



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

November 15, 1999

Mr. T. W. Hardgrove
COGEMA Mining, Incorporated
935 Pendell Boulevard
P.O. Box 730
Mills, WY 82644

SUBJECT: 1999 -2000 ANNUAL SURETY UPDATE, IRIGARAY AND CHRISTENSEN
RANCH *IN SITU* LEACH URANIUM PROJECT, LICENSE SUA-1341,
AMENDMENT 2

Dear Mr. Hardgrove:

The U.S. Nuclear Regulatory Commission (NRC) staff has completed its review of the annual surety update for the COGEMA Mining, Inc. (COGEMA) Irigaray and Christensen Ranch *In Situ* Leach (ISL) Uranium Projects. Your request to amend License Condition 9.5 was submitted by letter dated August 18, 1999, and revised by letter dated October 21, 1999. We agree with your revised surety estimates of \$14,101,166 (a decrease of \$2,314,350) for the existing facilities.

COGEMA proposed a decrease in the surety for the next year, because of its decision not to pursue further development of Mine Units 7 and 8 at Christensen Ranch. Mine Unit 7 has been completed to the point of injection and extraction well installations but has not gone into production. Mine Unit 8 has only been drilled for future development but has not been constructed. The revised reclamation costs for Mine Unit 7 are limited to well decommissioning (plugging and abandonment) and surface disturbance reclamation (grading and seeding). The drill holes at Mine Unit 8 have previously been plugged and surface reclamation completed through interim seeding. The revised reclamation costs for Mine Unit 8 only reflect final seeding. The current surety estimate also includes the decommissioning of deep disposal well 18-3, which is planned for re-completion this year, in addition to the existing disposal well DW-1.

We conclude that COGEMA correctly applied the appropriate inflation factor of 11.5 percent for the period of August 1994 (Consumer Price Index [CPI] of 149.0) through June 1999 (CPI of 162.2). We also find the 20 percent contingency acceptable.

We hereby amend Condition 9.5 of Materials License SUA-1341 to reflect the revised surety amounts stated above, pursuant to Title 10 Code of Federal Regulations (10 CFR) Part 40. All other conditions of the license shall remain the same. The license is being reissued to incorporate the above modifications, as provided in the enclosure.

COGEMA is not required to submit an environmental report this action, because the amendment does not meet the criteria of 10 CFR 51.60 (b)(2). An environmental assessment for the action is not required, since this license revision meets the categorical exclusion criterion under 10 CFR 51.22(c)(10).

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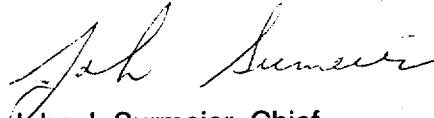
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T.W. Hardgrove

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If you have any questions regarding this letter or the NRC staff review, please contact the NRC Project Manager, Mr. Michael Layton, at (301) 415-6676 or e-mail at mcl@nrc.gov.

Sincerely,



John J. Surmeier, Chief
Uranium Recovery and
Low-Level Waste Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

Docket No.: 40-8502
License No.: SUA-1341

Enclosure: Revised License SUA-1341,
Amendment 2

cc: B. Guirevich, WDEQ - District III
G. Mooney, WDEQ - District III
R. Poyser, COGEMA