

Miller, Debra

From: Larry McGonagle <Larry_McGonagle@cameco.com>
Sent: Friday, April 24, 2015 3:59 PM
To: Mandeville, Douglas
Subject: RE: Proposed License Condition for Gas Hills Financial Assurance Update

Doug

The amounts for the surety as written in the email below are correct.

Larry

Larry McGonagle
Manager SHEQ - Div
Cameco Resources
550 North Poplar, Suite 100
Casper, WY 82601
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Email: Larry_McGonagle@cameco.com

From: Mandeville, Douglas [<mailto:Douglas.Mandeville@nrc.gov>]
Sent: Friday, April 24, 2015 12:36 PM
To: Larry McGonagle
Subject: RE: Proposed License Condition for Gas Hills Financial Assurance Update

Larry –

Thanks for the clarification. I understand that costs for plugging and abandoning several drill holes were included in the estimate, although the work has been completed. As these plugging and abandonment costs were more than \$27, the final amount of \$2,975,000.00 for Gas Hills and \$237,825,300.00 for the entire license is justified.

The updated license conditions are provided below. Please confirm the amounts.

Power Resources, Inc. shall maintain approved surety instrument(s) in the total amount of no less than \$237,825,300.00 for all facilities under this license. The minimum amount for each area of the license is identified in the following paragraphs.

The licensee shall continuously maintain an NRC-approved surety instrument(s) for the current non-operational Gas Hills Project facility in the amount of no less than \$2,975,000.00 in favor of the State of Wyoming, until a replacement is authorized by both the State of Wyoming and the NRC.

Doug

From: Larry McGonagle [mailto:Larry_McGonagle@cameco.com]
Sent: Monday, April 20, 2015 1:17 PM
To: Mandeville, Douglas
Cc: Jeanie Wolford
Subject: RE: Proposed License Condition for Gas Hills Financial Assurance Update

Hello Doug

The numbers look good but the DEQ round the Gas Hills bond down to \$2,975,000.00 which reduces it by \$27.00. This will prevent us from having to change all of the surety paper work for such a small dollar amount. It was acceptable to WDEQ because there was work that has been completed at the project but credit has not been taken in the surety estimate. If this is acceptable to you the License Condition should read

Power Resources, Inc. shall maintain approved surety instrument(s) in the total amount of no less than ~~\$237,825,327.00~~ **\$237,825,300.00** for all facilities under this license. The minimum amount for each area of the license is identified in the following paragraphs.

The licensee shall continuously maintain an NRC-approved surety instrument(s) for the current non-operational Gas Hills Project facility in the amount of no less than ~~\$2,975,027.00~~ **\$2,975,000.00** in favor of the State of Wyoming, until a replacement is authorized by both the State of Wyoming and the NRC.

Thanks
Larry

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From: Mandeville, Douglas [<mailto:Douglas.Mandeville@nrc.gov>]
Sent: Monday, April 20, 2015 10:18 AM
To: Larry McGonagle
Subject: Proposed License Condition for Gas Hills Financial Assurance Update

Larry –

We're in the process of finalizing the financial assurance update for the Gas Hills Satellite for Smith Ranch Highland. Please review the proposed changes and verify the dollar amounts. Note that we are proposing changes to license condition 9.5 only. The staff is updating the beginning of license condition 9.5 that identifies the total financial assurance amount for all facilities on the license (Smith Ranch, Highland, Reynolds, North Butte, Gas Hills, and Ruth) as well as the specific amount identified for Gas Hills.

License Condition 9.5:

Power Resources, Inc. shall maintain approved surety instrument(s) in the total amount of no less than \$237,825,327.00 for all facilities under this license. The minimum amount for each area of the license is identified in the following paragraphs.

The licensee shall continuously maintain an NRC-approved surety instrument(s) for the current non-operational Gas Hills Project facility in the amount of no less than \$2,975,027.00 in favor of the State of Wyoming, until a replacement is authorized by both the State of Wyoming and the NRC.

Response by email is preferred.

Doug

Douglas T. Mandeville
U.S. NRC
Uranium Recovery Licensing Branch
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