6 Ft. <sup>3</sup> @ 6386# |                       |                 |
|   | 62.4 #/Ft. <sup>3</sup> x 0.6                                |                       |                 |
| Total   | = 181.5 Ft. <sup>3</sup> @ 7,236#                            |                       |                 |
|   | = 6.7 Cu. Yd. @ 7,236# = 0.2 Trucks @ 40,000#                |                       |                 |
| • Haul  | = 0.2 Truck x 800 Mile x \$3.27/Mile                         | =                     | \$ 523          |
| • Dispose   | = 7,236# = 3.6 tons @ \$50/ton disposal cost <sup>15</sup>   | =                     | \$ 180          |
| <i>Wells Total</i>  |  | =                     | <u>\$10,532</u> |
| <b>5.5 Monitor Wells</b>                                    |  |                       |                 |
| Basis:  | 3.21 Per 10 Patterns   |                       |                 |
|   | 5 in. Casing, 750 Ft. T.D.                                   |                       |                 |
|   | Pumps and Tubing Set @ 550 Ft.                               |                       |                 |
| <b>A. Pull Pumps and Tubing - 1 Day:</b>                    |  |                       |                 |
|   | 3.21 Pumps @ 5 Pumps/Crew-Day = 1 Day                        |                       |                 |
| • Eq. Rental =  | 1 - Pulling Unit w/2-Man Crew @                              | \$ 32.70/Hr           |                 |
|   |  | \$ 32.70/Hr x 8 Hrs = | \$ 262          |
| <b>B. Plug and Abandon - 0.5 Days:</b>                      |  |                       |                 |
|   | 3.21 Wells @ 6 Wells/Crew-Day = 0.5 Crew-Days                |                       |                 |
|   | 10 Sacks Cement/Well   |                       |                 |
|   | 200# 'Shur-Gel'/Well   |                       |                 |
| • Labor Crew =  | 1 - Foreman @ \$ 21.58/Hr                                    |                       |                 |
|   | 1 - Operator @ \$ 19.35/Hr                                   |                       |                 |
|   | 2 - Laborers @ \$ 13.02/Hr                                   |                       |                 |
|   | \$ 66.97/Hr x 4 Hrs  | =                     | \$ 268          |

<sup>15</sup> See 1997-1998 Permit to Mine 633 2<sup>nd</sup> Round Responses. Cost is provided in 1998 NRC Surety for SUA-1548, and determined acceptable by NRC and it is based on actual fees charged by Quivira Mining Co., NRC license SUA-1473

|  |   |          |
|--|---|----------|
| • Travel = \$66.97/Hr x 1 Day x 1 Hr/Day     | = | \$ 67    |
| • Eq. Rental = 1 - Backhoe @ \$ 27.25/Hr     |   |          |
| 1 - 6000# Forklift @ \$ 13.12/Hr             |   |          |
| 2 - Skid Tanks @ \$ 2.40/Hr                  |   |          |
| \$ 45.17/Hrs x 4 Hrs                         | = | \$ 181   |
| • Materials - 32 Sacks Cement @ \$ 5.45/each |   |          |
| 2,568 - # 'Shur Gel' @ \$ 16.34/100#         |   |          |
| \$ 594                                       | = | \$ 594   |
| Sub-total                                    | = | \$ 1,110 |

C. Haul and Dispose - Licensed (NRC SUA #1473) Site:  
Pumps = 3.21 @ 5 In. Dia. x 8 Ft. Long = 3.5 Ft.<sup>3</sup> @ 273#  
(83# Each)

Tubing = 3.21 x 550 Ft x 43#/100 Ft. = 20.3 Ft.<sup>3</sup> @ 759#  
62.4 #/Ft.<sup>3</sup> x 0.6

Total = 23.8 Ft.<sup>3</sup> @ 1032#  
= 0.8 Cu. Yd. @ 1032# = 0.03 Truck @ 40,000#

• Haul = 0.03 Truck x 800 Mile x \$3.27/Mile = \$ 78

*Monitor Well Total* = \$ 1,450

#### 5.6 Site Reclamation

Basis: Revegetate 2.3 Acres (500 Ft. x 200 Ft.)  
Replace 10 Cu.Yd. Topsoil (540 Ft.<sup>2</sup> x 6 In.) @ Building Pad

##### A. Topsoil Placement:

• 10 Cu.Yd. @ 1.09/Cu.Yd. = \$ 11

##### B. Revegetate:

|   |   |        |
|---|---|--------|
| • Grade and Contour Topsoil @ \$ 87.19/Acre x 2.3 Acres                             | = | \$ 201 |
| • Seedbed Prep.<br>(Disc. + Harrow) @ \$ 21.80/Acre x 2.3 Acres                     | = | \$ 50  |
| • Mulch (Drill + Seed + Mow) @ \$ 49/Acre x 2.3 Acres                               | = | \$ 113 |
| • Drill Seed and Fertilize<br>(Drill + Seed + Fertilizer) @ \$ 163/Acre x 2.3 Acres | = | \$ 375 |
| • Revegetation Contingency* @ \$ 234/Acre x 1.15 Acres                              | = | \$ 269 |
| (All items excluding grading)   |   |        |

Sub-total = \$ 1,008

\* Assume only 50% of acreage requires reseeding

*Site Reclamation Total* = \$ 1,019

SECTION 6  
ASSOCIATED STRUCTURES RECLAMATION COSTS

Cost Summary

| ITEM                        | COSTS (\$97)   |
|-----------------------------|----------------|
| 6.1 Trunkline #1 (5000 ft)  | 52,108         |
| 6.2 Trunkline #2 (10000 ft) | 104,216        |
| 6.3 Radium Settling Ponds   | 70,077         |
| 6.4a P/A Disposal Well #1   | 77,735         |
| 6.4b P/A Disposal Well #2   | 77,735         |
| 6.5 Sand Mining Area        | 13,173         |
| 6.6 Land Fill               | 1,500          |
| 6.7 Fire Protection System  | 11,623         |
| <b>Total Cost</b>           | <b>408,167</b> |

**6.1 Trunkline**

Basis: 2 - 16 in. Trunklines Buried @6 Ft.

Length = 5,000 Ft.  
Trench = 6 Ft. x 4 Ft. = 89 Cu. Yd./100 Ft  
Excavation = 150 Cu. Yd. (Cat. 225 1.25 Cu. Yd. Bucket)  
Hr

**A. Open Trench - 4 Days:**

(5000 Ft.) x (89 Cu. Yd.) x ( Hr. ) = 30 Hrs - Round to 32 Hrs  
100 Ft. 150 Cu. Yd.

• Eq. Rental = 1 - Cat. 225 Trackhoe @ \$112.26/Hr  
\$112.26/Hr x 32 Hr = \$ 3,592

**B. Remove, Cut and Load - 18 Days:**

2 - 5000 Ft Trunklines @ 140 Ft/Man-Day = 71.4 Man-Day  
= 18 Crew-Day

• Labor Crew = 1 - Foreman @ \$21.58/Hr  
4 - Laborers @ \$13.02/Hr  
\$73.66/Hrs x 144 Hr = \$ 10,607

• Travel = \$73.66/Hr x 18 Days x 1 Hr/Day = \$ 1,326

• Eq. Rental = 2 - Backhoe @ \$27.25/Hr  
2 - Chainsaw @ \$ 2.40/Hr  
\$59.30/Hr x 144 Hr = \$ 8,539

Sub-total = \$ 20,472

**C. Backfill Trench - 5 Days:**

Backfill @ 65 Cu.Yd./Hr Per Backhoe or  
Backfill @ 130 Cu.Yd./Hr with 2 Backhoes

(5000 Ft.) x (89 Cu. Yd.) ( Hr. ) = 34 Hrs  
100 Ft. 130 Cu. Yd.

