

January 30, 2012

Mr. Mahesh Vidyasagar, Project Manager
ExxonMobil Environmental
Services Company
13401 North Freeway First Floor
Room 126
Houston TX 77060

SUBJECT: 2011 - 2012 SURETY REVIEW FOR THE EXXONMOBIL HIGHLAND
RECLAMATION PROJECT, SOURCE MATERIALS LICENSE SUA-1139

Dear Mr. Vidyasagar:

By letter dated October 2, 2011, ExxonMobil submitted its annual financial surety update for the Highland Reclamation Project, as required by 10 CFR Part 40, Appendix A, Criteria 9 and 10, and License Condition 23 of ExxonMobil's Source Materials License SUA-1319. The current surety for the Highland Reclamation Project is \$2,000,000 and is based on the estimated costs for long-term surveillance, ground water restoration and well plugging, adjacent property lease/purchase agreements, tailings impoundment area reclamation, project management, and contingency at 15 percent of the aforementioned total costs. The staff concludes that the surety for the Highland Reclamation Project is conservatively derived and appropriate for the annual period of interest.

If you have any questions regarding this letter or the enclosure, please contact Tom McLaughlin, NRC Project Manager for the Highland Reclamation Project, at (301) 415-5869 or via e-mail to Thomas.McLaughlin@nrc.gov.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the

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Sincerely,

/RA/

Paul Michalak, Branch Chief
Materials Decommissioning Branch
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 40-8102
License No.: SUA-1319

cc: K. Frederick, WDEQ
M. Thiesse, WDEQ
S. Ingle, WDEQ
M. Moxley, WDEQ

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