

Umetco Minerals Corporation



P.O. BOX 1029
GRAND JUNCTION, COLORADO 81502
☎ (970) 245-3700

June 13, 2011

Mr. Dominic Orlando, Project Manager
U.S. Nuclear Regulatory Commission
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety and Safeguards
Office of Nuclear Material Safety and Safeguards
Mail Stop T-8-A-33
Two White Flint North, 11545 Rockville Pike
Rockville, Maryland 20852-2738

Subject: Umetco Gas Hills, Wyoming, 2011 Surety Update

Reference: Materials License SU-648; Docket No. 40-0299

Dear Mr. Orlando:

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 63), and updates for the change in Consumer Price Index (CPI). We reviewed each of the previously included items, and found no basis for adjusting the costs, so we just inflated them to the latest available CPI (04/2011). We also added the cost for the Erosion Protection Enhancement Project.

11-027.docx

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,

A handwritten signature in black ink, appearing to read "Ralph Sawyer". The signature is fluid and cursive.

for Thomas E. Gieck
Remediation Leader

TEG/RBG

Attachments: As stated

cc: Mark Moxley, WDEQ

Cost Summary

	<u>Original Estimate</u>		<u>CPI then</u>	<u>CPI 04/11</u>	<u>Current \$'s</u>
	<u>Cost</u>	<u>Date</u>			
Groundwater Monitoring ¹⁾	37,746	09/04	189.900	224.906	44,704
Radiation Safety Officer (20% of full time) ¹⁾	34,180	09/04	189.900	224.906	40,481
Site Property Taxes ¹⁾	3,450	09/04	189.900	224.906	4,086
Legal Expenses - Land transfer ¹⁾	69,000	09/04	189.900	224.906	81,719
Long-term Surveillance Fee	250,000	12/78	67.700	224.906	830,524
Erosion Protection Enhancement Project ²⁾					3,502,312
Final Completion ¹⁾	100,000	04/07	206.686	224.906	<u>108,815</u>
Total NRC Surety Required					<u>4,612,641</u>

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

2) Costs shown are from the June 8, 2011 submittal of the Above Grade Tailings Impoundment and A-9 Repository Erosion Protection Enhancement Design Report (11-025.docx)