• Eq. Rental = 2 - Backhoes @ \$ 27.25/Hr

|   |                         |   |                 |
|---|-------------------------|---|-----------------|
|   | \$ 54.50/Hr x 40 Hrs    | = | \$ 2,180        |
| D. <u>Decontaminate</u> - 0 Days:   |                         | = | \$ 0            |
| E. <u>Haul and Dispose</u> - Licensed (NRC SUA #1473) Site:                           |                         |   |                 |
| 100% of Pipe = 2 x 5,000 Ft. x 28.27#/Ft = 282,700#                                   |                         |   |                 |
| = $\frac{282,700\#}{62.4\#/Ft.^3} \times 0.6$   | = 7551 Ft. <sup>3</sup> |   |                 |
| Total = 279.7 Cu. Yd. @ 282,700# = 7.1 Truckloads @ 40,000#                           |                         |   |                 |
| • Haul = 7.1 Trucks x 800 Mile x \$3.27/Mile  |                         | = | \$ 18,574       |
| • Dispose = 282,700# = 141.4 tons<br>@ \$50/ton disposal cost <sup>16</sup>           |                         | = | \$ 7,070        |
| F. <u>Haul &amp; Dispose</u> - Land Fill:   |                         | = | \$ 0            |
| G. <u>Surface Reclamation</u> :   |                         |   |                 |
| 4 Ft. x 5000 Ft. = 20,000 Ft. <sup>2</sup> = 0.5 Acres                                |                         |   |                 |
| • Grade and Contour @ \$ 87.19/Acre x 0.5 Acre  |                         | = | \$ 43           |
| • Seedbed Prep.<br>(Disc. + Harrow) @ \$ 21.80/Acre x 0.5 Acre                        |                         | = | \$ 11           |
| • Mulch (Drill + Seed + Mow) @ \$ 49/Acre x 0.5 Acre                                  |                         | = | \$ 25           |
| • Drill Seed and Fertilize<br>(Drill + Seed + Fertilizer)@ \$163/Acre x 0.5 Acre      |                         | = | \$ 82           |
| • Revegetation Contingency* @ \$234/Acre x 0.25 Acre<br>(All items excluding grading) |                         | = | \$ 59           |
| * Assume only 50% of acreage requires reseeding                                       |                         |   |                 |
| Sub-total   |                         | = | \$ 220          |
| <i>Trunkline Total</i>  |                         | = | <u>\$52,108</u> |
| 6.2 <u>Trunkline #2</u>   |                         |   |                 |
| Cost for 5000 ft line is \$52,108. Trunkline #2 is 10,000 ft.<br>@ \$52,108 x 2       |                         | = | \$104,216       |
| 6.3 <u>Radium Settling Ponds</u>  |                         |   |                 |
| Basis: 2 Ponds  |                         |   |                 |
| 9 Ft. Deep Below Grade plus 3 Ft. Freeboard Above Grade                               |                         |   |                 |
| Bottom = 180 Ft. x 360 Ft. (Per Pond)   |                         |   |                 |
| Top = 252 Ft. x 432 Ft. (Per Pond)  |                         |   |                 |
| Liner = 106,000 Ft <sup>2</sup> x 30 MIL (Per Pond)                                   |                         |   |                 |
| Solids = 200 Ft. <sup>3</sup> /Yr (Both Ponds)  |                         |   |                 |

<sup>16</sup> See 1997-1998 Permit to Mine 633 2<sup>nd</sup> Round Responses. Cost is provided in 1998 NRC Surety for SUA-1548, and determined acceptable by NRC and it is based on actual fees charged by Quivira Mining Co., NRC license SUA-1473

**A. Remove Solids and Liner - 8 Days:**

$$\begin{aligned} \text{Liner} &= 2 \text{ Ponds} \times 106,000 \text{ Ft.}^2 \times 0.03 \text{ In}/12 &= 530 \text{ Ft.}^3 \\ & &= 33,072\# \text{ @ } 62.4\#/\text{Ft}^3 \\ & &= 883 \text{ Ft}^3 \text{ @ } 40\% \text{ Voids} \end{aligned}$$

$$\begin{aligned} \text{Solids} &= 200 \text{ ft}^3/\text{yr} &= 200 \text{ Ft.}^3/\text{Yr Yr \#1 - 1998} \\ & &= 800 \text{ Ft.}^3 \text{ In Yr \#5 - 2002} \end{aligned}$$

Remove @ 55 Gal/Man-Hr or 60 Ft<sup>3</sup>/Man-Day

$$\begin{aligned} \text{Yr \#5} &= 1683 \text{ Ft}^3 \text{ @ } 60 \text{ Ft}^3/\text{Man-Day} = 28 \text{ Man-Days} \\ & &= 7 \text{ Crew-Days} \end{aligned}$$

- Labor Crew = 1 - Foreman @ \$21.58/Hr  
4 - Laborers @ \$13.02/Hr  
\$73.66/Hr x 56 Hrs = \$ 4,125
  - Travel = \$73.66/Hr x 7 Days x 1 Hr/Day = \$ 516
  - Eq. Rental = 2 - Backhoes @ \$27.25/Hr  
\$54.50/Hr x 56 Hr = \$ 3,052
- Sub-total = \$ 7,693

**B. Backfill Ponds - 27 Days:**

$$\begin{aligned} \text{Volume @ Grade} &= 180 \text{ Ft} \times 360 \text{ Ft} \times 9 \text{ Ft} = 583,200 \text{ Ft}^3 \\ &+ 27 \text{ Ft} \times 180 \text{ Ft} \times 9 \text{ Ft} = 43,740 \text{ Ft}^3 \\ &+ 27 \text{ Ft} \times 360 \text{ Ft} \times 9 \text{ Ft} = 87,480 \text{ Ft}^3 \\ & &714,420 \text{ Ft}^3 \text{ (Per Pond)} \end{aligned}$$

$$\text{Total Volume} = 714,420 \text{ Ft}^3/\text{Pond} \times 2 \text{ Ponds} = 1,428,840 \text{ Ft}^3 = 52,920 \text{ Cu.Yd.}$$

$$\text{Backfill @ 250 Cu.Yd./Hr} = 212 \text{ Hrs}$$

- Eq. Rental = 1 - D8N Dozer @ \$117.71/Hr  
1- Grader @ \$ 65.39/Hr  
\$183.10/Hr x 212 Hr = \$ 38,817

**C. Replace 6 In. Topsoil:**

$$2 \text{ Ponds} \times 0.5 \text{ Ft.} \times 252 \text{ Ft.} \times 432 \text{ Ft.} = 108,864 \text{ Ft.}^3 = 4032 \text{ Cu. Yd.}$$

- Topsoil = 4032 Cu. Yd x \$1.09/Cu. Yd. = \$ 4,395

**D. Revegetate:**

$$2 \text{ Ponds} \times 252 \text{ Ft.} \times 432 \text{ Ft.} = 217,728 \text{ Ft.}^2 = 5 \text{ Acres}$$

- Grade and Contour @ \$ 87.19/Acre x 5 Acre = \$ 436
- Seedbed Prep.  
(Disc. + Harrow) @ \$ 21.80/Acre x 5 Acre = \$ 109
- Mulch (Drill + Seed + Mow) @ \$ 49/Acre x 5 Acre = \$ 245
- Drill Seed and Fertilize  
(Drill + Seed + Fertilizer)@ \$163/Acre x 5 Acre = \$ 817
- Revegetation Contingency\* @ \$234/Acre x 2.5 Acre = \$ 585

(All items excluding grading)

Assume only 50% of acreage requires reseeding

Sub-total = \$ 2,192

E. Haul and Dispose - Licensed (NRC SUA #1473) Site:

Solids = 800 Ft.<sup>3</sup> @ 154,400# (60% @ 280#/Ft.<sup>3</sup> + 40% @ 62.4#/Ft.<sup>3</sup> = 193#/Ft.<sup>3</sup>)

Liner = 883 Ft.<sup>3</sup> @ 33,072# (62.4#/Ft.<sup>3</sup> @ 40% Voids)

Total = 1683 Ft.<sup>3</sup> @ 187,472#

62.3 Cu. Yd. @ 187,472# = 4.7 Truckloads @ 40,000#

• Haul = 4.7 Trucks x 800 Mile x \$3.27/Mile = \$ 12,295

• Dispose = 187,472# = 93.7 tons  
@ \$50/ton disposal cost<sup>17</sup> = \$ 4,685

*Radium Settling Pond Total* = \$ 70,077

6.4a Plugging and Abandoning Deep Disposal Well #1

|   |   |           |
|---|---|-----------|
| Oilfield Workover Unit, 6 Days @ \$1,634.85/Day                           | = | \$ 9,809  |
| Circulating Pump & Tank, 2 Days @ \$545/Day                               | = | \$ 1,090  |
| Power Swivel, 1 Day @ \$436/Day   | = | \$ 436    |
| Water Hauling & Water, 3 Days @ \$354/Day                                 | = | \$ 1,062  |
| Frac Tank Rental  | = | \$ 109    |
| Slickline Services, 2 Days @ \$599/Day                                    | = | \$ 1,198  |
| 2 - 7/8 Inch "R" Nipple   | = | \$ 1,417  |
| Mud Materials   | = | \$ 545    |
| 2 - 7/8 Inch Tubing Rental, 8610' @ \$0.54/Ft-Day                         | = | \$ 2,325  |
| Rental Tubing Inspection, 278 Jnts @ \$10.90/Jnt                          | = | \$ 3,030  |
| Cement & Services, 3 Squeeze Jobs @ 4374 each                             | = | \$ 13,122 |
| Squeeze Manifold, Retainer, Swivel, Setting Tool<br>@ \$1,820/Squeeze Job | = | \$ 5,460  |
| Cement & Services, 2 Stabilizers & Surface Plugs                          | = | \$ 4,711  |
| Welder, Dirtwork & Roustabouts  | = | \$ 13,624 |
| Trucking  | = | \$ 2,725  |
| Supervision, 8 Days @ \$545/Day   | = | \$ 4,360  |
| Miscellaneous, Contingencies, & Sales Tax (10% Above)                     | = | \$ 6,502  |
| Sub-Total   | = | \$ 71,525 |
| Year 1991 & 1992 CPI Escalation   | = | \$ 6,210  |
| Sub-Total (\$1997)  | = | \$ 77,735 |

*Plug and Abandoning Disposal Well* = \$ 77,735

6.4b Plugging and Abandoning Deep Disposal Well #2

|   |   |          |
|---|---|----------|
| Oilfield Workover Unit, 6 Days @ \$1,634.85/Day | = | \$ 9,809 |
| Circulating Pump & Tank, 2 Days @ \$545/Day     | = | \$ 1,090 |
| Power Swivel, 1 Day @ \$436/Day                 | = | \$ 436   |
| Water Hauling & Water, 3 Days @ \$354/Day       | = | \$ 1,062 |
| Frac Tank Rental                                | = | \$ 109   |
| Slickline Services, 2 Days @ \$599/Day          | = | \$ 1,198 |

