

September 27, 2002

Ms. Donna L. Wichers,
General Manager
COGEMA Mining, Incorporated
P.O. Box 730
Mills, WY 82644

SUBJECT: ACCEPTANCE REVIEW FOR THE ANNUAL SURETY UPDATE

Dear Ms. Wichers:

The U.S. Nuclear Regulatory Commission (NRC) staff has completed its acceptance review of your proposed annual surety update dated August 16, 2002, for the COGEMA Mining, Inc. (COGEMA) Irigaray and Christensen Ranch *In Situ* Leach Uranium Projects. The submittal met the anniversary date in License Condition 9.5. However the Consumer Price Index (CPI) adjustment should be from July 2001 to June 2002, instead of from August 2001. Since the index was the same for both July and August of 2001, there is no effect on the CPI adjustment (1.13 percent according to staff calculations).

Your submittal requested that the surety amount be reduced by \$684,142 to reflect the work accomplished (wells plugged, pond reclamation, and ground water restoration at Irigaray and part of Christensen Ranch). The NRC policy is to not reduce the surety amount for work completed unless that work has been inspected and approved by the NRC staff. The restoration report has not been received and apparently the site-517 ponds and the plugged wells have not been inspected within the past 12 months.

Please submit within 30 days, a license amendment request to revise License Condition 9.5, requiring a surety amount of \$15,296,019 and changing the time frame covered by the CPI adjustment (as discussed above), to Elaine Brummett, the NRC project manager for the Irigaray and Christensen Ranch facilities, at (301) 415-6606 or by e-mail to esb@nrc.gov.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter will be available electronically from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Sincerely,

/RA/

Daniel Gillen, Chief
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No: 40-8502
SUA-1341

cc: G. Mooney, WDEQ - District III

D. Wicher

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Fuel Cycle Facilities Branch
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