



The State  
of Wyoming

40-8964



## Department of Environmental Quality

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Dave Freudenthal, Governor

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March 8, 2004

Mr. W. F. Kearney  
Power Resources Inc.  
P. O. Box 1210  
Glenrock, WY 82637

RE: 2003-2004 Annual Report & Bond Review, North Butte ISL Project, Permit No. 632

Dear Mr. Kearney:

Attached is my review concerning the above-mentioned topic.

I found the Annual Report and Bond Estimate acceptable. Accordingly, a recommendation will be made to the Director for increasing the bond to \$78,800.00.

In subsequent Annual Reports please provide a detailed list of all wells bonded under this permit. Also, next year's bond estimate should be calculated using the November 2003 version of Guideline 12.

Please feel free to call if you have any questions.

Sincerely,

Mark Taylor  
Senior Analyst

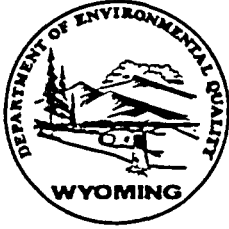
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NRC-MD w/attach.

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## MEMORANDUM

**TO:** File, Power Resource Inc.'s (PRI) North Butte ISL Project, Permit No. 632  
**FROM:** Mark Taylor, Senior Analyst *mt*  
**DATE:** March 8, 2004  
**SUBJECT:** Review of 2002-2003 Annual Report

### Introduction

The 2003-2004 Annual Report for the North Butte ISL Project was received December 17, 2003, under W. F. Kearney's cover letter dated December 16, 2003. The 2004-2005 Survey Estimate was revised via Mr. Kearney's letter of March 4, 2004.

### 2003-2004 Activity

PRI indicated no activity had occurred on the site during the report period.

### Projected 2004 Activities

No activities are planned during 2004.

### Monitoring

#### Hydrology

No sampling was done at North Butte site during the report period.

#### Wildlife

No wildlife monitoring was done. NSR Change No. 8 approved on August 13, 1999, allowed discontinuation of wildlife monitoring at North Butte.

## **Bond**

According to the Annual Report Appendix A, the new bond estimate was based on actual operating costs, current contracts, and the WDEQ-LQD Guideline 12, January 2001 version and then escalated to October 2003 dollars by 4.7%. Next year's bond estimate should be calculated using the November 2003 version of Guideline 12.

The current bond for the North Butte permit is a Letter of Credit for \$55,400.00. This amount was adequate to cover reclamation of the site including abandonment of the remaining wells in the wellfield, decontamination and demolition of the plant building, and decontamination, decommissioning and reclamation of the evaporation ponds.

In the Annual Report, PRI proposes to increase the current bond by \$23,400 to \$78,800.00.

## **Conclusions**

Review of the 2003-2004 North Butte ISL Project Annual Report & Bond Estimate found them satisfactory. Accordingly, I recommend the bond be set in the amount of \$78,800.00.

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