<sup>17</sup> See 1997-1998 Permit to Mine 633 2<sup>nd</sup> Round Responses. Cost is provided in 1998 NRC Surety for SUA-1548, and determined acceptable by NRC and it is based on actual fees charged by Quivira Mining Co., NRC license SUA-1473

|   |   |                  |
|---|---|------------------|
| 2 - 7/8 Inch "R" Nipple   | = | \$ 1,417         |
| Mud Materials   | = | \$ 545           |
| 2 - 7/8 Inch Tubing Rental, 8610' @ \$0.54/Ft-Day                         | = | \$ 2,325         |
| Rental Tubing Inspection, 278 Jnts @ \$10.90/Jnt                          | = | \$ 3,030         |
| Cement & Services, 3 Squeeze Jobs @ 4374 each                             | = | \$ 13,122        |
| Squeeze Manifold, Retainer, Swivel, Setting Tool<br>@ \$1,820/Squeeze Job | = | \$ 5,460         |
| Cement & Services, 2 Stabilizers & Surface Plugs                          | = | \$ 4,711         |
| Welder, Dirtwork & Roustabouts  | = | \$ 13,624        |
| Trucking  | = | \$ 2,725         |
| Supervision, 8 Days @ \$545/Day   | = | \$ 4,360         |
| Miscellaneous, Contingencies, & Sales Tax (10% Above)                     | = | \$ 6,502         |
| Sub-Total   | = | \$ 71,525        |
| Year 1991 & 1992 CPI Escalation   | = | \$ 6,210         |
| Sub-Total (\$1997)  | = | \$ 77,735        |
| <i>Plug and Abandoning Disposal Well</i>                                  | = | <u>\$ 77,735</u> |

#### 6.5 Reclamation of Sand Mining Area

10 acres of disturbed area on sand outcrop

|   |   |          |
|---|---|----------|
| Grade and contour @ \$ 87.19/acre x 10 Acre   | = | \$ 872   |
| Replace 6 inch topsoil = 217,800 ft. <sup>3</sup> = 8,067 Cu.Yd.<br>topsoil = \$1.09/Cu.Yd. | = | \$ 8,793 |
| Seedbed Prep. (Disc. + Harrow) @ \$ 21.80/acre x 10 Acre                                    | = | \$ 218   |
| Mulch (Drill + Seed + Mow) @ \$ 49/acre x 10 Acre   | = | \$ 490   |
| Drill Seed and Fertilizer @ \$163/acre x 10 Acre  | = | \$ 1,630 |
| Revegetation Contingency*<br>(All items excluding grading) @ \$234/acre x 5 Acre            | = | \$ 1,170 |

Assume only 50% of acreage requires reseeding

*Sand Mining Area Total* = \$ 13,173

#### 6.6 Land Fill

Basis: Depth = 6 Ft. total with 4 Ft. active strg. plus 2 ft. cover.  
 Bottom = 30 Ft. x 70 Ft. = 2,100 Ft.<sup>2</sup>  
 Top = 54 Ft. x 94 Ft. = 5,076 Ft.<sup>2</sup>  
 Grade = 66 Ft. x 106 Ft. = 6,996 Ft.<sup>2</sup>

4 Ft. Active Strg. Volume = 30 Ft. x 70 Ft. x 4 Ft. = 8,400 Ft.<sup>3</sup>  
 + 12 Ft. x 30 Ft. x 4 Ft. = 1,440 Ft.<sup>3</sup>  
 + 12 Ft. x 70 Ft. x 4 Ft. = 3,360 Ft.<sup>3</sup>  
 13,200 Ft.<sup>3</sup>

2 Ft. Cover Volume = 54 Ft. x 94 Ft. x 2 Ft. = 10,152 Ft.<sup>3</sup>  
 + 6 Ft. x 54 Ft. x 2 Ft. = 648 Ft.<sup>3</sup>  
 + 6 Ft. x 94 Ft. x 2 Ft. = 1,128 Ft.<sup>3</sup>  
 11,928 Ft.<sup>3</sup>

Total Volume = 13,200 Ft.<sup>3</sup> + 11,928 Ft.<sup>3</sup> = 25,120 Ft.<sup>3</sup> = 931 Cu.Yd.

A. Open Pit - 1 Day:

Productivity =  $167 \frac{\text{Cu.Yd.}}{\text{Hr}}$  (Cat. 627E Scraper)

(931 Cu. Yd.) x ( $\frac{\text{Hr}}{167 \text{ Cu.Yd.}}$ ) = 5.6 Hrs round to 6 Hrs

• Eq. Rental = 1 - Cat. 627E Scraper @  $\frac{\$121}{\text{Hr}}$  = \$ 726  
 $\frac{\$121}{\text{Hr}} \times 6 \text{ Hrs}$

B. Backfill Non-Contaminated Material - 1 Day:

Basis: See Table 6.1

Yr. 5 Total Volume = 8448 Ft.<sup>3</sup> = 312.9 Cu.Yd.

Backfill @ 65 Cu.Yd./Hr. = 4.8 Hrs. round to 5 Hrs

• Eq. Rental = 1 - Backhoe @  $\frac{\$27.25}{\text{Hr}}$  = \$ 218  
 $\frac{\$27.25}{\text{Hr}} \times 8 \text{ Hrs}$

C. Backfill to Grade - 2 Days:

Voids = 312.9 Cu.Yd. x 0.4 = 125 Cu.Yd.

Remainder of Active Strg. = 13,200 Ft.<sup>3</sup> - 8,203 Ft.<sup>3</sup>  
= 5,103 Ft.<sup>3</sup> = 189 Cu.Yd.

Cover = 11,928 Ft.<sup>3</sup> = 442 Cu.Yd.

Total = 756 Cu.Yd.

Backfill @ 65 Cu.Yd./Hr = 11.6 Hrs round to 12 Hrs

• Eq. Rental = 1 - Backhoe @  $\frac{\$27.25}{\text{Hr}}$  = \$ 327  
 $\frac{\$27.25}{\text{Hr}} \times 12 \text{ Hrs}$

D. Surface Reclamation:

Basis: 6996 Ft.<sup>2</sup> = 0.2 Acre

Replace 6 in. Topsoil = 6996 Ft.<sup>2</sup> x 0.5 Ft. = 3498 Ft.<sup>3</sup> = 130 Cu.Yd.

• Topsoil Placement @ 1.09/Cu.Yd. = \$ 142

• Grade and Contour @ \$87.19/Acre x 0.2 Acre = \$ 17

• Seedbed Prep. (Disc. + Harrow) @ \$21.80/Acre x 0.2 Acre = \$ 4

• Mulch (Drill + Seed + Mow) @ \$49/Acre x 0.2 Acre = \$ 10

• Drill Seed & Fertilize @ \$163/Acre x 0.2 Acre = \$ 33

• Revegetation Contingency\* @ \$234/Acre x 0.1 Acre = \$ 23  
(All items excluding grading)

\* Assume only 50% of acreage requires reseeding.

Sub-total = \$ 229

*Land Fill Total* = \$1,500

**6.7 Fire Protection System**

Basis = 32 ft dia. x 26 ft ht. x 0.25 = 43,400 # = 148 ft<sup>3</sup> (40% void)

A. Decontaminate - 0 Days: = \$ 0

B. Remove and Load - 5 Days:

• Labor Crew = 1 - Foreman @ \$ 21.58/Hr  
1 - Operator @ \$ 17.71/Hr  
2 - Laborers @ \$ 13.02/Hr  
\$ 65.33/Hr x 40 Hr = \$ 2,613

• Travel = \$65.33/Hr x 5 Days x 1 Hr/Day = \$ 327

• Eq. Rental = 1 - 20 Ton Crane @ \$ 37.39/Hr  
\$ 37.39/Hr x 40 Hrs = \$ 1,496

Sub-total = \$ 4,436

C. Dismantle, Cut, or Crush - 5 Days:

Cut Steel @ 30 Ft<sup>3</sup>/Man-Day @ 518.5 Ft<sup>3</sup> = 5 Man-Days

• Labor Crew = 1 - Foreman @ \$ Foreman Supervises both 2.2(A) & (B)  
1 - Welder @ \$ 19.35/Hr  
2 - Laborers @ \$ 13.02/Hr  
\$ 45.39/Hr x 40 Hrs = \$ 1,816

• Travel = \$45.39/Hr x 5 Days x 1 Hr/Day = \$ 227

• Eq. Rental = 1 - D8N Dozer @ \$117.71/Hr  
1 - Welder/Torch @ \$ 10.90/Hr  
\$128.61/Hr x 40 Hrs = \$ 5,144

Sub-total = \$ 7,187

D. Haul and Dispose - On-Site Land Fill:

100% of Non-Contaminated Service = 148 Ft<sup>3</sup> @ 43,400#  
Total = 5.5 Cu.Yd. @ 43,400# = 1 Truckloads @ 47,000#

