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April 12, 1983

U. S. Nuclear Regulatory Commission  
7915 Eastern Avenue  
Silver Spring, Maryland 20910

Attention: Mr. R. Dale Smith

Gentlemen:

Reference: Revision to Interim Surety Estimates for Decommissioning and Reclamation, April 1983

An error was noted in the above referenced document after it was mailed. Please replace page one of the attachment to my April 11, 1983 letter with the attached, revised page one. Also insert the attached page entitled List of Revisions after the title page.

Sincerely,

*Fred W. Gerdeman*

Fred W. Gerdeman

FWG/ksd

Enc.

cc: Mr. R. L. Heiks  
Mr. B. O. Fisher  
Mr. U. K. Gupta



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**FEE EXEMPT** 00231  
Addl info

LIST OF REVISIONS

Revision Date

Remove Old Pages

Insert New Pages

4/12/83

N/A

List of Revisions

4/12/83

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## 1.0 Introduction

The purpose of this submittal is to address the requirements of the third paragraph of Condition 39 of Source Material License SUA-1371 (Amendment No. 6) which reads as follows, "Prior to April 13, 1983, the licensee shall submit proposed surety arrangement revisions to include reclamation costs of Cell Nos. 4 and 5. The proposed revised surety arrangements shall also address the need for adjustment of existing surety arrangements to reflect the effects of inflation." Plateau Resources Limited's Shooting Canyon Uranium Processing Facility commenced start-up operation on April 13, 1982 and began normal operation on June 1, 1982. On August 18, 1982 the Company temporarily suspended operations, and spent several weeks in recovering the yellowcake that was in the plant circuit and in clean-up and maintenance work.

Since that time there have been no milling operations at the Processing Facility and none are planned until late 1984. A small crew of plant employees has been kept to maintain the facility. The facility's analytical laboratory is continuing to run ore samples for the Tony M mine, and tailings and contaminated equipment from the Hydro-Jet facility (SUA-1013), which is being decommissioned, are being disposed of in the tailings impoundment.

After completion of the decommissioning of the Hydro-Jet facility the estimated total amount of material in the tailings impoundment would not exceed the total volume available in Cell Nos. 1, 2, and 3, and the surface acreage covered by tailings and other contaminated material will be substantially less than the 29.36 acre figure that was used as the basis for estimating the present surety amount. Therefore, Cell Nos. 4 and 5 will not be needed in 1983 or 1984 as was anticipated earlier.

Due to the reduction in volume and surface area of the tailings to far below the amount for which surety arrangements were made and Plateau's plans for not restarting the Processing Facility until late 1984, Plateau proposes that the surety amount be reduced from \$1,875,000 to \$1,759,000. This amount provides for reclamation of the impoundment as described in this report, and increases (for inflation) the other decommissioning and reclamation cost estimates that were provided in Plateau's "Decommissioning and Reclamation Plan" which was submitted on January 7, 1982 and revised March 17, 1982. As discussed in the aforementioned plan and this proposal \$1,759,000 should provide sufficient surety to cover the projected costs of decommissioning and reclamation of the Processing Facility until it begins operation again. Prior to restarting the facility Plateau will notify the U. S. Nuclear Regulatory Commission and, if conditions extant at that time warrant it, increase the surety amount to reflect the Company's plans and proposed level of operation.