

**FINAL DRAFT
2011 ANNUAL BUDGET**

**CIMARRON SITE
CRESCENT, OKLAHOMA**

MAY 2011

**Prepared for
Cimarron Environmental Response Trust**

Prepared by



FINAL DRAFT 2011 PROPOSED BUDGET
EXECUTIVE SUMMARY

The Cimarron Environmental Response Trust (CERT) is administered by Environmental Properties Management LLC (EPM) as Trustee. EPM submits the attached proposed budget for 2011, for the time period beginning at the Effective Date (February 14, 2011) through December 31, 2011. The draft budget categorizes expenses into the following twelve “tasks”:

1. Trustee Startup Fees
2. Administrative Costs
3. License Transfer – Federal Account
4. License Compliance – Federal Account
5. Groundwater Assessment and Evaluation – Federal Account
6. Remedy Selection – Federal Account
7. Groundwater Remediation Design – Federal Account
8. Agency Fees – Federal Account
9. Groundwater Assessment and Evaluation – State Account
10. Remedy Selection – State Account
11. Groundwater Remediation Design – State Account
12. Agency Fees – State Account

Costs for Tasks 1 and 2 will be charged to the Cimarron Administrative Cost Account. Costs for Tasks 3 through 8 will be charged to the Cimarron Federal Environmental Response Cost Account. Costs for Tasks 9 through 12 will be charged to the Cimarron State Environmental Response Cost Account.

The following is a list of the scope of work that EPM proposes to perform during 2011 at the Cimarron site:

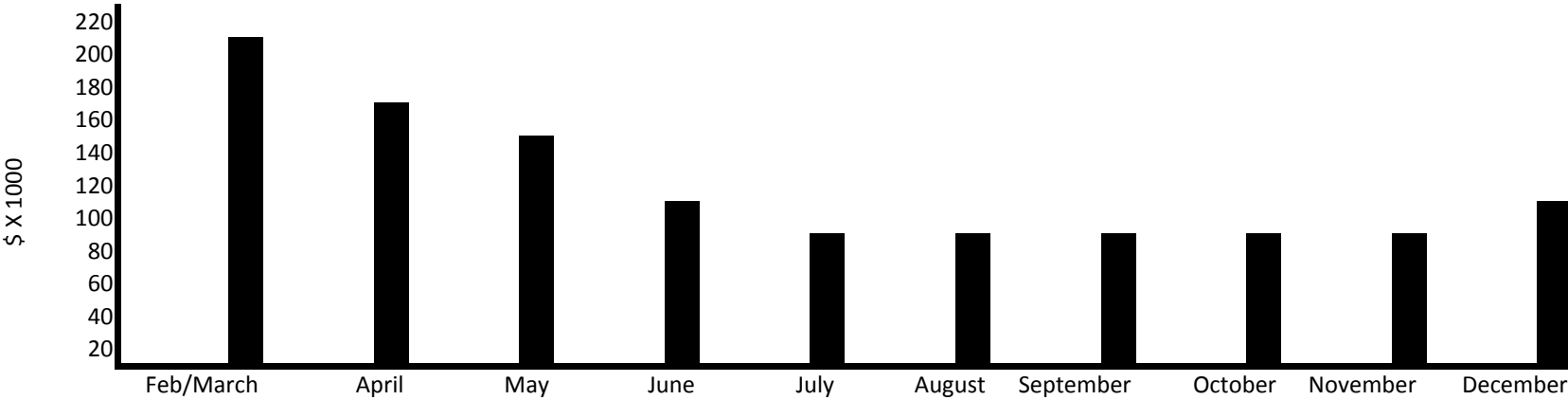
- A. Executing all legal documents required to establish the CERT and the separate accounts, as stipulated in the February 14, 2011 Cimarron Environmental Response Trust Agreement (the Trust Agreement).
- B. Transferring utility contracts to the Trust, maintaining the Cimarron site, paying taxes, and generating and submitting quarterly, semi-annual, and annual reports to the Beneficiaries of the Trust in accordance with the Trust Agreement.
- C. Transferring NRC license SNM-928 to the Trust, and revising the Radiation Program plan and procedures, the Quality Assurance Program plan and procedures, and associated documents.
- D. Maintaining compliance with requirements of NRC license SNM-928, including implementation of the radiation protection and quality assurance programs, conducting ALARA Committee meetings, conducting annual environmental monitoring, and participating in an NRC inspection related to license compliance, if conducted in 2011.
- E. Conducting an evaluation of potential groundwater remedial alternative technologies addressing both Federal and State chemicals of concern, and submitting a report on that evaluation to the Beneficiaries of the Trust.

- F. Collaborating with the Beneficiaries of the Trust on the selection of a groundwater remediation technology.
- G. Preparing a detailed remedial design for groundwater remediation (Cost provided upon selection of Final Remedy).
- H. Submitting a license amendment request that includes the proposed remedial design and requests amendment of specific license conditions to reflect current conditions and the incorporation of the remedial design requirements into the license.