• Haul = 1 Truck x 8 Hrs/Truck x \$65.39/Hr = \$ 523

• Dispose = See Appendix 6.5

*Tankage and Vessel Total* = \$ 11,623

TABLE 6.1

## Non-Contaminated Disposal Volume

| SOURCE  | UNIT<br>WEIGHT<br>(#) | UNIT<br>VOLUME<br>(Ft. <sup>3</sup> ) | YR. #1<br>1998<br>(Ft. <sup>3</sup> ) | YR. #5<br>2003<br>(Ft. <sup>3</sup> ) |
|---|-----------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| <b>1. IX Plant:</b>                               |                       |                                       |                                       |                                       |
| A. Building                                       | 235,000               | 801.6*                                | 801.6                                 | 1,603.2                               |
| B. Tankage & Vessels                              | 2,320                 | 36.5                                  | 0                                     | 73.0                                  |
| C. Piping   | 0                     | 0                                     | 0                                     | 0                                     |
| D. Pumps  | 8,545                 | 71.9                                  | 0                                     | 43.8                                  |
| E. Electrical                                     | 22,950                | 165.1                                 | 0                                     | 30.2                                  |
|   |                       |                                       | 801.6                                 | 2,150.2                               |
| <b>2. Central Processing Plant:</b>               |                       |                                       |                                       |                                       |
| A. Building                                       | 376,000               | 1,282.6*                              | 0                                     | 1,282.6                               |
| B. Tankage & Vessels                              | 45,010                | 393.2                                 | 0                                     | 393.2                                 |
| C. Piping   | 0                     | 0                                     | 0                                     | 0                                     |
| D. Pumps  | 10,723                | 106.5                                 | 0                                     | 106.5                                 |
| E. Electrical                                     | 45,800                | 330.6                                 | 0                                     | 330.6                                 |
|   |                       |                                       | 0                                     | 2,112.9                               |
| <b>3. Dryer Area:</b>                             |                       |                                       |                                       |                                       |
| A. Building                                       | 0                     | 0                                     | 0                                     | 0                                     |
| B. Equipment                                      | 4,400                 | 15.0                                  | 0                                     | 15.0                                  |
| <b>4. Existing Facilities:</b>                    |                       |                                       |                                       |                                       |
| A. Building                                       | 676,800               | 2,308.6                               | 2,308.6                               | 2,308.6                               |
| B. Structures                                     | 0                     | 0                                     | 0                                     | 0                                     |
| C. Pilot Plant Equip.                             | 16,230                | 145.3                                 | 145.3                                 | 145.3                                 |
|   |                       |                                       | 2,453.9                               | 2,453.9                               |
| <b>5. Header Site &amp; Associated Wellfield:</b> |                       |                                       |                                       |                                       |
| A. Building                                       | 4,700                 | 16.0*                                 | 0                                     | 742.4                                 |
| B. Header Piping                                  | 0                     | 0                                     | 0                                     | 0                                     |
| C. Secondary Elect.                               | 2,585                 | 43.1                                  | 0                                     | 1,999.8                               |
| D. Wells - Total                                  | 0                     | 0                                     | 0                                     | 0                                     |
| E. Mon. Wells - Total                             | 0                     | 0                                     | 0                                     | 0                                     |
|   |                       |                                       | 0                                     | 2,742.2                               |
| <b>6. Associated Structures</b>                   |                       |                                       |                                       |                                       |
| A. Storage Tank                                   |                       |                                       |                                       |                                       |
| B. Pump   |                       |                                       |                                       |                                       |
| C. Pump House                                     |                       |                                       |                                       |                                       |
| D. Piping   |                       |                                       |                                       |                                       |
| <b>TOTAL</b>                                      |                       |                                       | <b>3,255.5</b>                        | <b>9,474.2</b>                        |

$$\text{*Building Unit Volume} = \frac{\text{Unit Weight}}{62.4 \times 7.83 \times 0.6}$$

SECTION 7  
GROUNDWATER RESTORATION COSTS  
Cost Summary

| ITEM                        | COSTS (\$97) |
|-----------------------------|--------------|
| 7.1 Groundwater Restoration | \$4,341,580  |
| Total Cost                  | \$4,341,580  |

**7.1 Groundwater Restoration Costs**

Basis: Table 7.1, Table 7.2 & Table 7.3, 7.4, 7.5 and 7.6 - Groundwater Restoration Basis  
Table 7.1

| Wellfield | Number of<br>Perimeter<br>Injection<br>Wells | Measured<br>Pattern<br>Area<br>(ft <sup>2</sup> ) | Perimeter<br>Inj Wells<br>per Unit<br>Area | Number<br>of<br>Patterns | Average<br>Open<br>Interval<br>(ft) | Effective<br>Porosity | Flare<br>Factor<br>from Fig<br>7-1 | Pattern<br>Affected<br>Pore<br>Volume (gal/<br>pattern) | Wellfield<br>Affected<br>Pore Volume<br>(gallons) |
|-----------|--|---|--|--------------------------|-------------------------------------|-----------------------|------------------------------------|---|---|
| 1         | 170  | 1115229   | 1.52E-004                                  | 116                      | 18                                  | 0.27                  | 1.7                                | 594,146   | 68,920,890  |
| 3         | 147  | 1622462   | 9.06E-005                                  | 162                      | 20                                  | 0.27                  | 1.5                                | 606,801   | 98,301,728  |
| 3 ext     | 97   | 782800  | 1.24E-004                                  | 76                       | 14                                  | 0.27                  | 1.5                                | 436,839   | 33,199,800  |
| 4         | 163  | 1334798   | 1.22E-004                                  | 128                      | 18                                  | 0.27                  | 1.5                                | 568,636   | 72,785,467  |
| 4A        | 142  | 1050576   | 1.35E-004                                  | 101                      | 18                                  | 0.27                  | 1.5                                | 567,199   | 57,287,069  |

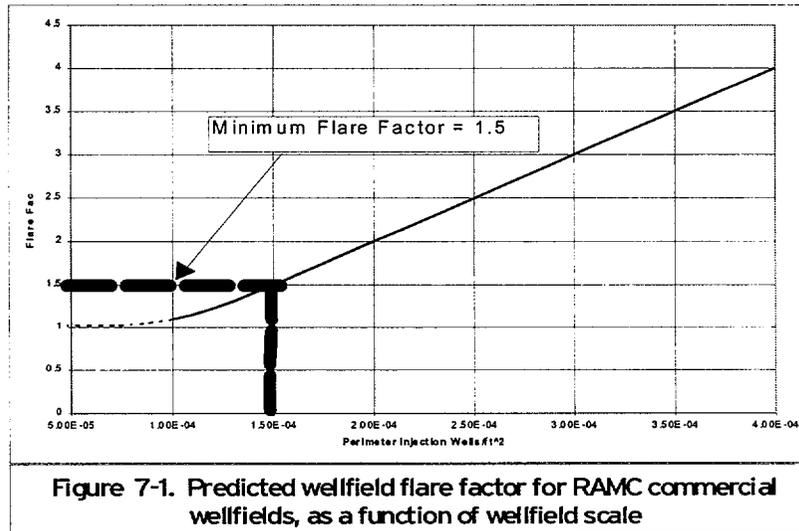


Figure 7-1. Predicted wellfield flare factor for RAMC commercial wellfields, as a function of wellfield scale

Affected Pore Volume Estimate

**Methodology for Flare Factor Determination**

Figure 7-1 is derived from Figure 3-16 in "Evaluation and Simulation of Wellfield Restoration at the RAMC Smith Ranch Facility" dated October 29, 1999. This document was submitted to the Wyoming DEQ - Land Quality Division with a letter dated December 13, 1999 for review. In that document, RAMC proposes a methodology developed through hydraulic and geochemical modeling that uses the geometry of the wellfield to estimate a Flare Factor. In this case, the number of perimeter injection wells are counted, the surface area of the wellfield pattern is measured using a CAD based map, a ratio is developed of the # of perimeter injection wells to the surface area of the wellfield patterns. That ratio is located on the horizontal axis of figure 7-1 (above). From that intercept, a vertical line is projected to intersect the curve. At that intersection, a horizontal line is projected to intercept the vertical axis. The estimated flare factor is derived from that intercept.

On May 11, 2000, RAMC met with LQD to discuss the review of the document and RAMC's proposed approach for estimating groundwater restoration costs. RAMC verified that the curve shown on Figure 7-1 had been validated using modeling for flare factors of 1.5 and higher, but it had not been verified for Flare Factors lower than 1.5. RAMC stated that for bonding purposes only, it would not use a Flare Factor lower than 1.5 for estimating the predicted costs for groundwater restoration.

Wellfield 3 ext. represents the 2<sup>nd</sup> completion within the existing patterns in Wellfield #3. That 2<sup>nd</sup> completion represents an opening of an upper interval of the patterns in Wellfield #3 which effects 76 patterns and will result in a net increase of 6 patterns.

