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August 6, 2012

US Nuclear Regulatory Commission  
Attn: Mr. Douglas Mandeville  
11545 Rockville Pike  
Two White Flint North, Mailstop T8 F5  
Rockville, MD 20852-2738

RE: License SUA-1548, Docket No. 40-8964  
2012-13 Revised Surety Estimate Update for Gas Hills ISR Project

Dear Mr. Mandeville:

Pursuant to License Condition 9.5, Power Resources, Inc. d/b/a Cameco Resources (Cameco) is herein providing (2) copies of the proposed 2012-13 reclamation surety bond estimate for the Gas Hills ISR Project. The proposed surety estimate of \$2,907,000 covers the cost of existing building demolition and disposal, well & hole abandonment, and other miscellaneous surface reclamation. This surety estimate has been submitted to the Wyoming Department of Environmental Quality (WDEQ) in an annual report dated August 7, 2012.

Cameco received three line item comments from NRC that pertain to all licensed sites. Cameco has addressed these line items within the surety estimate. Cameco has not included groundwater restoration costs for the Gas Hills Satellite Facility as it is still within the developmental stage.

If you have any questions or concerns regarding this estimate please feel free to contact Jeanie Wolford at 307-333-7644 or by email at [Jeanie\\_wolford@cameco.com](mailto:Jeanie_wolford@cameco.com).

Sincerely,

Cameco Resources

A handwritten signature in black ink, appearing to read 'J. Leftwich', written over the printed name.

Josh Leftwich  
Director of SHEQ

Enclosures:

Appendix A: 2012-13 GH Reclamation Surety Bond Estimate

JL:jmw

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## Appendix B

### 2012-2013 RECLAMATION SURETY BOND ESTIMATE

WDEQ Permit No. 687 Annual Report / NRC SUA-1548

Gas Hills ISR Project - Cameco Resources

#### Total Reclamation Cost Estimate

PART I.	BUILDING DEMOLITION AND DISPOSAL COST	\$1,545,062
PART II.	WELLS + HOLES ABANDONMENT COST - REV	\$423,834
PART III.	MISCELLANEOUS SURFACE RECLAMATION COST	\$356,691
<b>SUBTOTAL RECLAMATION COST ESTIMATE</b>		<b>\$2,325,587</b>
ADMINISTRATIVE, OVERHEAD, AND CONTINGENCY ITEMS (25%) <sup>a</sup>		\$581,397
TOTAL		\$2,906,984
<b>TOTAL CALCULATED SURETY (IN 2011 DOLLARS<sup>a</sup>), rounded up</b>		<b>\$2,907,000</b>

<sup>a</sup> No salvage value realized for buildings, process equipment, electrical equipment, motors, rolling stock, etc.

<sup>b</sup> Based on WDEQ-LQD Guideline No. 12 (11/2011) Section II(B)(12)(b)

<sup>c</sup> Based on WDEQ-LQD Guideline No. 12 (11/2011) Section II(B)(12)(except b) and SUA-1548 License Condition 9.5

<sup>d</sup> Total estimate represents both the WDEQ and NRC-related portions of the surety

**2012-2013 RECLAMATION SURETY BOND ESTIMATE**  
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**Part I. Building Demolition and Disposal**