Costs for Scope Items A and B will be charged to the Administrative Account. Costs for Scope Items C and D will be charged exclusively to the Federal Account. Costs for Scope Items E through H will be allocated between the Federal and State Accounts as agreed upon by the Beneficiaries of the Trust.

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Estimated 2011 Cost by Month



FINAL DRAFT
2011 PROPOSED BUDGET SUMMARY
CIMARRON ENVIRONMENTAL RESPONSE TRUST

Task 1 – Trustee Startup Fees – *Paid exclusively from the Administrative Cost Account*

Scope – This task is unique to the 2011 budget, and covers expenses for:

1. Reviewing and commenting on the Tronox Settlement Agreement and the Cimarron Environmental Response Trust (Trust) Agreement,
2. Participating in teleconferences with regulatory agencies
3. Setting up the infrastructure required to function as Trustee for the Trust
4. Legal fees

Assumptions – The proposed budget of \$37,000 represents the amount stipulated in Trust Agreement.

Task 2 – Administrative Costs – *Paid exclusively from the Administrative Cost Account*

Scope – This task includes administrative costs associated with:

1. Kick-off meetings and site orientations for new personnel
2. Transfer and organization of files and data received from Tronox
3. Monitoring and reporting the financial status of each of the Trust accounts
4. Maintaining the site, including paying for utilities, taxes, building maintenance and cleaning, etc.
5. Surveying, obtaining appraisals for, and negotiating the sale of portion(s) of the Cimarron property

Items 1 and 2 above are one-time tasks. Costs for these activities are unique to 2011 and will not be part of the administrative budget in future years.

Assumptions – The proposed budget of \$203,021 consists of \$141,666 in labor and \$61,355 in expenses. Of this, \$58,489 represents costs related to Items 1 and 2 above, which will only be realized in 2011. These costs include:

1. \$27,559 in labor costs
2. \$2,430 in expenses
3. \$28,500 in legal and property transfer expenses

Trustee man-hour estimates for various activities charged to this task are presented in the attached spreadsheet entitled, “Administrative Man-Hour Estimate”.

Task 3 – License Transfer – Federal – *Paid exclusively from the Federal Environmental Response Cost Account (“Federal Account”)*

Scope – This task includes the following:

1. Revision of the Radiation Protection Plan (RPP) and associated procedures
2. Revision of the Quality Assurance Program Plan (QAPP) and associated procedures
3. Establishing an instrument program for the site
4. Review of all three sets of documents
5. Communications with NRC related to the transfer of License SNM-928 to the Trust

Assumptions – The proposed budget of \$65,092 includes the following:

1. \$8,960 for 56 hours of Project Manager review and four trips to the Cimarron site
2. \$20,500 for RPP and procedure revision represents the time and material not-to-exceed cost in the proposal for HP and QA services submitted by Enercon Services
3. \$20,500 for QAPP and procedure revision represents the time and material not-to-exceed cost in the proposal for HP and QA services provided by Enercon Services
4. \$15,000 for the instrument program represents the time and material not-to-exceed cost in the proposal for HP and QA services provided by Enercon Services

Task 4 – License Compliance – Federal – Paid exclusively from the Federal Account

Scope – This task includes the following:

1. Revision of the Health and Safety Plan
2. Annual review and revision of RPP and QAPP (year-end, not initial)
3. Conduct and documentation of ALARA Committee meetings
4. Periodic communications with NRC
5. Attendance at NRC on-site inspections
6. Planning, conducting, and reporting results from annual environmental sampling program:
 - a. Assumes locations and parameters only as specified in Section 15 of the RPP
 - b. Sampling additional locations will require additional funding
 - c. Analyzing for additional parameters will require additional funding

Assumptions – The proposed budget of \$197,622 includes the following:

1. \$73,176 in Trustee labor charges
2. \$103,600 for HP and QA support represents the time and material not-to-exceed cost from proposal for HP and QA services submitted by Enercon Services
3. \$6,000 for Enercon Services support of groundwater sample collection
4. \$5,000 for mowing and/or brush-hogging to access environmental sampling locations
5. Miscellaneous expenses as shown on the budget spreadsheet

Trustee man-hour estimates for various activities for this task are presented in the attached spreadsheet entitled, “License Compliance Man-Hour Estimate”.