**Table 7.2**  
**SMITH RANCH PROJECT**  
**Mining Unit Groundwater Restoration Costs**  
**Wellfield #1**

1 APV = 68,920,890 gallons

| RESTORATION COST COMPONENT  |  |  | Total       | Operating | Total               | Number of                 |
|---|--|--|-------------|-----------|---------------------|---------------------------|
|   |  |  | Gallons     | Flow Rate |                     |                           |
|   |  |  | Treated     | GPM       |                     |                           |
| <b>1. Wellfield Pumping Costs</b>   |  |  |             |           |                     |                           |
| a)  | Groundwater Sweep (no reinjection) (3 APV)             | (\$0.118/1,000 gal.)                               | 206,762,670 | 1015      | \$24,398            | 141                       |
| b)  | Chemical Reductant Injection (95% reinjection) (1 APV) | (\$0.232/1,000 gal.)                               | 68,920,890  | 1015      | \$15,990            | 47                        |
| c)  | RO/EDR Treatment (75% reinjection) (2 APV)             | (\$0.201/1,000 gal.)                               | 137,841,780 | 1000      | \$27,706            | 96                        |
|   | <b>SUBTOTAL</b>  |  |             |           | <b>\$68,094</b>     | <b>284</b>                |
| <b>2. Chemical Treatment Power Costs</b>  |  |  |             |           |                     |                           |
| a)  | Reverse Osmosis Unit                                   | \$0.10/gpm/day (\$0.07/1,000 gal.)                 | 137,841,780 | 1000      | \$9,649             |                           |
|   | <b>SUBTOTAL</b>  |  |             |           | <b>\$9,649</b>      |                           |
| <b>3. Chemicals</b>   |  |  |             |           |                     |                           |
| a)  | Waste Water Treatment (BaCl2, Resin Elut. Chem)        |  |             | 600       | \$50,342            | 284                       |
|   | BaCl2 @ \$9.00/gpm/month, Elution                      |  |             |           |                     |                           |
|   | @\$400/elution, Waste Water @ 2 mg/L U3O8              | Elution Costs (5.2 Elutions/year * \$400/ Elution) |             |           | \$1,620             |                           |
|   | 500 ft3 resin, 2 lb./ft3 loading,                      |  |             |           |                     |                           |
|   | Annualized Waste Water Flow; 600 gpm                   |  |             |           |                     |                           |
|   | 1 elution every 69 days or 5.2 elutions per year       |  |             |           |                     |                           |
| b)  | Chemical Reductant (H2S or alternative)                | \$1.80/gpm/day (\$1.25/1,000 gal.)                 | 68,920,890  | 1015      | \$86,151            |                           |
| c)  | RO Chemicals (H2SO4, Antiscalants, Oxygen Scavenger)   | \$0.57/gpm/day (\$0.40/1,000 gal.)                 | 137,841,780 | 1000      | \$55,137            |                           |
|   | <b>SUBTOTAL</b>  |  |             |           | <b>\$193,251</b>    |                           |
| <b>4. Repairs and Maintenance</b>   |  |  |             |           |                     |                           |
| a)  | Wellfield and Waste Water Treatment                    | \$10,000/mo  | 9.3         | months    | \$93,227            |                           |
| b)  | RO and process equipment                               | \$5,000/mo   | 9.3         | months    | \$46,613            |                           |
|   | <b>SUBTOTAL</b>  |  |             |           | <b>\$139,840</b>    |                           |
| <b>5. Labor</b>   |  |  |             |           |                     |                           |
|   | Supervisor @ \$20.00 per hour                          |  | 9.3         | months    | \$29,833            |                           |
|   | 4 Operators @ \$13.00 per hour                         |  | 9.3         | months    | \$77,565            |                           |
|   | 2 Maintenance @ \$13.00 per hour                       |  | 9.3         | months    | \$38,782            |                           |
|   | <b>SUBTOTAL</b>  |  |             |           | <b>\$146,179</b>    |                           |
| <b>6. Contract Laboratory Analysis</b>  |  |  |             |           |                     |                           |
|   | 70 Monitor Wells (140 UCL samples per year @\$100)     |  | 0.8         |           | \$10,876            |                           |
|   | Stabilization Samples                                  |  |             |           |                     |                           |
|   | 10 Wells - 3 complete Assays @\$350                    |  |             |           | 10,500              |                           |
|   | - 9 abbreviated assays @ \$250                         |  |             |           | <u>22,500</u>       |                           |
|   | <b>SUBTOTAL</b>  |  |             |           | <b>\$43,876</b>     |                           |
| <b>7. Operating Expenses</b>  |  |  |             |           |                     |                           |
|   | Supplies @\$3,000/mo                                   |  | 9.3         |           | 27,968              |                           |
|   | Heating @\$5,000/mo                                    |  | 4.7         |           | 23,307              |                           |
|   | Vehicle Fuel @\$1,000/mo                               |  | 9.3         |           | 9,323               |                           |
|   | Office Utilities @\$1,000/mo                           |  | 9.3         |           | 9,323               |                           |
|   | <b>SUBTOTAL</b>  |  |             |           | <b>\$69,920</b>     |                           |
| <b>TOTAL OPERATING COST TO RESTORE GROUNDWATER AT FULL PRODUCTION (Nominal Mine Unit)</b> |  |  |             |           |                     | <b>\$670,809 (1993\$)</b> |
| <b>UNIT RESTORATION OPERATING COST</b>  |  |  |             |           | <b>116 Patterns</b> | <b>\$5,783 /Pattern</b>   |
| 1993 -1997 inflation (CPI-U) = 160.6/143.6 =  |  |  |             |           | <b>11.84%</b>       |                           |
|   |  |  |             |           | <b>Total</b>        | <b>\$79,413</b>           |
|   |  |  |             |           |                     | <b>\$750,222 (1997\$)</b> |

**Table 7.3  
SMITH RANCH PROJECT  
Mining Unit Groundwater Restoration Costs  
Wellfield #3**

| 1 APV =                           |   | 98301728 gallons:   |   | Total<br>Gallons<br>Treated | Operating<br>Flow Rate<br>GPM | Total<br>Cost               | Number of<br>Days |
|-----------------------------------|---|---|---|-----------------------------|-------------------------------|-----------------------------|-------------------|
| <b>RESTORATION COST COMPONENT</b> |   |   |   |                             |                               |                             |                   |
| 1.                                | Wellfield Pumping Costs:  |   |   |                             |                               |                             |                   |
|                                   | a)  | Groundwater Sweep (no reinjection) (3 APV)  | (\$0.118/1,000 gal.)                              | 294,905,183                 | 1015                          | \$34,796                    | 202               |
|                                   | b)  | Chemical Reductant Injection (95% reinjection) (1 APV)  | (\$0.232/1,000 gal.)                              | 98,301,728                  | 1015                          | \$22,806                    | 67                |
|                                   | c)  | RO/ZDR Treatment (75% reinjection) (2 APV)  | (\$0.201/1,000 gal.)                              | 196,603,455                 | 1000                          | \$39,517                    | 137               |
|                                   | <b>SUBTOTAL</b>   |   |   |                             |                               | <b>\$97,122</b>             | <b>406</b>        |
| 2.                                | Chemical Treatment Power Costs:   |   |   |                             |                               |                             |                   |
|                                   | a)  | Reverse Osmosis Unit  | \$1.33/gpm/day (\$0.92/1,000 gal.)                | 196,603,455                 | 1000                          | \$13,762                    |                   |
|                                   | <b>SUBTOTAL</b>   |   |   |                             |                               | <b>\$13,762</b>             |                   |
| 3.                                | Chemicals:  |   |   |                             |                               |                             |                   |
|                                   | a)  | Waste Water Treatment (BaCl <sub>2</sub> , Resin Elut. Chem.)<br>BaCl <sub>2</sub> @ \$9.00/gpm/m onth, Elution<br>@ \$400/elution, Waste Water @ 2 mg/L U3O8<br>500 lbs resin, 2 lifts/3 loading<br>Annualized Waste Water Flow: 600 gpm<br>1 elution every 69 days or 5.2 elutions per year | Elution Costs (5.2 Elutions/year * \$400/Elution) |                             | 600                           | \$71,800                    | 406               |
|                                   | b)  | Chemical Reductant (H <sub>2</sub> S or alternative)  | \$1.80/gpm/day (\$1.25/1,000 gal.)                | 98,301,728                  | 1015                          | \$122,877                   |                   |
|                                   | c)  | RO Chemicals (H <sub>2</sub> SO <sub>4</sub> , Antiscalants, Oxygen Scavenger)  | \$0.57/gpm/day (\$0.40/1,000 gal.)                | 196,603,455                 | 1000                          | \$78,641                    |                   |
|                                   | <b>SUBTOTAL</b>   |   |   |                             |                               | <b>\$275,630</b>            |                   |
| 4.                                | Repairs and Maintenance:  |   |   |                             |                               |                             |                   |
|                                   | a)  | Wellfield and Waste Water Treatment   | \$10,000/mc                                       | 13.3                        | m onths                       | \$132,966                   |                   |
|                                   | b)  | RO and process equipment  | \$5,000/mc  | 13.3                        | m onths                       | \$66,484                    |                   |
|                                   | <b>SUBTOTAL</b>   |   |   |                             |                               | <b>\$199,450</b>            |                   |
| 5.                                | Labor:  |   |   |                             |                               |                             |                   |
|                                   | Supervisor @ \$20.00 per hour   |   |   | 13.3                        | m onths                       | \$42,550                    |                   |
|                                   | 4 Operators @ \$13.00 per hour  |   |   | 13.3                        | m onths                       | \$110,630                   |                   |
|                                   | 2 Maintenance @ \$13.00 per hour  |   |   | 13.3                        | m onths                       | \$55,315                    |                   |
|                                   | <b>SUBTOTAL</b>   |   |   |                             |                               | <b>\$208,495</b>            |                   |
| 6.                                | Contract Laboratory Analysis:   |   |   |                             |                               |                             |                   |
|                                   | 70 Monitor Wells (140 UCL samples per year @ \$100)                                       |   |   | 1.1                         |                               | \$15,510                    |                   |
|                                   | Stabilization Samples:  |   |   |                             |                               |                             |                   |
|                                   | 10 Wells - 3 complete Assays @ \$350  |   |   |                             |                               | 10,500                      |                   |
|                                   | - 9 abbreviated assays @ \$250  |   |   |                             |                               | 22,500                      |                   |
|                                   | <b>SUBTOTAL</b>   |   |   |                             |                               | <b>\$48,510</b>             |                   |
| 7.                                | Operating Expenses:   |   |   |                             |                               |                             |                   |
|                                   | Supplies @ \$3,000/mc   |   |   | 13.3                        |                               | 39,891                      |                   |
|                                   | Heating @ \$5,000/mc  |   |   | 6.6                         |                               | 33,242                      |                   |
|                                   | Vehicle Fuel @ \$1,000/mc   |   |   | 13.3                        |                               | 13,297                      |                   |
|                                   | Office Utilities @ \$1,000/mc   |   |   | 13.3                        |                               | 13,297                      |                   |
|                                   | <b>SUBTOTAL</b>   |   |   |                             |                               | <b>\$99,727</b>             |                   |
|                                   | <b>TOTAL OPERATING COST TO RESTORE GROUNDWATER AT FULL PRODUCTION (Nominal Mine Unit)</b> |   |   |                             |                               | <b>\$942,706 (1993\$)</b>   |                   |
|                                   | <b>UNIT RESTORATION OPERATING COST</b>  |   |   | 162                         | Patterns                      | \$5,819/Pattern             |                   |
|                                   | 1993-1997 inflation (CPI-U) = 160.6/143.6 =   |   | 11.84%  |                             |                               | \$111,602                   |                   |
|                                   |   |   |   |                             | <b>Total</b>                  | <b>\$1,054,307 (1997\$)</b> |                   |

