Western Nuclear, Inc.
2801 Youngfield Street, Suite 340
Golden, Colorado 80401
(303) 274-1767

Lawrence J. Corte
President & General Manager

September 29, 2010

Mr. James Shephard
Project Manager / Special Projects Branch
Decommissioning and Uranium Recovery Licensing Directorate
U.S. Nuclear Regulatory Commission
11545 Rockville Pike
Rockville, MD 20852

RE: 2010 Surety Update / SUA–56 Split Rock Millsite / License Condition #29 Amendment Request to increase surety per change in CPI

Dear Mr. Shephard,

I am the President of Western Nuclear, Inc., a wholly owned subsidiary of Freeport-McMoRan Copper & Gold, Inc. (the "Company"). This letter is to update the current surety for the Split Rock Millsite, near Jeffrey City, Wyoming, which is ready for transfer to the United States upon acceptance by the US Department of Energy.

The current surety amount of $1,023,259 (License Amendment 104, dated October 20, 2009) should be adjusted for inflation by applying the percent difference between the July 2009 CPI (215.351) and the August 2010 CPI (218.312) as follows:

$[(218.312 - 215.351) \div 215.351] = 0.0137496)$

$1.0137496 \times \$1,023,259 = \$1,037,328$

The new surety amount represents an increase of $14,069 to the current amount.

The Company's use of the financial test to demonstrate financial assurance using a parent company guarantee is consistent with NRC's *1998 Technical Position on Financial Assurances for Reclamation, Decommissioning, and Long-Term Surveillance and Control of Uranium Recovery Facilities* ("Technical Position"). The financial resources of the Company have not changed significantly since Year End 2009. (The Company's Form 10-K for the year ended 12/31/09 was submitted along with the Certificate of Parent Company's Compliance in a letter to NRC dated March 23, 2010.)

The Company guarantees, through a parent company guarantee submitted to demonstrate compliance under 10 CFR Part 40, including Appendix A, and the above-mentioned NRC Technical Position, the decommissioning of the following facility owned and operated by a subsidiary of this Company. The current cost estimates or certified amounts for decommissioning, so guaranteed, are shown for this facility:

Name and Location	License Number	Certified Amounts or Current Cost Estimates
Western Nuclear, Inc. Split Rock Millsite 22 Ore Road Jeffrey City, Fremont County Wyoming 82310	SUA – 56	$ 1,037,328

I hereby certify that the content of this letter is true and correct to the best of my knowledge. Please contact me at your convenience if you have any questions regarding this submittal.

Sincerely,

Lawrence J. Corte
President & General Manager
Western Nuclear, Inc.