	Carol Shop	Tire Shop	Change House	Air Comp Building	Water Treat Building	BaCl Building
<b>I. Demolition Costs</b>						
<b>A. Building</b>						
Volume of Building , CF (l x w x h, G/L12 App. K)	1,977,851	54,560	18,600	6,240	6,600	6,600
Demolition Unit Cost (G/L12, App.K , \$ / CF) <sup>a</sup>	\$0.270	\$0.270	\$0.270	\$0.270	\$0.270	\$0.270
Subtotal Building Demolition Costs	\$534,020	\$14,731	\$5,022	\$1,685	\$1,782	\$1,782
<b>B. Concrete Floor</b>						
Area of Concrete Floor, SF	56,985	2,480	1,860	520	600	864
Demolition Unit Cost (G/L 12, App.K, \$ / SF)	\$5.43	\$5.43	\$5.43	\$5.43	\$5.43	\$5.43
Subtotal Concrete Floor Demolition Costs	\$309,429	\$13,466	\$10,100	\$2,824	\$3,258	\$4,692
<b>C. Concrete Footing</b>						
Length of Concrete Footing , ft	1,221	204	184	48	60	48
Demolition Unit Cost (G/L 12, App.K, \$ / lf.)	\$19.85	\$19.85	\$19.85	\$19.85	\$19.85	\$19.85
Subtotal Concrete Footing Demolition Costs	\$24,237	\$4,049	\$3,652	\$953	\$1,191	\$953
Demolition Unit Cost per Building	\$867,686	\$32,246	\$18,774	\$5,462	\$6,231	\$7,427
Subtotal Building Demolition						\$937,826
<b>II. Disposal Costs</b>						
<b>A. Building</b>						
Landfill Disposal Cost (G/L 12, App. K)						
Building Construction & Demolition Debris Waste volume, CY Assume (8" thick walls x length wall 1 x height wall 1) + (Vol. all walls, exterior + interior walls)	2,711	181	128	40	41	41
<i>Cost to Haul to Landfill:</i>						
Total trips @ 12 CY each	226	15	11	3	3	3
Dump truck (G/L 12 App. J)	\$77.62	\$77.62	\$77.62	\$77.62	\$77.62	\$77.62
Transportation (2 trips per 12-hr day)	\$105,218	\$7,007	\$4,979	\$1,557	\$1,609	\$1,609
Disposal Unit Cost (G/L 12, App.K, \$/ton)	\$82.00	\$82.00	\$82.00	\$82.00	\$82.00	\$82.00
Convert C&D waste volume to tons ( 0.24 tons / CY) <sup>b</sup>	651	43	31	10	10	10
Subtotal Building Disposal	\$158,573	\$10,559	\$7,504	\$2,347	\$2,425	\$2,425
<b>B. Concrete Floor</b>						
Area of Concrete Floor, SF	56,985	2,480	1,860	520	600	864
Average Thickness of Concrete Floor , ft	0.833	0.5	0.5	0.5	0.5	0.5
Volume of Concrete Floor, CF	47,469	1,240	930	260	300	432
Volume of Concrete Floor, CY	1,758	46	34	10	11	16
Tons of Concrete (assume 150 lbs / CF) <sup>c</sup>	3,560	93	70	20	23	32
<i>Cost to Haul to Landfill:</i>						
Total trips @ 12 CY each	147	4	3	1	1	1
Dump truck (G/L 12 App. J)	\$77.62	\$77.62	\$77.62	\$77.62	\$77.62	\$77.62
Transportation (2 trips per 12-hr day)	\$68,232	\$1,782	\$1,337	\$374	\$431	\$621
Disposal Unit Cost (G/L 12, App.K, \$/ton)	\$82.00	\$82.00	\$82.00	\$82.00	\$82.00	\$82.00
Subtotal Concrete Floor Disposal	\$360,163	\$9,408	\$7,056	\$1,973	\$2,276	\$3,278
<b>C. Concrete Footing</b>						
Length of Concrete Footing , ft	1,221	204	184	92	97	94
Average Depth of Concrete Footing , ft	4	3	3	3	3	3
Average Width of Concrete Footing , ft	0.75	0.75	0.75	0.75	0.75	0.75
Volume of Concrete Footing, CF	3663	459	414	207	218.25	211.5
Volume of Concrete Footing, CY	136	17	15	8	8	8
Tons of Concrete (assume 150 lbs / CF) <sup>c</sup>	275	34	31	16	16	16
<i>Cost to Haul to Landfill:</i>						
Total trips @ 12 CY each	11	1	1	1	1	1
Dump truck (G/L 12 App. J)	\$77.62	\$77.62	\$77.62	\$77.62	\$77.62	\$77.62
Transportation (2 trips per 12-hr day)	\$5,265	\$660	\$595	\$298	\$314	\$304
Disposal Unit Cost (G/L 12, App.K, \$/ton)	\$82.00	\$82.00	\$82.00	\$82.00	\$82.00	\$82.00
Subtotal Concrete Footing Disposal Costs	\$27,793	\$3,483	\$3,141	\$1,571	\$1,656	\$1,605
Subtotal Disposal Costs per Building	\$546,529	\$23,450	\$17,701	\$5,891	\$6,357	\$7,308
<b>Total Building Disposal</b>						<b>\$607,236</b>

**2012-2013 RECLAMATION SURETY BOND ESTIMATE**  
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**Part I. Building Demolition and Disposal**

	Carol Shop	Tire Shop	Change House	Air Comp Building	Water Treat Building	BaCl Building
<b>SUBTOTAL DEMOLITION + DISPOSAL COSTS PER BUILDING</b>	\$1,414,215	\$55,696	\$36,475	\$11,353	\$12,588	\$14,735
<b>TOTAL BUILDING DEMOLITION + DISPOSAL COSTS</b>						<b>\$1,545,062</b>

a - G/L 12 App. = WDEQ-LQD Guideline No. 12 (11/2011 vers.), Appendix

b - Florida Dept. Environmental Protection: *Converting C&D Debris from Volume to Weight, a Fact Sheet for C&D Debris Facility Operators*  
[\[www.floridacenter.org/publications/C&Dconversion..html\]](http://www.floridacenter.org/publications/C&Dconversion..html)

c - Avallone & Baumeister, eds., 1987: *Marks' Standard Handbook for Mechanical Engineers*, 9th ed., p. 185.

