



Rio Algom

Rio Algom Mining Corp.
P.O. Box 1390
Glenrock, Wyoming 82637 307.358.3744 tel
762 Ross Road 307.266.2449 tel
Douglas, Wyoming 82633 307.358.9201 fax

Certified Mail - 7001 2510 0008 1946 3670
Return Receipt Requested

January 11, 2002

Mr. Joe Hunter
WDEQ/WQD
Emergency Response Coordinator
Herschler Building, 4th Floor West
122 West 25th Street
Cheyenne, WY 82002

RE: Smith Ranch Project
Permit to Mine 633
License Number SUA 1548, Docket 40-8964
Notification of Spill

Dear Mr. Hunter:

Please find enclosed a Spill Report, pursuant to Wyoming DEQ requirements, for an incident that occurred on January 4, 2002. The spill has been reported by telephone and e-mailed to the proper agencies as required.

If you need any further information, please feel free to contact me at (307) 358-3744 ext. 62.

Sincerely,

John W. Cash
Manager EHS and Regulatory Affairs

xc: B. Ferdinand (RAMC/SRP)
M. Freeman (RAMC/OKC)
P. Goranson (RAMC/OKC)
S. Ingle (WDEQ/Cheyenne)
J. Lusher (NRC/Rockville) **Cert. Mail - 7001 2510 0008 1946 3663**
Document Control Desk (NRC/Washington) **Cert. Mail - 7001 2510 0008 1946 3656**
Region IV Uranium Recovery Chief (NRC/Arlington) **Cert. Mail - 7001 2510 0008 1946**
3649
file

NM 5501 public

**RIO ALGOM MINING CORP.
SPILL NOTIFICATION**

On January 4, 2002 at approximately 7:00 a.m., an unplanned release occurred from well 3-P-163 in the NE quarter of the SW quarter of Section 26, T. 36 N., R. 74 W. An estimated 1,800 gallons of water was released. The spill stayed within the permit area and did not threaten any waters of the state.

The spill resulted when a galvanized nipple at the wellhead corroded through and allowed water to escape. The nipple was removed and replaced with a stainless steel nipple which is resistant to corrosion. Galvanized nipples are no longer used for this application and previously used galvanized nipples are being replaced.

The natural uranium concentration of the production fluid was about 18 ppm. The minor erosion resulting from the spill will be repaired and the area will be reseeded in the spring.

After a review and determination of the facts, notifications were made to the DEQ/WQD Spill Hotline and the NRC. The report was given by telephone to DEQ/WQD representative Joe Hunter at 14:15 on January 4, 2002. Mr. Steve Ingle of WDEQ/LQD and Mr. John Lusher and Mr. Charles Cain of the Nuclear Regulatory Commission, were notified by e-mail on January 4, 2002.

WQD Initial Pollution Incident Report

Complaint

Release

Incident number: 020104-1415
Date and Time (YYMMDD-0000)

Report taken by: Joe Hunter

Report Date: <u>1/4/02</u>	Time of Report:
Reported by Name: <u>John Cash</u>	Responsible Party Name: <u>SAME</u>
Title: <u>Manager EHS & Regulatory Affairs</u>	Title: <u>"</u>
Company: <u>Rio Algom Mining LLC</u>	Company: <u>"</u>
Address: <u>P.O. Box 1390</u>	Address: <u>"</u>
<u>C, S & Z</u> <u>Glenrock, WY 82637</u>	<u>C, S & Z</u> <u>"</u>
Phone: <u>307-358-3744</u>	Phone: <u>"</u>
Date of incident: <u>1/4/02</u>	Time of incident:
Nature of Incident: <u>Water spilled from well 3-P-163 when a corroded wellhead fitting broke</u>	
Location of incident: County <u>Converse</u>	Legal <u>1/4, 1/4 NE SW S 26 T 36 N R 74 W</u>
Street address: <u>762 Ross Rd, Douglas, WY 82633</u>	
Additional location info (mile post, highway, county road, tank battery, well #, etc.): <u>Well 3-P-163</u>	
Source: <input checked="" type="checkbox"/> Fixed <input type="checkbox"/> Transportation ----- <input type="checkbox"/> Refinery <input type="checkbox"/> Vehicle <input type="checkbox"/> O&G <input type="checkbox"/> Train <input checked="" type="checkbox"/> Mine <input type="checkbox"/> Government <input type="checkbox"/> Business/Industry <input type="checkbox"/> LAUST - FAC ID _____ <input type="checkbox"/> Other _____	Cause: <input type="checkbox"/> Accident <input type="checkbox"/> Pipeline incident <input checked="" type="checkbox"/> Equipment failure <input type="checkbox"/> Human error <input type="checkbox"/> Dumping <input type="checkbox"/> Other