**Table 7.4**  
**SMITH RANCH PROJECT**  
**Mining Unit Groundwater Restoration Costs**  
**Wellfield #4**

1 APV = 72,785,467 gallons

| <u>RESTORATION COST COMPONENT</u>  |  | Total<br>Gallons<br>Treated | operating<br>low Rat<br>GPM | Total<br>Cost      | Number of<br>Days  |
|--|--|-----------------------------|-----------------------------|--------------------|--------------------|
| <b>1. Wellfield Pumping Costs</b>  |  |                             |                             |                    |                    |
| a) Groundwater Sweep (no reinjection) (3 APV)  | (\$0.118/1,000 gal.)                               | 218,356,401                 | 1015                        | \$25,766           | 149                |
| b) Chemical Reductant Injection (95% reinjection) (1 APV)  | (\$0.232/1,000 gal.)                               | 72,785,467                  | 1015                        | \$16,886           | 50                 |
| c) RO/EDR Treatment (75% reinjection) (2 APV)  | (\$0.201/1,000 gal.)                               | 145,570,934                 | 1000                        | \$29,260           | 101                |
| SUBTOTAL   |  |                             |                             | \$71,912           | 300                |
| <b>2. Chemical Treatment Power Costs</b>   |  |                             |                             |                    |                    |
| a) Reverse Osmosis Unit  | \$1.33/gpm/day (\$0.92/1,000 gal.)                 | 145,570,934                 | 1000                        | \$10,190           |                    |
| SUBTOTAL   |  |                             |                             | \$10,190           |                    |
| <b>3. Chemicals</b>  |  |                             |                             |                    |                    |
| a) Waste Water Treatment (BaCl <sub>2</sub> , Resin Elut. Chem)<br>BaCl <sub>2</sub> @ \$9.00/gpm/month, Elution<br>@\$400/elution, Waste Water @ 2 mg/L U3O <sub>8</sub><br>500 ft <sup>3</sup> resin, 2 lb./ft <sup>3</sup> loading,<br>Annualized Waste Water Flow; 600 gpm<br>1 elution every 69 days or 5.2 elutions per year | Elution Costs (5.2 Elutions/year * \$400/ Elution) |                             | 600                         | \$53,165           | 300                |
|  |  |                             |                             | \$1,711            |                    |
| b) Chemical Reductant (H <sub>2</sub> S or alternative)  | \$1.80/gpm/day (\$1.25/1,000 gal.)                 | 72,785,467                  | 1015                        | \$90,982           |                    |
| c) RO Chemicals (H <sub>2</sub> SO <sub>4</sub> , Antiscalants, Oxygen Scavenger)  | \$0.57/gpm/day (\$0.40/1,000 gal.)                 | 145,570,934                 | 1000                        | \$58,228           |                    |
| SUBTOTAL   |  |                             |                             | \$204,087          |                    |
| <b>4. Repairs and Maintenance</b>  |  |                             |                             |                    |                    |
| a) Wellfield and Waste Water Treatment   | \$10,000/mo  | 9.8                         | months                      | \$98,454           |                    |
| b) RO and process equipment  | \$5,000/mo   | 9.8                         | months                      | \$49,227           |                    |
| SUBTOTAL   |  |                             |                             | \$147,681          |                    |
| <b>5. Labor</b>  |  |                             |                             |                    |                    |
| Supervisor @ \$20.00 per hour  |  | 9.8                         | months                      | \$31,505           |                    |
| 4 Operators @ \$13.00 per hour   |  | 9.8                         | months                      | \$81,914           |                    |
| 2 Maintenance @ \$13.00 per hour   |  | 9.8                         | months                      | \$40,957           |                    |
| SUBTOTAL   |  |                             |                             | \$154,376          |                    |
| <b>6. Contract Laboratory Analysis</b>   |  |                             |                             |                    |                    |
| 70 Monitor Wells (140 UCL samples per year @\$100)   |  | 0.8                         |                             | \$11,486           |                    |
| Stabilization Samples  |  |                             |                             |                    |                    |
| 10 Wells - 3 complete Assays @\$350  |  |                             |                             | 10,500             |                    |
| - 9 abbreviated assays @ \$250   |  |                             |                             | 22,500             |                    |
| SUBTOTAL   |  |                             |                             | \$44,486           |                    |
| <b>7. Operating Expenses</b>   |  |                             |                             |                    |                    |
| Supplies @\$3,000/mo   |  | 9.8                         |                             | 29,536             |                    |
| Heating @\$5,000/mo  |  | 4.9                         |                             | 24,614             |                    |
| Vehicle Fuel @\$1,000/mo   |  | 9.8                         |                             | 9,845              |                    |
| Office Utilities @\$1,000/mo   |  | 9.8                         |                             | 9,845              |                    |
| SUBTOTAL   |  |                             |                             | \$73,841           |                    |
| TOTAL OPERATING COST TO RESTORE GROUNDWATER AT FULL PRODUCTION (Nominal Mine Unit)   |  |                             |                             | \$706,573 (1993\$) |                    |
| UNIT RESTORATION OPERATING COST  |  |                             |                             | 128 Patterns       | \$5,520 /Pattern   |
| 1993 -1997 inflation (CPI-U) = 160.6/143.6 =   |  |                             |                             | 11.84%             |                    |
|  |  |                             |                             | Total              | \$83,647           |
|  |  |                             |                             |                    | \$790,220 (1997\$) |