Task 5 – Groundwater Assessment and Evaluation – Federal – Paid exclusively from the Federal Account

Scope – This task includes the following:

1. Inventory and preparation of Cimarron facilities and supplies to prepare for site work.
2. Plan and conduct additional groundwater assessment
3. Submit letter-report for results of groundwater assessment

Development of groundwater remediation alternatives evaluation and regulatory interface

Assumptions – The proposed budget of \$189,262 includes the following:

1. \$152,339 in Trustee labor charges. This represents 93.2% of the total cost of Trustee labor charges. The remaining 6.8% of Trustee labor charges will be allocated to Task 9 and funded from the State Environmental Response Account (State Account).
2. \$1,000 for gross alpha, gross beta, and Tc-99 analysis for five groundwater samples

3. \$4,291.20 for Trustee expenses. This represents 93.2% of the total cost of Trustee expense charges. The remaining 6.8% of Trustee expense charges will be allocated to Task 9 and funded from the State Account.
4. \$31,632 for Enercon support for sample collection, HP and QA support of sampling, HP and QA participation in the evaluation, and Enercon review of draft reports. This represents 93.2% of the total cost for Enercon support. The remaining 6.8% of the cost for Enercon support will be allocated to Task 9 and funded from the State Account. HP and QA are license-required, but because Enercon will also assist in groundwater sampling, this cost was also divided proportionally between the Federal and the State Accounts.

Trustee man-hour estimates for various activities charged to this task are presented in the attached spreadsheet entitled, "Groundwater Remediation Evaluation Man-Hour Estimate".

Task 6 – Remedy Selection – Federal – Paid exclusively from the Federal Account

Scope – This task includes the following:

1. Teleconferences and meetings as shown in the spreadsheet under Task 6
2. Responding to limited requests for additional information from beneficiaries. Should requests for additional information require revision of the scope of work, such as the generation of groundwater flow models, additional sample collection and analysis, etc., additional funding will be required.

Assumptions – The proposed budget of \$20,540 includes the following:

1. \$17,630 in Trustee labor charges. This represents 93.2% of the total cost of Trustee labor charges. The remaining 6.8% of Trustee labor charges will be allocated to Task 10 and funded from the State Environmental Response Account (State Account).
2. \$2,800 for Enercon support. Because this consists exclusively of HP and QA support, 100% of the cost of Enercon support will be allocated to the Federal Account.
3. Since the scope of work for responding to requests for additional information is undefined, Enercon has limited this to 20 man-hours of support.
4. Should additional time be needed to respond to beneficiary requests, this will require additional funding.

Task 7 – Groundwater Remediation Design – Federal – Paid exclusively from the Federal Account

Scope – This task will include the preparation and submittal of a license amendment request that will include:

1. Amendment of existing license conditions to bring the license up to date, reflecting both organizational changes and changes in the status of the site.
2. Definition of the licensed areas to ensure that all areas within which groundwater exceeds license release criteria are clearly under license controls, and all areas which are releasable for unrestricted use remain unlicensed by NRC.
3. A work plan for groundwater remediation addressing both radiological and non-radiological chemicals of concern (COCs).
4. A post-decommissioning groundwater monitoring program for both radiological and non-radiological COCs.

5. A meeting with beneficiaries to “walk through” the license amendment request to familiarize beneficiary personnel with the scope and to answer requests for clarification or enhance beneficiary understanding regarding the content or intent of various aspects of the request.
6. This task will **not** include the cost of responding to requests for additional information or other post-submittal work, because it is believed beneficiaries will not be able to review these documents and generate requests for additional information until 2012.

Assumptions – There is no proposed budget for this task, because the cost will vary greatly based on the combination of technologies selected. Consequently, a budget for this task will be developed after the remedial method is selected.

Task 8 – Agency Fees – Federal – Paid exclusively from the Federal Account

Scope – This task reimburses NRC for expenses NRC incurs in 2011 for oversight and inspection (if any) for the Cimarron decommissioning project. This task does not include the cost to reimburse NRC for expenses related to the Anadarko litigation, which should be charged to the Litigation Trust.

Assumptions – The proposed budget of \$361,800 is based on an estimate provided by NRC. This represents 31% of the 2011 budget (excluding the generation of the license amendment request).

Task 9 – Groundwater Assessment and Evaluation – State – Paid exclusively from the State Account

Scope – This task includes the following:

1. Inventory and preparation of Cimarron facilities and supplies to prepare for site work.
2. Plan and conduct additional groundwater assessment
3. Submit letter-report for results of groundwater assessment
4. Development of groundwater remediation alternatives evaluation and regulatory interface

Assumptions – The proposed budget of \$29,600 includes the following:

1. \$11,322 in Trustee labor. This represents 6.8% of the total cost of Trustee labor. The remaining 93.2% of Trustee labor will be allocated to Task 5 and funded from the Federal Account.
2. \$4,640 for nitrate/nitrite, fluoride, and uranium by ICP/MS analysis for 58 groundwater samples
3. \$11,000 for the installation of seven new monitor wells. 100% of this was allocated to the State Account because the wells are not needed for delineation of uranium-impacted groundwater. The wells are only needed to delineate the extent of nitrate/nitrite impact, which is only a State concern.
4. \$4,970.20 for Trustee expenses. This represents 6.8% of the total cost of Trustee expense. The remaining 93.2% of Trustee expense will be allocated to Task 5 and funded from the Federal Account.
5. \$2,308 for Enercon support for sample collection, HP and QA support of sampling, HP and QA participation in the evaluation, and Enercon review of draft reports. This represents 6.8% of the total cost for Enercon support. The remaining 93.2% of the cost

for Enercon support will be allocated to Task 9 and funded from the Federal Account. HP and QA are license-required, but because Enercon will also assist in groundwater sampling, this cost was also divided proportionally between the Federal and the State Accounts.

