

# Western Nuclear, Inc.

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*Lawrence J. Corte*  
*President & General Manager*

September 18, 2018

Mr. Dominick Orlando, Senior Project Manager  
Materials Decommissioning Branch  
Division of Decommissioning, Uranium Recovery and Waste programs  
Office of Nuclear Material Safety and Safeguards  
Mail Stop TWFN-5A-10  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555

**RE: Amendment Request / 2018 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 \$1,166,600 (License Amendment No. 110 dated, May 3, 2018) should be adjusted for inflation by applying the percent difference between the August 2017 CPI (245.519) and the August 2018 CPI (252.146) as follows:

$$[(245.519 - 252.146) \div 245.519] = 0.026992 \quad 1.026992 \times \$1,166,600 = \underline{\underline{\$1,198,088}}$$

The new surety amount represents an increase of \$31,488 to the current amount.

## Cost Estimate Breakdown

Water Monitoring:	
Sample Collection, Lab Analysis, Report Preparation	\$ 30,381
Site Transfer Issues:	
Title Insurance, Legal and Consulting Fees	121,999
NRC License Fees	<u>48,725</u>
Subtotal	201,105
Contingency (15%)	30,166
Long-Term Care Fee (\$250,000 in 1978 dollars)	<u>966,817</u>
Total Estimated Costs,	\$ 1,198,088

*NMSSDI*

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:

<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	\$ 1,198,088

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  
Materials Decommissioning Branch  
Division of Decommissioning, Uranium Recovery and Waste programs  
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