



ALBUQUERQUE OFFICE

Alan D. Cox
Manager - Grants &
Southwest U.S.

10 January 2003

Mr. Jeff Sanders
State of New Mexico
Ground Water Pollution Prevention Section
Environmental Department
P.O. Box 26110
Santa Fe, New Mexico 87502

Re: Grants Reclamation Project - Discharge Plan Renewals (DP-200 and DP-725)
Project Cost Estimate provided to NRC

Dear Mr. Sanders:

In response to our discussions regarding the remaining information needed to renew the above referenced permits for the Grants project, enclosed please find a copy of the Grants Project cost estimate that was recently provided to the Nuclear Regulatory Commission (NRC). The cost estimate spreadsheets were used to determine the amount of performance guarantee that is required to be posted for the site; the associated company guarantee documentation has been posted with the NRC.

As discussed, the cost estimate is intended to be all-inclusive for all reclamation and closure activities remaining at the project through completion of ground-water cleanup / restoration and final site closure. As such, it should include all items related to activities that would be covered or associated with renewal of DP-200 and DP-725.

If you or members of the NMED staff have any questions regarding the estimate, please contact me in our Albuquerque office.

Sincerely yours,

HOMESTAKE MINING COMPANY
Alan D. Cox

\ Enclosures

Cc: M. Purcell - EPA - Region VI, Dallas
B. VonTill - NRC, Rockville (w/o enclosure)
J. Gleadle, Grants (w/o enclosure)
B. Ingersoll, SLC (w/o enclosure)

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