Trustee man-hour estimates for various activities allocated to this task are presented in the attached spreadsheet entitled, “Groundwater Remediation Evaluation Man-Hour Estimate”.

Task 10 – Remedy Selection – State – Paid exclusively from the State Account

Scope – This task includes the following:

1. Teleconferences and meetings as shown in the spreadsheet under Task 6
2. Responding to limited requests for additional information from beneficiaries. Should requests for additional information require revision of the scope of work, such as the generation of groundwater flow models, additional sample collection and analysis, etc., additional funding will be required.

Assumptions – The proposed budget of \$1,348 includes the following:

1. \$1,346 in Trustee labor. This represents 6.8% of the total cost of Trustee labor. The remaining 93.2% of Trustee labor will be allocated to Task 6 and funded from the Federal Account.
2. Since the scope of work for responding to requests for additional information is undefined, Enercon has limited this to 20 man-hours of support.
3. Should additional time be needed to respond to beneficiary requests, this will require additional funding.

Task 11 – Groundwater Remediation Design – State – Paid exclusively from the State Account

Scope – This task will include the preparation and submittal of a license amendment request that will include:

1. A work plan for groundwater remediation addressing both radiological and non-radiological chemicals of concern (COCs).
2. A post-decommissioning groundwater monitoring program for both radiological and non-radiological COCs.
3. A meeting with beneficiaries to “walk through” the license amendment request to familiarize beneficiary personnel with the scope and to answer requests for clarification or enhance beneficiary understanding regarding the content or intent of various aspects of the request.
4. This task will **not** include the cost of responding to requests for additional information or other post-submittal work, because it is believed beneficiaries will not be able to review these documents and generate requests for additional information until 2012.

Assumptions – There is no proposed budget for this task, because the cost will vary greatly based on the combination of technologies selected. Consequently, a budget for this task will be developed after the remedial method is selected.

Task 12 – Agency Fees – State – Paid exclusively from the State Account

Scope – This task reimburses DEQ for expenses DEQ incurs in 2011 for oversight and inspection (if any) for the Cimarron remediation project. This task does not include the cost to reimburse DEQ for expenses related to the Anadarko litigation

Assumptions – The proposed budget of \$50,000 is based on discussions regarding the establishment of a fund from which DEQ would draw, rather than an estimate of the cost of DEQ oversight during 2011. Because the entire amount of the fund would be paid from the State Account in 2011 upon establishment of the fund, it was included in the budget. Subsequent years' budgets would reflect anticipated annual oversight costs.

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Final Draft
2011 Budget Projection Breakdown (less Groundwater Remediation Design)
Cimarron Environmental Response Trust

Task No.	Task Description					EXPENSES						
		Category	Hourly Rate	Hours	Cost	Item	Quantity	Unit	Cost per Unit	Bare Cost	Percent Markup	Total Cost
1.0	Trustee Startup Fees	Associate (15)	\$193.00			Meals & Lodging		day	\$250.00			
	- Reimbursable Expenses	Associate (22)	\$160.00			Airfare		each	\$500.00			
		Senior (13)	\$170.00			Car		day	\$90.00			
		Senior (12)	\$159.00			Truck		day	\$90.00			
		Staff (11)	\$149.00			Rad Analysis		each	\$200.00			
		Staff (10)	\$134.00			Mileage		each	\$0.55			
		Assistant (9)	\$123.00			N and F Analysis		each	\$40.00			
		Assistant (8)	\$109.00									
		Assistant (7)	\$78.00									
		Technician (6)	\$66.00									
		General Office	\$57.00									
						Reimbursable	1	Lump	\$37,000.00	\$37,000.00		\$37,000.00
Task Subtotals				0	\$0.00					\$37,000.00		\$37,000.00
Task Total												\$37,000.00
2.0	Administrative Costs	Associate (15)	\$193.00	284	\$54,812.00	Meals & Lodging	2	day	\$250.00	\$500.00		\$500.00
	SEE "ADMIN COSTS" TAB	Associate (22)	\$160.00	440	\$70,400.00	Airfare		each	\$500.00			
	- Monthly Invoices	Senior (13)	\$170.00			Car		day	\$90.00			
	- Quarterly Financial Reporting	Senior (12)	\$159.00			Truck		day	\$90.00			
	- Semi-Annual Reporting	Staff (11)	\$149.00	76	\$11,324.00	Rad Analysis		each	\$200.00			
	- Annual Budget Preparation	Staff (10)	\$134.00			Mileage	5300	each	\$0.55	\$2,915.00		\$2,915.00
	- Telecons	Assistant (9)	\$123.00			N and F Analysis		each	\$40.00			
	- Taxes	Assistant (8)	\$109.00			Title Ins. & Prop. Trans.	1	Lump	\$8,500.00	\$8,500.00		\$8,500.00
	- Utilities	Assistant (7)	\$78.00			Site Maintenance	1	Lump	\$10,000.00	\$10,000.00		\$10,000.00
	- Site Maintenance	Technician (6)	\$66.00			Legal Expenses	1	Lump	\$20,000.00	\$20,000.00		\$20,000.00
	- Contract Management	General Office	\$57.00	90	\$5,130.00	Utilities	11	Mo	\$1,040.00	\$11,440.00		\$11,440.00
	- Partial Property Sale					Taxes	1	Lump	\$8,000.00	\$8,000.00		\$8,000.00
	- Monthly Site Visit											
Task Subtotals				890	\$141,666.00					\$61,355.00		\$61,355.00
Task Total												\$203,021.00

