



**POWER  
RESOURCES**

**Smith Ranch - Highland  
Uranium Project**  
P. O. Box 1210  
Glenrock, Wyoming USA 82637  
Casper: 307-235-1628  
Douglas: 307-358-6541  
Fax: 307-358-4533

July 2, 2007

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

RE: Permit to Mine No. 633  
In Situ Uranium Wellfield Release Report

Dear Mr. Spackman:

As reported to Mr. Steve Ingle of Wyoming Department of Environmental Quality (WDEQ), Land Quality Division, Mr. Paul Michalak, NRC Project Manager, and Mr. Joe Hunter of WDEQ, Water Quality Division via e-mail and/or phone June 28, 2007. Power Resources, Inc. (PRI) had a release of Injection Fluid at the Smith Ranch-Highland Uranium Project in Converse County, Wyoming. It is estimated that 900 gallons were released to the ground with 0.0 gallons recovered. A net 900 gallons was reported as released to the environment. The release was detected at approximately 17:15 P.M. on June 27, 2007 in Mine Unit-2 by a Satellite Operator. The spill was located at injection well 2I-166 in Wellfield 2. The solutions did not threaten nor enter the waters of the State. The known uranium content of the fluids was 1.1 ppm. The fluid is not considered hazardous material under RCRA, and is not reportable under SARA.

Power Resource's Spill Committee meets monthly and after each spill to discuss preventive measures to minimize the potential of releases from PRI's operations and to assess and make recommendations to potentially mitigate re-occurrences.

In accordance with Chapter IV, Section 4(a)(iv) of the Water Quality Division Rules and Regulations, attached is a report describing the release and the steps taken to prevent a recurrence of this nature.



Please call if me at (307) 358-6541 ext. 46 if you have any questions.

Sincerely,



John McCarthy  
Manager-Health, Safety  
& Environmental Affairs

Cc: Paul Michalak – NRC Project Manager      C. Foldenauer      M. Bryson  
File HUP 4.3.3.1      File SR 4.6.4.2      File SR 4.6.4.4  
B. Johnson      P. Drummond      Joe Hunter – Water Quality Division

## **Attachment**

### **Power Resources, Inc Smith Ranch-Highland Uranium Project URANIUM IN SITU WELLFIELD FLUID RELEASE REPORT**

#### **MU-2, 2I-166 Release**

##### **A. DESCRIPTION OF THE EVENT AND MITIGATIVE ACTIONS TAKEN**

On June 27, 2007 at approximately 17:15 P.M., a Satellite Operator reported a release at injection well 2-I-166 in Wellfield 2.

An estimated 900 gallons of injection fluid was released and 0.0 gallons recovered. As a result 900 gallons was reported as released to the environment. The released fluid did not threaten nor enter waters of the state.

The uranium concentration of the fluid was 1.1 mg/l.

The release occurred in Mine Unit 2 and affected approximately 0.07 acres.

##### **B. CAUSE OF THE RELEASE AND THE STEPS TAKEN TO PREVENT RECURRANCE**

###### **Cause**

The cause of the release was a broken flange and as a result of the spill Mine Units 2 and 3 were shut-off until all wells could be inspected. Well components will be replaced, as needed with new materials prior to re-starting a headerhouse and ultimately the wellfield. The wells worked on will be inspected for potential problems as they are brought back on line.

###### **Recurrence Prevention**

Our PRI Spill Committee will meet to discuss this spill and to recommend any corrective actions that could be taken.