

Umetco Minerals Corporation



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June 12, 2009

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, 2009 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 61), and updates for the change in Consumer Price Index (CPI).

Reclamation activities at the Gas Hills site have been completed and the fencing was completed during 2008. Items remaining in the surety estimate include Groundwater Monitoring, Legal Expenses associated with Land Transfer, and the 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.

Sincerely,

Thomas E. Gieck
Remediation Leader

TEG/jfc

Attachments: As stated

cc: Mark Moxley, WDEQ

Cost Summary

	<u>Original Estimate</u>		<u>CPI then</u>	<u>CPI 04/09</u>	<u>Current \$'s</u>
	<u>Cost</u>	<u>Date</u>			
Groundwater Monitoring ¹⁾	37,746	09/04	189.900	213.24	42,385
Fencing 17,000 feet @ \$4 per foot ¹⁾	68,000	04/07	206.686	213.24	Complete
Radiation Safety Officer (20% of full time) ¹⁾	34,180	09/04	189.900	213.24	38,381
Site Property Taxes ¹⁾	3,450	09/04	189.900	213.24	3,874
Legal Expenses - Land transfer ¹⁾	69,000	09/04	189.900	213.24	77,481
Long-term Surveillance Fee	250,000	12/78	67.700	213.24	787,445
Final Completion ¹⁾	100,000	04/07	206.686	213.24	103,171
Total NRC Surety Required					1,052,737

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.
Dollars are from 9/29/04 submittal