**2011 Budget Projection Breakdown (less Groundwater Remediation Design)
Cimarron Environmental Response Trust**

Task No.	Task Description					EXPENSES									
		Category	Hourly Rate	Hours	Cost	Item	Quantity	Unit	Cost per Unit	Bare Cost	Percent Markup	Total Cost			
3.0	License Transfer - Federal - RP Plan & Procedure Revision - QA Plan & Procedure Revision - Instrument Program Setup - Discussions w/ NRC re: License Requirements	Associate (15)	\$193.00	56	\$8,960.00	Meals & Lodging	240	day	\$250.00	\$132.00		\$132.00			
		Associate (22)	\$160.00			Airfare		each	\$500.00						
		Senior (13)	\$170.00			Car		day	\$90.00						
		Senior (12)	\$159.00			Truck		day	\$90.00						
		Staff (11)	\$149.00			Rad Analysis		each	\$200.00						
		Staff (10)	\$134.00			Mileage		each	\$0.55						
		Assistant (9)	\$123.00			N and F Analysis		each	\$40.00						
		Assistant (8)	\$109.00												
		Assistant (7)	\$78.00												
		Technician (6)	\$66.00												
		General Office	\$57.00			RP Program Revision		1	Lump				\$20,500.00	\$20,500.00	\$20,500.00
		QA Program Revision	1	Lump	\$20,500.00	\$20,500.00	\$20,500.00								
		Instrument Program	1	Lump	\$15,000.00	\$15,000.00	\$15,000.00								
Task Subtotals				56	\$8,960.00				\$56,132.00		\$56,132.00				
Task Total											\$65,092.00				
4.0	License Compliance - Federal - ALARA Committee - Environmental Monitoring - Annual HP Support SEE "LICENSE COMPLIANCE" TAB	Associate (15)	\$193.00	40	\$7,720.00	Meals & Lodging	1320	day	\$250.00	\$124,446.00					
		Associate (22)	\$160.00	284	\$45,440.00	Airfare		each	\$500.00						
		Senior (13)	\$170.00			Car		day	\$90.00						
		Senior (12)	\$159.00			Truck		8	day				\$90.00	\$720.00	\$720.00
		Staff (11)	\$149.00			Rad Analysis		35	each				\$200.00	\$7,000.00	\$7,000.00
		Staff (10)	\$134.00			Mileage		1320	each				\$0.55	\$726.00	\$726.00
		Assistant (9)	\$123.00	112	\$13,776.00	N and F Analysis		35	each				\$40.00	\$1,400.00	\$1,400.00
		Assistant (8)	\$109.00						hour						
		Assistant (7)	\$78.00	80	\$6,240.00	Monitor Well Access		1	Lump				\$5,000.00	\$5,000.00	\$5,000.00
		Technician (6)	\$66.00			Enercon Support		1	Lump				\$6,000.00	\$6,000.00	\$6,000.00
		General Office	\$57.00			RP Support		1	Lump				\$72,600.00	\$72,600.00	\$72,600.00
				QA Support	1	Lump	\$31,000.00	\$31,000.00	\$31,000.00						
Task Subtotals				516	\$73,176.00				\$124,446.00		\$124,446.00				
Task Total											\$197,622.00				