**Table 7.5**  
**SMITH RANCH PROJECT**  
**Mining Unit Groundwater Restoration Costs**  
**Wellfield 4A**

| 1 APV =  |  | 57,287,069 gallons                                 | Total<br>Gallons<br>Treated | Operating<br>Flow Rate<br>GPM | Total<br>Cost      | Number of<br>Days |
|--|--|--|-----------------------------|-------------------------------|--------------------|-------------------|
| <b>RESTORATION COST COMPONENT</b>  |  |  |                             |                               |                    |                   |
| <b>1.</b>  | <b>Wellfield Pumping Costs</b>   |  |                             |                               |                    |                   |
| a)   | Groundwater Sweep (no reinjection) (3 APV)                                     | (\$0.118/1,000 gal.)                               | 171,861,206                 | 1015                          | \$20,280           | 118               |
| b)   | Chemical Reductant Injection (95% reinjection) (1 APV)                         | (\$0.232/1,000 gal.)                               | 57,287,069                  | 1015                          | \$13,291           | 39                |
| c)   | RO/EDR Treatment (75% reinjection) (2 APV)                                     | (\$0.201/1,000 gal.)                               | 114,574,138                 | 1000                          | \$23,029           | 80                |
|  | SUBTOTAL   |  |                             |                               | \$56,600           | 236               |
| <b>2.</b>  | <b>Chemical Treatment Power Costs</b>  |  |                             |                               |                    |                   |
| a)   | Reverse Osmosis Unit   | \$1.33/gpm/day (\$0.92/1,000 gal.)                 | 114,574,138                 | 1000                          | \$8,020            |                   |
|  | SUBTOTAL   |  |                             |                               | \$8,020            |                   |
| <b>3.</b>  | <b>Chemicals</b>   |  |                             |                               |                    |                   |
| a)   | Waste Water Treatment (BaCl <sub>2</sub> , Resin Elut. Chem)                   |  |                             | 600                           | \$41,845           | 236               |
|  | BaCl <sub>2</sub> @ \$9.00/gpm/month, Elution                                  |  |                             |                               |                    |                   |
|  | @\$400/elution, Waste Water @ 2 mg/L U3O <sub>8</sub>                          | Elution Costs (5.2 Elutions/year * \$400/ Elution) |                             |                               | \$1,347            |                   |
|  | 500 ft <sup>3</sup> resin, 2 lb./ft <sup>3</sup> loading,                      |  |                             |                               |                    |                   |
|  | Annualized Waste Water Flow; 600 gpm   |  |                             |                               |                    |                   |
|  | 1 elution every 69 days or 5.2 elutions per year                               |  |                             |                               |                    |                   |
| b)   | Chemical Reductant (H <sub>2</sub> S or alternative)                           | \$1.80/gpm/day (\$1.25/1,000 gal.)                 | 57,287,069                  | 1015                          | \$71,609           |                   |
| c)   | RO Chemicals (H <sub>2</sub> SO <sub>4</sub> , Antiscalants, Oxygen Scavenger) | \$0.57/gpm/day (\$0.40/1,000 gal.)                 | 114,574,138                 | 1000                          | \$45,830           |                   |
|  | SUBTOTAL   |  |                             |                               | \$160,630          |                   |
| <b>4.</b>  | <b>Repairs and Maintenance</b>   |  |                             |                               |                    |                   |
| a)   | Wellfield and Waste Water Treatment  | \$10,000/mo  | 7.7                         | months                        | \$77,490           |                   |
| b)   | RO and process equipment   | \$5,000/mo   | 7.7                         | months                        | \$38,745           |                   |
|  | SUBTOTAL   |  |                             |                               | \$116,235          |                   |
| <b>5.</b>  | <b>Labor</b>   |  |                             |                               |                    |                   |
|  | Supervisor @ \$20.00 per hour  |  | 7.7                         | months                        | \$24,797           |                   |
|  | 4 Operators @ \$13.00 per hour   |  | 7.7                         | months                        | \$64,472           |                   |
|  | 2 Maintenance @ \$13.00 per hour   |  | 7.7                         | months                        | \$32,236           |                   |
|  | SUBTOTAL   |  |                             |                               | \$121,504          |                   |
| <b>6.</b>  | <b>Contract Laboratory Analysis</b>  |  |                             |                               |                    |                   |
|  | 70 Monitor Wells (140 UCL samples per year @\$100)                             |  | 0.6                         |                               | \$9,040            |                   |
|  | <b>Stabilization Samples</b>   |  |                             |                               |                    |                   |
|  | 10 Wells   | - 3 complete Assays @\$350                         |                             |                               | 10,500             |                   |
|  |  | - 9 abbreviated assays @ \$250                     |                             |                               | 22,500             |                   |
|  | SUBTOTAL   |  |                             |                               | \$42,040           |                   |
| <b>7.</b>  | <b>Operating Expenses</b>  |  |                             |                               |                    |                   |
|  | Supplies   | @\$3,000/mo  | 7.7                         |                               | 23,247             |                   |
|  | Heating  | @\$5,000/mo  | 3.9                         |                               | 19,372             |                   |
|  | Vehicle Fuel   | @\$1,000/mo  | 7.7                         |                               | 7,749              |                   |
|  | Office Utilities   | @\$1,000/mo  | 7.7                         |                               | 7,749              |                   |
|  | SUBTOTAL   |  |                             |                               | \$58,117           |                   |
| TOTAL OPERATING COST TO RESTORE GROUNDWATER AT FULL PRODUCTION (Nominal Mine Unit) |  |  |                             |                               | \$563,147 (1993\$) |                   |
| UNIT RESTORATION OPERATING COST  |  |  | 101 Patterns                |                               | \$5,576 /Pattern   |                   |
| 1993 -1997 Inflation (CPI-U) = 160.6/143.6 =                                       |  |  | 11.84%                      |                               | \$66,668           |                   |
| Total  |  |  |                             |                               | \$629,815 (1997\$) |                   |

**Table 7.6**  
**SMITH RANCH PROJECT**  
**Mining Unit Groundwater Restoration Costs**  
**Wellfield 3 ext**

| 1 APV =  |  |  | Total      | Operating   |                    |           |
|--|--|--|------------|-------------|--------------------|-----------|
|  |  | 33,199,800 gallons                                 | Gallons    | Flow Rate   | Total              | Number of |
| <u>RESTORATION COST COMPONENT</u>  |  |  | Treated    | GPM         | Cost               | Days      |
| <b>1.</b>  | <b>Wellfield Pumping Costs</b>   |  |            |             |                    |           |
| a)   | Groundwater Sweep (no reinjection) (3 APV)                                     | (\$0.118/1,000 gal.)                               | 99,599,401 | 1015        | \$11,753           | 68        |
| b)   | Chemical Reductant Injection (95% reinjection) (1 APV)                         | (\$0.232/1,000 gal.)                               | 33,199,800 | 1015        | \$7,702            | 23        |
| c)   | RO/EDR Treatment (75% reinjection) (2 APV)                                     | (\$0.201/1,000 gal.)                               | 66,399,601 | 1000        | \$13,346           | 46        |
|  | SUBTOTAL   |  |            |             | \$32,801           | 137       |
| <b>2.</b>  | <b>Chemical Treatment Power Costs</b>  |  |            |             |                    |           |
| a)   | Reverse Osmosis Unit   | \$1.33/gpm/day (\$0.92/1,000 gal.)                 | 66,399,601 | 1000        | \$4,648            |           |
|  | SUBTOTAL   |  |            |             | \$4,648            |           |
| <b>3.</b>  | <b>Chemicals</b>   |  |            |             |                    |           |
| a)   | Waste Water Treatment (BaCl <sub>2</sub> , Resin Elut. Chem)                   |  |            | 600         | \$24,250           | 137       |
|  | BaCl <sub>2</sub> @ \$9.00/gpm/month, Elution                                  |  |            |             |                    |           |
|  | @\$400/elution, Waste Water @ 2 mg/L U3O <sub>8</sub>                          | Elution Costs (5.2 Elutions/year * \$400/ Elution) |            |             | \$781              |           |
|  | 500 ft <sup>3</sup> resin, 2 lb./ft <sup>3</sup> loading,                      |  |            |             |                    |           |
|  | Annualized Waste Water Flow; 600 gpm   |  |            |             |                    |           |
|  | 1 elution every 69 days or 5.2 elutions per year                               |  |            |             |                    |           |
| b)   | Chemical Reductant (H <sub>2</sub> S or alternative)                           | \$1.80/gpm/day (\$1.25/1,000 gal.)                 | 33,199,800 | 1015        | \$41,500           |           |
| c)   | RO Chemicals (H <sub>2</sub> SO <sub>4</sub> , Antiscalants, Oxygen Scavenger) | \$0.57/gpm/day (\$0.40/1,000 gal.)                 | 66,399,601 | 1000        | \$26,560           |           |
|  | SUBTOTAL   |  |            |             | \$93,090           |           |
| <b>4.</b>  | <b>Repairs and Maintenance</b>   |  |            |             |                    |           |
| a)   | Wellfield and Waste Water Treatment  | \$10,000/mo  | 4.5        | months      | \$44,908           |           |
| b)   | RO and process equipment   | \$5,000/mo   | 4.5        | months      | \$22,454           |           |
|  | SUBTOTAL   |  |            |             | \$67,362           |           |
| <b>5.</b>  | <b>Labor</b>   |  |            |             |                    |           |
|  | Supervisor @ \$20.00 per hour  |  | 4.5        | months      | \$14,371           |           |
|  | 4 Operators @ \$13.00 per hour   |  | 4.5        | months      | \$37,364           |           |
|  | 2 Maintenance @ \$13.00 per hour   |  | 4.5        | months      | \$18,682           |           |
|  | SUBTOTAL   |  |            |             | \$70,416           |           |
| <b>6.</b>  | <b>Contract Laboratory Analysis</b>  |  |            |             |                    |           |
|  | 70 Monitor Wells (140 UCL samples per year @\$100)                             |  | 0.4        |             | \$5,239            |           |
|  | Stabilization Samples  |  |            |             |                    |           |
|  | 10 Wells - 3 complete Assays @\$350  |  |            |             | 10,500             |           |
|  | - 9 abbreviated assays @ \$250   |  |            |             | 22,500             |           |
|  | SUBTOTAL   |  |            |             | \$38,239           |           |
| <b>7.</b>  | <b>Operating Expenses</b>  |  |            |             |                    |           |
|  | Supplies @\$3,000/mo   |  | 4.5        |             | 13,472             |           |
|  | Heating @\$5,000/mo  |  | 2.2        |             | 11,227             |           |
|  | Vehicle Fuel @\$1,000/mo   |  | 4.5        |             | 4,491              |           |
|  | Office Utilities @\$1,000/mo   |  | 4.5        |             | 4,491              |           |
|  | SUBTOTAL   |  |            |             | \$33,681           |           |
| TOTAL OPERATING COST TO RESTORE GROUNDWATER AT FULL PRODUCTION (Nominal Mine Unit) |  |  |            |             | \$340,238 (1997\$) |           |
| UNIT RESTORATION OPERATING COST  |  |  |            | 76 Patterns | \$4,477 /Pattern   |           |
| 1993 -1997 inflation (CPI-U) = 160.6/143.6 =                                       |  | 11.84%   |            |             | \$40,279           |           |
| Total  |  |  |            |             | \$380,517 (1997\$) |           |

## Costs Associated with Groundwater Restoration

Using the Affected Pore Volumes developed on Table 7.1, the detail cost for groundwater restoration is provided for each wellfield on Tables 7.2, 7.3, 7.4, and 7.5. The estimated cost for groundwater restoration is shown below on Table 7.6.

