



February 13, 2009

Mr. Lowell Spackman, District 1 Supervisor
Land Quality Division
Wyoming Department of Environmental Quality
Herschler Building
122 West 25th Street
Cheyenne, WY 82002

CAMECO RESOURCES
Smith Ranch-Highland
Operation

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RE: Permit to Mine No. 633, Release of Solutions Report

Dear Mr. Spackman:

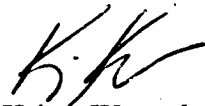
As reported to Ms. Pam Rothwell of Wyoming Department of Environmental Quality, Land Quality Division (WDEQ/LQD), Mr. Doug Mandeville, Nuclear Regulatory Commission (NRC), and Laura Asberry, WDEQ, Water Quality Division (WDEQ/WQD), on February 9, 2009, Power Resources, Inc. d/b/a Cameco Resources (CR) had a release of production solutions at the Smith Ranch-Highland Uranium Project in Converse County, Wyoming. Approximately 14,600 gallons were released from a valve station in Wellfield 2. Approximately 3,800 gallons was recovered and disposed of via deep disposal well. A solution sample was collected upon discovery of the release and analysis showed 7 ppm U₃O₈. Soil samples have been collected and a gamma survey of the release area has been conducted using a MicroR meter and recorded on the spill map in μ R/hr. The valve station is located in the SE SE of Section 26, T.36N., R.74W, Converse County, Wyoming. A field map is included in this package.

The leak was detected at approximately 8:30 am on February 9, 2009 by a Wellfield Operator. A 16" steel tee on the main pipeline between Satellite SR 1 and the Central Processing Plant was discovered leaking due to corrosion. The fluid is not considered hazardous material under RCRA and is not reportable under SARA.

CR's Spill Committee meets bi-monthly and as needed to discuss preventive measures to minimize the potential of releases from Smith Ranch-Highland Operations and to assess and make recommendations to potentially mitigate re-occurrences. The Spill Committee met to discuss this spill and corrective actions. CR already had a list of this type of valve station prioritized based on risk of a leak. The details from this spill will be used to refine that list and implement repairs as necessary.

Please call me at (307) 358-6541 ext. 462 if you have questions.

Sincerely,



Krista Wenzel
Manager, Environment, Health and Safety

Attachment: Map

cc: Doug Mandeville – NRC Project Manager (2-copies) T. Cannon
M. Bryson File SR 4.3.3.1 File SR 4.6.4.4
S. Bakken D. Kolkman B. Johnson
S. Miller B. Kluchewski Joe Hunter – Water Quality Division

