DESIGNATED ORIGINAL

COGEMA

40-8502

May 25, 2004 PERMIT TO MINE NO. 478

Department of Environmental Quality
Mr. Mark Taylor
Land Quality Division
1043 Coffeen Ave. Suite D
Sheridan, Wyoming 82801

RE: Christensen Ranch Pond 3 waste water spill.

Dear Mr Taylor:

This letter serves as follow-up notification of the event reported to you by phone on May 20, 2004. The event was also reported to Mr. Joe Hunter, Wyoming Department of Environmental Quality (WDEQ) Spill Response Office on 5/20/04, and to Ms. Elaine Brummett, NRC Project Manager, and Mr. Jack Whitten, Region IV Branch Chief of the U.S. Nuclear Regulatory Commission (NRC). As required under Chapter IV, Section 4 of the Water Quality Division (WQD), all spills of "hazardous" substances that enter or threaten to enter waters of the state and any spill > 420 gallons must be reported to the WDEQ-WQD within 24 hours of discovery of the event. As I was out of town during the week of 5/17 to 5/21/04 the incident investigation and reporting was performed by Mr. Larry Arbogast, RST at the Christensen and Irigaray project sites.

INTRODUCTION & INCIDENT CONDITIONS:
The event involved the spill of approximately 900 gallons of evaporation pond waste waters on the afternoon of May 20, 2004. The spill occurred at our Christensen Ranch (CR) Waste Pond No. 3 Sec 7, T.44 N., R.76 W. when an operator drove a company vehicle over a 2 inch poly-line that was transferring waste water form Pond 3 to Pond 2. When the flow of water through this line was stopped by the weight of the vehicle on it the pressure build up within the line caused a fitting at a splice in the line to break loose; thus allowing for the discharge onto the ground between Ponds 3 and 4.

A sample taken from the pond discharge line was tested at our CR lab with the following parameters observed:

Conductivity: 78,300 umhos/cm pH: 8.5 s.u. U_3O_8: 12.5 ppm

COGEMA Mining, Inc.
935 Pendell Blvd., P.O. Box 730, Mills, WY 82644 - Tel. : (307) 234-5019 - Fax : (307) 473-7306

NM3501

INCIDENT INVESTIGATION & ENVIRONMENTAL IMPACT:
Mr. Larry Arbogast RST, visited the spill site as soon as the incident was reported. It was apparent that no fluid from this spill reached any waters, dry draws, or playas and certainly no wetlands of the state were endangered by the spill. A soil sample was taken and will be sent to Energy Labs in Casper, Wyoming for Radium 226 analysis. The site will be included in our spill investigation record for review and assessment of required clean-up during decommissioning operations at CR. Approximately 100 gallons of fluid was recovered from the spill site, and replaced into Pond 3.

IN-HOUSE REVIEW & CORRECTIVE ACTION:
The incident was reviewed by Mr. Arbogast, Mr. Rick Kukura and myself on 5/25/04. Mr Kukura will advise his operators to be more observant of flow lines in the pond areas in the future and will discuss the incident with all operators so that the incident will not be repeated.

Please contact me if you require any additional information on this incident.

Sincerely,

Tom Nicholson
Environmental Specialist/RSO

Attachments: Spill Investigation Report. COGEMA Lab analysis.

CC: Joe Hunter, WDEQ-Spill Response Coordinator
E. Brummett, NRC - Project Manager
J. Whitten, NRC- Region IV Branch Chief
D. Wichers, COGEMA - General Manager

J:\wp\2004rept\deq\splpond3.wpd

SPILL INVESTIGATION REPORT

Fill out the entire top portion of this form for any spill that meets the following criteria then present form to your supervisor:

1. **Any amount of injection or recovery solution that enters a dry draw, playa, or drainage (i.e. Willow Creek).**
2. **Spill exceeds 420 gallons of recovery or injection solution.**
3. **Any amount of solution which is not recovery or injection solution.**

Notify your supervisor, the Environmental Department, or the RSO office concerning any solution that meets the criteria for items 1 or 2! Notification should be done as soon as possible during business hours, and within 12 hours of discovery on weekends, holidays, or nights.

Date of spill: 5-20-04 Time of spill: 1200

Location: ___ IR X CR Location/Well Id. Pond 3

Type of spill: ___ Injection solution ___ Recovery solution
X Other (List) Pond 3 solution

Did solution enter Willow Creek, a dry draw, a playa, or drainage? ___ Yes X No

Estimated gallons: 900 Sample collected: X Yes ___ No

Amount recovered: 100

Person notified and time: Larry Arbogast

Explain **how spill occurred, corrective actions taken,** and other pertinent information.
Transfer line from Pond 3 to Pond 2 was damaged over this pinched the 1½" Rubber Hose shut + the Pump P.S.I. broke the pvc to Hose Fitting

Employee: Walter Ballinger (Found by)

This portion is to be filled out by employee's supervisor, verifiying cause of spill and method of preventing future spills of this nature.

Signature: _____ Title: Prod. Foreman

This portion to be filled out by the Environmental or Radiation Department.

Lab analysis of solution: U308 12.5 ppm Spill reported to: ✓ NRC ✓ DEQ

Describe environmental damage, additional corrective action, recommendations, other information. Spill area will be addressed w/ decommissioning efforts at CR. Inspection will be required to be more diligent when driving within the pond areas. (Also see Spill Report)

Signature: _____ Title: RSO

COGEMA
Christensen Mine Laboratory

SUBMITTAL FORM

SAMPLE ID(s): CR And 3 DATE: 5/20/04

SPECIAL INFORMATION: _____

SUBMITTED BY: _____ RECEIVED BY: _____

ANALYSIS REQUIRED:

☒ U308	☒ Conductivity	☐ Alkalinity	☒ pH
☐ Bicarbonate (HCO3)	☐ Chloride (Cl)	☐ Sulfate (SO4)	☐ Calcium (Ca)
☐ Magnesium (Mg)	☐ Sodium (Na)	☐ Potassium (K)	☐ Selenium (Se)
☐ Vanadium (V)	☐ % Moisture	☐ Dissolved Ra-226	☐ Total Ra-226
☐ Tot. Dissolved Solids	☐ Total Suspended Solids	☐ OTHER:	

U308	Cond	PH					
12.5	28300	8.5					

Date Completed: _____ Analyst: _____