**2011 Budget Projection Breakdown (less Groundwater Remediation Design)
Cimarron Environmental Response Trust**

Task No.	Task Description					EXPENSES								
		Category	Hourly Rate	Hours	Cost	Item	Quantity	Unit	Cost per Unit	Bare Cost	Percent Markup	Total Cost		
5.0	G/W Assess & Evaluate - Federal - No Additional Assessment - Alternatives Evaluation - Report Preparation SEE "GW EVAL" TAB	Associate (15)	\$193.00	54	\$10,422.00	Meals & Lodging		day	\$250.00					
		Associate (22)	\$160.00	573	\$91,680.00	Airfare		each	\$500.00					
		Senior (13)	\$170.00	127	\$21,590.00	Car		day	\$90.00					
		Senior (12)	\$159.00			Truck	17	day	\$90.00	\$1,530.00		\$1,530.00		
		Staff (11)	\$149.00			Rad Analysis	5	each	\$200.00	\$1,000.00		\$1,000.00		
		Staff (10)	\$134.00			Mileage	2884	each	\$0.55	\$1,586.20		\$1,586.20		
		Assistant (9)	\$123.00	200	\$24,600.00	N and F Analysis		each	\$40.00					
		Assistant (8)	\$109.00					each						
		Assistant (7)	\$78.00					Lump						
		Technician (6)	\$66.00			Enercon Support	1	Lump	\$31,632.00	\$31,632.00		\$31,632.00		
		General Office	\$57.00	71	\$4,047.00			Week						
						Sample Shipping	7	each	\$75.00	\$525.00		\$525.00		
						Reproduction	1	each	\$650.00	\$650.00		\$650.00		
Task Subtotals				1025	\$152,339.00					\$36,923.20		\$36,923.20		
Task Total											\$189,262.20			
6.0	Remedy Selection - Federal - 2 Telecons - 1 Meeting in OKC - Respond to RAIs	Associate (15)	\$193.00	30	\$5,790.00	Meals & Lodging		day	\$250.00					
		Associate (22)	\$160.00	74	\$11,840.00	Airfare		each	\$500.00					
		Senior (13)	\$170.00			Car		day	\$90.00					
		Senior (12)	\$159.00			Truck		day	\$90.00					
		Staff (11)	\$149.00			Rad Analysis		each	\$200.00					
		Staff (10)	\$134.00			Mileage	56	each	\$0.55	\$30.80		\$30.80		
		Assistant (9)	\$123.00			N and F Analysis		each	\$40.00					
		Assistant (8)	\$109.00											
		Assistant (7)	\$78.00			RSO/QAC	24	hour	\$120.00	\$2,880.00		\$2,880.00		
		Technician (6)	\$66.00											
		General Office	\$57.00											
		Task Subtotals				104	\$17,630.00					\$2,910.80		\$2,910.80
		Task Total											\$20,540.80	

**2011 Budget Projection Breakdown (less Groundwater Remediation Design)
Cimarron Environmental Response Trust**

Task No.	Task Description					EXPENSES								
		Category	Hourly Rate	Hours	Cost	Item	Quantity	Unit	Cost per Unit	Bare Cost	Percent Markup	Total Cost		
7.0	Groundwater Design - Federal To be Estimated and Added to 2011 Budget After Remedial Method Selection	Associate (15)	\$193.00			Meals & Lodging		day	\$250.00					
		Associate (22)	\$160.00			Airfare		each	\$500.00					
		Senior (13)	\$170.00			Car		day	\$90.00					
		Senior (12)	\$159.00			Truck		day	\$90.00					
		Staff (11)	\$149.00			Rad Analysis		each	\$200.00					
		Staff (10)	\$134.00			Mileage		each	\$0.55					
		Assistant (9)	\$123.00			N and F Analysis		each	\$40.00					
		Assistant (8)	\$109.00											
		Assistant (7)	\$78.00											
		Technician (6)	\$66.00											
		General Office	\$57.00											
		Task Subtotals				0	\$0.00					\$0.00		\$0.00
		Task Total												\$0.00
8.0	Agency Fees - Federal - NRC Estimate	Associate (15)	\$193.00			Meals & Lodging		day	\$250.00					
		Associate (22)	\$160.00			Airfare		each	\$500.00					
		Senior (13)	\$170.00			Car		day	\$90.00					
		Senior (12)	\$159.00			Truck		day	\$90.00					
		Staff (11)	\$149.00			Rad Analysis		each	\$200.00					
		Staff (10)	\$134.00			Mileage		each	\$0.55					
		Assistant (9)	\$123.00			N and F Analysis		each	\$40.00					
		Assistant (8)	\$109.00											
		Assistant (7)	\$78.00											
		Technician (6)	\$66.00											
		General Office	\$57.00											
							NRC Fees	1340	hour	\$270.00	\$361,800.00		\$361,800.00	
		Task Subtotals				0	\$0.00					\$361,800.00		\$361,800.00
Task Total												\$361,800.00		