**TABLE 7.6**  
**Estimated Groundwater Restoration Costs**  
**By Wellfield**

| Wellfield # | Estimated Cost (\$1997) |
|-------------|-------------------------|
| #1          | \$750,413               |
| #3          | \$1,054,307             |
| #4          | \$790,220               |
| #4A         | \$629,815               |
| #3ext       | \$380,517               |
| Total       | \$3,605,272             |



SECTION 9  
WHOLE TRUCKING COSTS

Cost Summary

| ITEM                      | COSTS (\$97) |
|---------------------------|--------------|
| 9.1 Contaminated Trucking | 523          |
| 9.2 Uncontam. Trucking    | 157          |
| <b>Total Cost</b>         | <b>680</b>   |

Contaminated Trucking - Year #1

Basis: See Table 9.1

• Haul = 0.2 Trucks x 800 Miles x \$3.27/Mile = \$ 523

9.2 Non-Contaminated Trucking - Year #1

Basis: See Table 9.2

• Haul = 0.5 Trucks x 8 Hrs/Truck x \$65.39/Hr = \$ 157

9.3 Contaminated Trucking - Year #5

Basis: See Table 9.3

• Haul = 0.2 Trucks x 800 Miles x \$3.27/Mile = \$ 523

9.4 Non-contaminated Trucking - Year #5

Basis: See Table 9.4

• Haul = 0.3 Trucks x 8 Hrs/Truck x \$65.39/Hr = \$ 157

To provide consistency with Rio Algom Mining Corp.'s U.S. Nuclear Regulatory Commission (NRC) surety, Rio Algom has elected at this time to continue to use the five (5) forward bond amount utilized for NRC purposes.

SECTION 10  
DELINEATION DRILLING RECLAMATION COSTS

Cost Summary

| ITEM                      | COSTS (\$97)   |
|---------------------------|----------------|
| 10.1 Delineation Drilling | 129,953        |
|                           |                |
| <b>Total Cost</b>         | <b>129,953</b> |

Delineation Drilling Costs

|        |  |     |
|--------|--|-----|
| Basis: | Delineation Holes drilled in 1998-2001       | 436 |
|        | Delineation Holes to be drilled in 2001-2002 | 518 |

Total Delineation Holes to be Bonded 954

Per hole cost for reclamation of delineation is based on bonding estimate for exploration holes under DN 236. (see attached table)

Reclamation costs per hole = \$136.22/hole

Cost for plugging and abandonment: 954 holes x \$136.22/hole

*Delineation Drilling Costs* = **\$129,953**

| 1999 Reclamation Bond Estimate                                    |                                |  |                 |
|---|--------------------------------|--|-----------------|
| <b>Well Abandonment and Topsoil Replacement and Re-vegetation</b> |                                |  |                 |
| I.  | Assumptions                    |  |                 |
|   | A.                             | Well Abandonment                                     |                 |
|   |                                | # of Monitoring wells                                |                 |
|   |                                | Average Depth (ft.)                                  |                 |
|   |                                | \$/foot  | \$2.00          |
|   |                                | Abandonment Costs                                    | \$0             |
|   | B.                             | Drill Hole Abandonment                               |                 |
|   |                                | # of Drill holes                                     | 1               |
|   |                                | Bentonite chips cost                                 | \$12.50         |
|   |                                | Personnel - \$/hr                                    | \$17.50         |
|   |                                | Transportation - \$/hr                               | \$6.54          |
|   |                                | Water truck - \$/hr                                  | \$10.00         |
|   |                                | Holes/day  | 5               |
|   |                                | # of Days  | 0               |
|   |                                | # of Hours   | 2               |
|   |                                | Drill Hole Abandonment Cost                          | \$80.58         |
|   | C.                             | Survey Crew Cost                                     |                 |
|   |                                | Hours/hole   | 0.3             |
|   |                                | \$/hour  | \$75.00         |
|   |                                | Subtotal   | \$22.50         |
|   |                                | Survey Crew Cost                                     | \$22.50         |
| II.   | Equipment                      |  |                 |
|   | A.                             | Abandonment Equipment                                |                 |
|   |                                | Drill Rig Mobilization Cost                          |                 |
|   |                                | <b>ABANDONMENT COST</b>                              | <b>\$103.08</b> |
|   |                                | <b>Total Cost per Well or Drill Hole</b>             | <b>\$103.08</b> |
| III.  | Backfill & Topsoil Replacement |  |                 |
|   | A.                             | Assumptions  |                 |
|   | 1.                             | General  |                 |
|   |                                | Affected Area/hole (ft <sup>2</sup> )                | 400             |
|   |                                | Affected area/hole (acres)                           | 0.01            |
|   |                                | Pit area/pit (ft <sup>2</sup> )                      | 120             |
|   |                                | Backfill depth                                       | 9               |
|   |                                | Modified Pit Volume                                  | 800             |
|   |                                | Number of wells and drill holes                      | 1               |
|   |                                | Topsoil Replacement Depth (ft)                       | 0.33            |
|   |                                | Pit Topsoil Volume (yd <sup>3</sup> )                | 1.47            |
|   |                                | yd <sup>3</sup> backfill                             | 29.63           |
|   |                                | total yd <sup>3</sup> backfill                       | 29.63           |
|   |                                | Total yd <sup>3</sup> topsoil                        | 1.47            |
|   |                                | Total affected area (acres)                          | 0.01            |
|   | 2.                             | Equipment with operator                              |                 |
|   |                                | Productivity backhoe w/trailer (yd <sup>3</sup> /hr) | 32.39           |
|   |                                | \$/hour  | \$33.24         |
|   |                                | Total replacement costs                              | \$31.92         |

|     |                     |                                       |  |          |
|-----|---------------------|---------------------------------------|--|----------|
| IV. | Reseeding           |                                       |  |          |
|     | 1.                  | Equipment                             |  |          |
|     |                     | Drill Seeder w/trailer (\$/acre)      |  | \$100.00 |
|     |                     | Subtotal Equipment Cost               |  | \$0.92   |
|     | 2.                  | Seed                                  |  |          |
|     |                     | \$/acre                               |  | \$33.00  |
|     |                     | Subtotal Seed Cost                    |  | \$0.30   |
|     |                     | Subtotal Re-Seeding Cost              |  | \$1.22   |
| V.  | Mulching & Crimping |                                       |  |          |
|     | 1.                  | Equipment                             |  |          |
|     |                     | Mulcher & Crimper w/trailer (\$/acre) |  |          |
|     |                     | Subtotal Equipment Cost               |  | \$0.00   |
|     | 2.                  | Mulch                                 |  |          |
|     |                     | Mulch \$/ton                          |  |          |
|     |                     | Tons/acre                             |  | 1        |
|     |                     | \$/acre                               |  | \$0.00   |
|     |                     | Subtotal Mulch Cost                   |  | \$0.00   |
|     |                     | Subtotal Mulching & Crimping Cost     |  | \$0.00   |
|     |                     | Subtotal Reseeding Cost               |  | \$1.22   |
|     |                     | TOTAL                                 |  | \$136.22 |

**PART III - SURETY BOND SUMMARY**

This section contains the cost basis that were used in the bond calculations provided within Part II. The basis for the bond calculations are from contractor bids to perform the work with the costs then adjusted to constant 1997 dollars as requested by WDEQ/LQD. Provided in the summary table below are the initial bids in the dollars of their day and the adjustment to 1997 dollars. The individual contractor bids follow the summary table.

**BID RATES FOR LABOR AND EQUIPMENT**

| ITEM                         | HOURLY BID RATE- YEAR (\$/HR) | ADJUSTED 1997 DOLLARS (\$/HR) |
|------------------------------|-------------------------------|-------------------------------|
| Foreman                      | 19.80 (1993)                  | 21.58                         |
| Certified Welder             | 17.75 (1993)                  | 19.35                         |
| Operator                     | 16.25 (1993)                  | 17.71                         |
| Laborer                      | 11.95 (1993)                  | 13.02                         |
| Journeyman Electrician       | 32.00 (1993)                  | 34.88                         |
| Apprentice Electrician       | 28.00 (1993)                  | 30.51                         |
| 20 Ton Crane (**)            | 34.31 (1993)                  | 37.39                         |
| 6000# Forklift (**)          | 12.04 (1993)                  | 13.12                         |
| Welding/Torch (**)           | 10.00 (1993)                  | 10.90                         |
| D8N Dozer (*)                | 108.00 (1993)                 | 117.71                        |
| 140G Blade (*)               | 60.00 (1993)                  | 65.34                         |
| Pavement Breaker, Fuel/Maint | 28.75 (1993)                  | 31.33                         |
| 980C Loader (*)              | 85.00 (1993)                  | 92.64                         |
| 235 Trackhoe (*)             | 103.00 (1993)                 | 112.25                        |
| 627 Scraper (*)              | 111.00 (1993)                 | 120.98                        |
| Pulling Unit (*)             | 30.00 (1993)                  | 32.70                         |
| Backhoe (*)                  | 25.00 (1993)                  | 27.25                         |
| 2000 PSI Spray Washer        | 8.00 (1993)                   | 8.71                          |
| Chainsaw (**)                | 2.20 (1993)                   | 2.40                          |

Note - (\*) includes operator, fuel, and maintenance. Others include fuel and maintenance unless shown otherwise. (\*\*) bid obtained by telephone. Adjustment to 1997 dollars were made using GNP-IPD inflation rate of 8.99% [1<sup>st</sup> quarter 1993 (101.8) through 1<sup>st</sup> quarter 1997 (110.95)].