



Rio Algom

Rio Algom Mining Corp
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October 23, 2001

Mr. Charles Cain
Branch Chief
Nuclear Materials Licensing Branch

Re: Smith Ranch Facility
License SUA-1548
Docket 40-8964

Dear Mr. Cain:

On October 22, 2001 at approximately 1030 in the evening we experienced an unplanned release of injection fluid at header house 3-2 in wellfield 3. Upon discovery of the leak the header house was immediately shut down. The estimated amount of injection fluid released was 62,400 gallons. The U_3O_8 concentration of the injection fluid was approximately 2.7 ppm. Our investigation into the cause is incomplete at this time but initial indications point at a failed flange in the main pvc injection line feeding the header house. The Wyoming Department of Environmental Equality (WDEQ) has been notified and a complete report will follow within seven days.

If you have any questions please use the above telephone number to contact myself, John McCarthy (RSO, ext. 14) or John Cash (Manager, EHS and Regulatory Affairs, ext 62).

Sincerely,

John McCarthy (RSO)

xc: John Lusher, NRC, Project Manager

Accession #: ML013180281