**2011 Budget Projection Breakdown (less Groundwater Remediation Design)
Cimarron Environmental Response Trust**

Task No.	Task Description					EXPENSES							
		Category	Hourly Rate	Hours	Cost	Item	Quantity	Unit	Cost per Unit	Bare Cost	Percent Markup	Total Cost	
9.0	G/W Assess & Evaluate - State - Groundwater Assessment - 7 Wells Installed - 52 Locations Sampled - Alternatives Evaluation - Report Preparation SEE "GW EVAL" TAB	Associate (15)	\$193.00	4	\$772.00	Meals & Lodging		day	\$250.00				
		Associate (22)	\$160.00	42	\$6,720.00	Airfare		each	\$500.00				
		Senior (13)	\$170.00	10	\$1,700.00	Car		day	\$90.00				
		Senior (12)	\$159.00			Truck	1	day	\$90.00	\$90.00		\$90.00	
		Staff (11)	\$149.00			Rad Analysis	58	each	\$40.00	\$2,320.00		\$2,320.00	
		Staff (10)	\$134.00			Mileage	210	each	\$0.55	\$115.50		\$115.50	
		Assistant (9)	\$123.00	15	\$1,845.00	N and F Analysis	58	each	\$40.00	\$2,320.00		\$2,320.00	
		Assistant (8)	\$109.00					Lump					
		Assistant (7)	\$78.00			Enercon Support	1	Lump	\$2,308.00	\$2,308.00		\$2,308.00	
		Technician (6)	\$66.00			Driller Expenses	1	Lump	\$11,000.00	\$11,000.00		\$11,000.00	
		General Office	\$57.00	5	\$285.00			each					
							Sample Shipping	1	each	\$75.00	\$75.00		\$75.00
							Reproduction	1	each	\$50.00	\$50.00		\$50.00
Task Subtotals				76	\$11,322.00					\$18,278.50		\$18,278.50	
Task Total												\$29,600.50	
10.0	Remedy Selection - State - 2 Telecons - 1 Meeting in OKC - Respond to RAIs	Associate (15)	\$193.00	2	\$386.00	Meals & Lodging		day	\$250.00				
		Associate (22)	\$160.00	6	\$960.00	Airfare		each	\$500.00				
		Senior (13)	\$170.00			Car		day	\$90.00				
		Senior (12)	\$159.00			Truck		day	\$90.00				
		Staff (11)	\$149.00			Rad Analysis		each	\$200.00				
		Staff (10)	\$134.00			Mileage	4	each	\$0.55	\$2.20		\$2.20	
		Assistant (9)	\$123.00			N and F Analysis		each	\$40.00				
		Assistant (8)	\$109.00										
		Assistant (7)	\$78.00										
		Technician (6)	\$66.00										
		General Office	\$57.00										
Task Subtotals				8	\$1,346.00					\$2.20		\$2.20	
Task Total												\$1,348.20	

**2011 Budget Projection Breakdown (less Groundwater Remediation Design)
Cimarron Environmental Response Trust**

Task No.	Task Description					EXPENSES						
		Category	Hourly Rate	Hours	Cost	Item	Quantity	Unit	Cost per Unit	Bare Cost	Percent Markup	Total Cost
11.0	Groundwater Design - State To be Estimated and Added to 2011 Budget After Remedial Method Selection	Associate (15)	\$193.00			Meals & Lodging		day	\$250.00			
		Associate (22)	\$160.00			Airfare		each	\$500.00			
		Senior (13)	\$170.00			Car		day	\$90.00			
		Senior (12)	\$159.00			Truck		day	\$90.00			
		Staff (11)	\$149.00			Rad Analysis		each	\$200.00			
		Staff (10)	\$134.00			Mileage		each	\$0.55			
		Assistant (9)	\$123.00			N and F Analysis		each	\$40.00			
		Assistant (8)	\$109.00									
		Assistant (7)	\$78.00									
		Technician (6)	\$66.00									
		General Office	\$57.00									
		Task Subtotals				0	\$0.00					\$0.00
Task Total												\$0.00
12.0	Agency Fees - State - DEQ Estimate	Associate (15)	\$193.00			Meals & Lodging		day	\$250.00			
		Associate (22)	\$160.00			Airfare		each	\$500.00			
		Senior (13)	\$170.00			Car		day	\$90.00			
		Senior (12)	\$159.00			Truck		day	\$90.00			
		Staff (11)	\$149.00			Rad Analysis		each	\$200.00			
		Staff (10)	\$134.00			Mileage		each	\$0.55			
		Assistant (9)	\$123.00			N and F Analysis		each	\$40.00			
		Assistant (8)	\$109.00									
		Assistant (7)	\$78.00									
		Technician (6)	\$66.00									
		General Office	\$57.00									
							DEQ Fees	1	Lump	\$50,000.00	\$50,000.00	
Task Subtotals				0	\$0.00					\$50,000.00		\$50,000.00
Task Total												\$50,000.00
Project Total					\$406,439.00						\$748,847.70	\$1,155,286.70

**CIMARRON ENVIRONMENTAL RESPONSE TRUST
ADMINISTRATIVE MAN-HOUR ESTIMATE**

Activity	Associate 15		Associate 22				Gen. Office		Basis
	B. Halliburton		J. Lux		M. Logan		Gen. Office		
	Hours	Miles	Hours	Miles	Hours	Miles	Admin	Acct	
Orientation Meetings	16	1600	32	240	16	120			Travel & Agency Coordination
Tronox Files / Data	16		80	120			16		
Monthly Invoices	44						22	44	Invoice generation, review, and approval
Quarterly Financial Reporting	16						8	16	Report generation
Semi-Annual Reporting	24		16				4	8	Report generation
Annual Budget Preparation	32		24				8	8	Report generation
Telecons	16		40						
Taxes	8								
Utilities	40								Transfer and accounts payable
Site Maintenance			32	720					
Contract Management	48		80				32		
Partial Property Sale	16	1600	24	180					
Monthly Site Visit	8		96	720					
Total	284	3200	424	1980	16	120	90	76	

