

# Umetco Minerals Corporation

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June 13, 2008

Mr. Richard Chang, Project Manager  
Special Projects Branch  
Decommissioning and Uranium Recovery  
Licensing Directorate  
Division of Waste Management  
and Environmental Protection  
Office of Federal and State Materials  
and Environmental Management Programs  
Two White Flint North  
11545 Rockville Pike  
Rockville, Maryland 20852-2738

Subject: **Umetco Gas Hills, Wyoming, 2008 Surety Update**  
Reference: **Materials License SU-648; Docket No. 40-0299**

Dear Mr. Chang:

Enclosed please find the annual financial surety update for Umetco Minerals Corporation's (Umetco) Gas Hills, Wyoming site as required by License Condition 55. The enclosed calculation updates the previously approved surety amounts (License Amendment 57), updates for the change in Consumer Price Index (CPI), and updates Umetco's 2007 surety estimate discussed below.

Reclamation activities at the Gas Hills site have been completed and the Construction Completion Report submitted to the NRC by Umetco letter dated June 29, 2007. NRC letter dated December 17, 2007 stated the proposed surety reduction contained in Umetco's 2007 surety update could not be approved because the NRC staff had not performed a site visit to review completion of the construction reclamation activities. This site visit was completed by the NRC on June 3, 2008. Accordingly, Umetco is requesting NRC approval for reduction of the surety amount to reflect the current status of the site. Items remaining in the surety estimate include Groundwater Monitoring, Fencing, and Long-term Surveillance Fee.

If you have any questions or require additional information, please contact me by telephone at (970) 256-8889 or by e-mail at [gieckte@dow.com](mailto:gieckte@dow.com).

Sincerely,

Thomas E. Gieck  
Remediation Leader

TEG/jfc

Attachments: As stated

cc: Mark Moxley, WDEQ

## Cost Summary

|  | <u>Original Estimate</u> |             |                 | <u>CPI 04/08</u> | <u>Current \$'s</u> |
|--|--------------------------|-------------|-----------------|------------------|---------------------|
|  | <u>Cost</u>              | <u>Date</u> | <u>CPI then</u> |                  |                     |
| Groundwater Monitoring <sup>1)</sup>             | 37,746                   | 09/04       | 189.900         | 214,823          | 42,700              |
| Fencing 17,000 feet @ \$4 per foot <sup>1)</sup> | 68,000                   | 04/07       | 206.686         | 214,823          | 70,677              |
| Long-term Surveillance Fee                       | 250,000                  | 12/78       | 67.700          | 214,823          | 793,290             |
| Final Completion <sup>1)</sup>                   | 100,000                  | 04/07       | 206.686         | 214,823          | <u>103,937</u>      |
| Total NRC Surety Required                        |                          |             |                 |                  | 1,010,604           |

1) Costs shown above are inclusive of contractor's overhead (10%) and profit (10%) applied to unit costs for the work. A 15% contingency has also been added.