

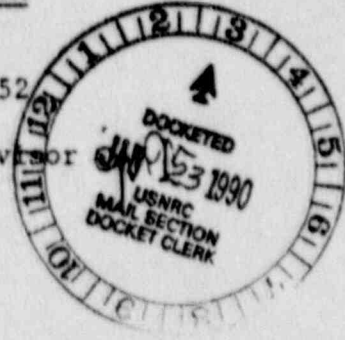
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MEMORANDUM

RETURN ORIGINAL TO PDR, HQ.

TO FILE : American Nuclear, Permit No. 352
 FROM : Mark Moxley, District II Supervisor
 DATE : January 16, 1990
 RE : Bond Evaluation



As documented in my inspection report dated December 5, 1989, ANC has completed the second phase of their reclamation project. This phase of the project involved the reshaping of the southern half of tailings pond No. 2 and the millsite. Also six inches of interim cover has been placed on the regraded surface.

The most recent bond estimate submitted by ANC was contained in their April 1989 annual report. ANC estimated their costs, including 34.5% contingency and overhead, for the eight phases as follows:

1. Mill Demolition	\$ 153,885
2. Tailings No. 2 Reshaping	446,995
3. Tailings No. 2 Construction	1,383,391
4. Tailings No. 1 Construction	696,644
5. Tailings No. 2 Topsoil & Reveg.	296,582
6. Tailings No. 1 Topsoil & Reveg.	86,531
7. Borrow/Drainage, Topsoil & Reveg.	116,500
8. General Site Work/Fencing	30,403
Subtotal	<u>\$3,210,931</u>
DEQ Reveg. Retainer (67 acres @ \$300)	20,100
NRC Long Term Care and Maintenance (Jan. 1989)	447,194
Total Bond Required	<u>\$3,678,225</u>

In August 1989, we credited ANC for the completion of the mill demolition phase and thus reduced their bond to \$3,524,340. This is the current bond amount. It should be noted that NRC concurrence was obtained (see Dale Smith's letter of April 10, 1989) for release of the funds for completion of the mill demolition phase.

ANC reestimated the cost of the Phase 2 work in a letter dated August 15, 1989 addressed to Mr. Roger Shaffer. Whereas their April 1989 annual report had a figure of \$446,995, ANC increased this figure to \$470,355 to include the placement of interim cover material in this phase. This reduces the Phase 3 costs by \$22,598 since a portion of the cover has already been placed in Phase 2.

DESIGNATED ORIGINAL

Certified By Mary C. Hood

Droz
add'l info

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Based on the completion of the Phase 2 work, I estimate ANC's bond requirement as follows:

<u>Phase</u>	<u>Description</u>	<u>Cost</u>
3	Tailings No. 2 Construction	\$1,360,793
4	Tailings No. 1 Construction	696,644
5	Tailings No. 2 Topsoil and Reveg.	296,582
6	Tailings No. 1 Topsoil and Reveg.	86,531
7	Borrow/Drainage, Topsoil and Reveg.	116,500
8	General Site Work/Fencing	30,403
	Subtotal	<u>\$2,587,453</u>
	DEQ Reveg. Retainer (67 acres @ \$300)	20,100
	NRC Long Term Care and Maintenance (Jan.1990)	<u>465,000</u>
	Total Bond Required (Jan. 1990)	<u>\$3,072,553</u>
	Current Bond (August 1989)	<u>3,524,340</u>
	Net Decrease	<u>\$ 451,787</u>

MM:mm

xc: Rick Chancellor/Pat Jordan - Cheyenne DEQ-LQD
NRC Denver - Ed Hawkins/Paul Michaud
American Nuclear, Casper