



Smith Ranch - Highland
Uranium Project
P. O. Box 1210
Glenrock, Wyoming USA 82637
Casper: 307-235-1628
Douglas: 307-358-6541
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July 31, 2006

Mr. Paul Michalak
Fuel Cycle Licensing Branch, NMSS
Mail Stop T-8A33
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

RE: Permit to Mine 633, License SUA-1548, Docket 40-8964
Monthly Corrective Action Report for the East Evaporation Pond Leak

Dear Mr. Michalak:

Power Resources, Inc. is herein providing a monthly status report for the East Evaporation Pond Leak at the Smith Ranch Facility. This leak was initially reported to Mr. Steve Ingle of the Land Quality Division, Wyoming Department of Environmental Quality and Mr. Lowell Spackman, Land Quality Division, Wyoming Department of Environmental Quality on October 21, 2005 and a follow up report was submitted on November 21, 2005.

As stated in the report submitted on November 21, 2005, the East Evaporation Pond has been dewatered and subsequently the pond is no longer leaking. The East Evaporation pond is currently out of service and not being used. As a result, it is not anticipated that pond fluid will leak in its current state. The pond sludge is presently scheduled for removal from the East Evaporation Pond during the month of August, 2006. A new liner has been pre-fabricated and will then be installed and the pond placed back into service during the month of September.

PRI will continue to monitor the pond and sump and take appropriate actions, as necessary.

If you have any questions or need additional information please call me at (307) 358-6541, ext. 46.

Sincerely,

A handwritten signature in cursive script that reads 'John McCarthy'.

John McCarthy
Manager, Safety, Health and Environmental Affairs

JM

cc: L. Spackman - LQD/WYDEQ C. Foldenauer P. Drummond
S. Hatten M. D. Bryson S. Collings File SR-4.3.3.4



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