Total Mileage =

5300

Utilities Cost Estimate		
Utility	Mo. Avg.	Annual
Allied Waste	\$100	\$1,200
Logan County Water	\$40	\$480
OG&E - Electricity	\$400	\$4,800
AT&T	\$500	\$6,000
	\$1,040	\$12,480

These activities are one-time activities

**CIMARRON ENVIRONMENTAL RESPONSE TRUST
LICENSE COMPLIANCE MAN-HOUR ESTIMATE**

Task Description	Associate 15	Associate 22				Assistant 9		
	B. Halliburton	J. Lux	Miles	M. Logan	Miles	J. Crawford	Miles	CADD
ALARA Committee Meetings								
Review and Revise RPP and QAP Sections	8	16		16				
ALARA Committee Meetings, Agenda, Notes	8	8		8				
Revise Health and Safety Plan		4				16		
Communications w/ NRC	16	64	240	16	120			
Environmental Monitoring								
Activity Planning		8				8		
Coordinate w/ Lab Pre-and Post- Sampling)						16		
Coordinate w/ NRC, DEQ		8						
Collect G/W Samples						64	480	
HP, QA, Sampling Support		64	480					
Data Review, Input, Transmit to NRC, DEQ		16						
Routine Communication w/ NRC								
Telecons, E-mails, etc.	8	48		8		8		
Total Hours	40	236	720	48	120	112	480	0

Assume Enercon can support annual environmental for same cost as GW assessment sampling.

Total Miles = 1320

**CIMARRON ENVIRONMENTAL RESPONSE TRUST
GROUNDWATER REMEDIATION EVALUATION MAN-HOUR ESTIMATE**

Task Description	Associate 13		Associate 15		Associate 22				Assistant 9			Gen
	BMcD	Miles	B. Halliburton on (or QC)	Miles	J. Lux	Miles	M. Logan	Miles	J. Crawford	Miles	CADD	Office
Conduct G/W Assessment												
Inventory and Prep Office & Supplies					40	300			32	240		
Prepare Proposed Scope of Work					16							
Send Information to NRC, DEQ					2							
Meet w/ DEQ (NRC on phone)					8							
Conduct Telecon					4							
Finalize Scope of Work					8							
Obtain Bids, Award Contract	4		8		8				16	120		4
Field Work												
Prepare, Review, Revise Activity Plans					16				4			
Mobilize and Site Training					4	60	6	60	4	60		
Locate and Install 7 Wells					4				28	180		
Collect G/W Samples									80	600		
HP, QA, Sampling Support					32	540						
Laboratory Coordination					8				4			
Data Review and Input					16							8
Evaluate Data & Select Alternatives												
Compile Historic and 2011 G/W Data					8							32
List Potential Remedial Strategies			4		8		8					
Prepare Summary Report					16		4					
QC Summary Report			8				4		4			
Conduct Telecon			4		4		4					
Finalize Alternatives to Review			2		4		2		2			
Prepare Final Groundwater Remediation Evaluation Report												
Prepare Conceptual G/W Recovery Systems	40	800	8		24	60	8	60	8			
Prepare Conceptual U Treatment Systems	40		8		16	60	64	60				
Prepare Conceptual N Treatment Systems	16		8		16	60	64	60				
Identify Permit Requirements					8		8					
Develop Draft Schedules	4				12							
Develop Cost Estimates	24				16		8					
Prepare Evaluation Report					64		40				16	16
Internal Review and Revision	8		8		16		16		8		8	16
Submit Report to NRC and DEQ												
Total Hours	136	800	58	0	378	1080	236	240	190	1200	24	76
Hours Allocated to Federal	126.75	745.6	54.06	0	352.3	1006.6	219.95	223.68	177.08	1118.4	22.37	70.83
Hours Allocated to State	9.25	54.4	3.94	0	25.70	73.44	16.05	16.32	12.92	81.6	1.63	5.17

Mileage Totals
3094.24
225.76

Annual Budget Summary

	Federal Account*		State Account		Administrative Account	
	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual
Account Funding 2/14/2011	\$10,188,381	\$10,188,381	\$746,114	\$746,114	\$1,303,889	\$1,303,889
2011 Expenditures	\$834,317		\$80,948		\$240,021	
2012 Expenditures						
2013 Expenditures						
2014 Expenditures						
2015 Expenditures						
Account Balance	\$9,354,064		\$665,166		\$1,063,868	

* Includes Standby Acct.

For State of Oklahoma: _____

Date: _____

For Nuclear Regulatory Commission: _____

Date: _____

For Cimarron Env. Resp. Trust: _____

Date: _____