

Western Nuclear, Inc.

2801 Youngfield Street, Suite 340
Golden, Colorado 80401
(303) 274-1767

Lawrence J. Corte
President & General Manager

September 26, 2017

Mr. Dominick Orlando
Senior Project Manager
U.S. Nuclear Regulatory Commission
Mailstop T-8 F-5
Washington, DC 20555-0001

RE: Amendment Request / 2017 Surety Update / SUA-56 Split Rock Millsite /
Docket No. 40-1162 / License Condition #29

Dear Mr. Orlando:

I am the President of Western Nuclear, Inc., a wholly owned subsidiary of Freeport-McMoRan 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 \$1,144,429 (License Amendment No. 109 dated January 30, 2017) should be adjusted for inflation by applying the percent difference between the August 2016 CPI (240.853) and the August 2016 CPI (245.519) as follows:

$$[(240.853 - 245.519) \div 240.853] = 0.019372812 \quad 1.019372812 \times \$1,144,429 = \underline{\$1,166,600}$$

The new surety amount represents an increase of \$22,171 to the current amount.

Cost Estimate Breakdown

Water Monitoring:

Sample Collection, Lab Analysis, Report Preparation \$ 29,582

Site Transfer Issues:

Title Insurance, Legal and Consulting Fees 118,793

NRC License Fees 47,445

Subtotal 195,820

Contingency (15%) 29,373

Long-Term Care Fee (\$250,000 in 1978 dollars) 941,407

Total Estimated Costs \$ 1,166,600

The Company guarantees, through a Reclamation Surety Bond and Standby Trust Agreement submitted to demonstrate compliance under 10 CFR Part 40, including Appendix A, 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:

NMSSD/
NMBS

<u>Name and Location</u>	<u>License Number</u>	<u>Current Cost Estimates</u>
Western Nuclear, Inc. Split Rock Millsite 22 Ore Road Jeffrey City, Fremont County Wyoming 82310	SUA – 56	\$ 1,166,600

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.

cc: US NRC Document Control Desk