CF - cubic feet  
 CY - cubic yards  
 ft - feet  
 in - inches

lf. - linear feet  
 SF - square feet  
 QTY - quantity

**Part II. Well & Hole Abandonment**

		Unit Cost	Units	Est. QTY	Total
<b>I. Monitoring Wells<sup>a</sup></b>					
Site Location <sup>a</sup>		\$10	well	163	\$1,630
Removal of surface steel casing, concrete apron		\$30	well	163	\$4,890
Sealing of wells using High Solids Bentonite Grout <sup>a</sup>	Avg. depth				
	550	\$3.00	linear foot	163	\$268,950
Concrete Cap for well hole, pre-cast		\$10.00	ea	163	\$1,630
Rough site grading		\$50	site	163	\$8,150
Surface Reclamation of Monitor Wells P&A'd 2008		\$50	well	12	\$600
<i>Cost to Haul to Landfill (well protective casings &amp; concrete):</i>					
Well Demolition Debris Waste volume, CY			CY	59	--
Total trips @ 12 CY each			trips	5.0	--
Transporation via Dump truck (G/L 12 App. J), 2 trips/12-hr day		\$77.62	hr	12	\$931
Convert C&D waste volume to tons ( 0.24 tons / CY) <sup>b</sup>			tons	14.3	
Disposal Unit Cost (G/L 12, App.K)		\$82.00	ton	--	\$1,169
Mobilization		\$5,000.00	Location	\$1	\$5,000
Scarify and Seed Staging Area		\$4,000.00	ac	0.08	\$320
Seed Two-Track Site Access Roads		\$3,000.00	ac	#REF!	#REF!
<b>Subtotal Monitoring Well Abandonment Costs</b>					<b>\$287,951</b>
<b>II. Production Wells<sup>a</sup></b>					
Removal of the top few feet of casing per well		\$15	well	0	\$0
Sealing of wells using High Solids Bentonite Grout <sup>a</sup>	Avg. depth				
	0	\$3.00	lf.	0	\$0
Concrete well cap		\$10.00	ea	0	\$0
<b>Subtotal Production Well Abandonment</b>					<b>\$0</b>
<b>III. Water Supply Wells<sup>a, b</sup></b>					
Site Location <sup>a</sup>		\$10	well	2	\$20
Removal of the Top Few Feet of Casing		\$30	well	2	\$60
Sealing w/ 20% Solids (min) Bentonite Grout	Avg. depth				
	1600	\$4.00	lf	2	\$12,800
Concrete Well Cap		\$10.00	well	2	\$20
Pull Pump		\$0.40	ft.	2025	\$607.50
<b>Subtotal Water Supply Wells Abandonment</b>					<b>\$13,488</b>
<b>IV. Waste Disposal Well Abandonment</b>					
<b>A. Well Sealing</b>				<b>DDW #1</b>	<b>DDW #2</b>
Total Depth of Well (feet)				3794	5389
Sealing cost per foot (in UIC permit)				\$11.91	\$11.91
<b>Subtotal Plugging Costs per Well (in UIC permit)</b>				<b>\$45,187</b>	<b>\$64,183</b>
<b>B. Pump Dismantling and Decontamination</b>					
Number of Persons				2	2
Number of Pumps				2	2
Pumps/Day				0.5	0.5
Number of Days				4	4
\$/Day/Person				\$184.00	\$184.00
<b>Subtotal Dismantling and Decon Costs per Well</b>				<b>\$1,472.00</b>	<b>\$1,472.00</b>
<b>C. Tubing String Disposal (NRC-Licensed Facility)</b>					
Length of Tubing String (ft)				3400	5100
Diameter of Tubing String (inches)				2.875	2.875

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Volume of Tubing String (ft <sup>3</sup> )		79.17181642	118.7577246
Transportation and Disposal Unit Cost (\$/ft <sup>3</sup> )		\$7.74	\$7.74
Subtotal Tubing String Disposal Costs per Well		\$613.04	\$919.56
Subtotal Waste Disposal Well Abandonment Costs per Well		\$47,271.58	\$66,574.55
Subtotal Waste Disposal Well Abandonment Costs			<b>\$113,846.13</b>
<b>IV. Exploratory / Delineation Drilling</b>			
<b>1. Plugging, Abandonment, &amp; Surface Reclamation for Proposed Holes</b>			
Site Location	\$10.00	site	0 \$0
Mobilization	\$5,000.00	Location	0 \$0
Final Site Grading and Seeding	\$50.00	site	0 \$0
Concrete Cap	\$10.00	each	0 \$0
Sealing w/ Bentonite Grout	\$4.00	lf.	0 \$0
2009 Holes Previously P&A'd	\$50.00	site	22 \$1,100
2010 Holes Previously P&A'd	\$50.00	site	26 \$1,300
2011 Holes Previously P&A'd	\$150.00	site	37 \$5,550
Drilling Water Pond (48' l by 48' w by 4' d)	\$120.00	hr	5 \$600
Subtotal for Completed Drilling			<b>\$8,550</b>
<b>Total Well &amp; Exploration Hole Abandonment Cost</b>			<b>\$423,834</b>

- a - WDEQ-LQD Guideline No. 12, Appendix L
- b - Site Reclamation included in "Part III MISC SURF REC" table
- c - G/L 12, Appendix Q
- d - area estimate prepared for Gas Hills Drilling Notice of Intent letter to BLM Lander, 4/15/10.



