



April 23, 2008

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

**CAMECO RESOURCES**  
*Smith Ranch-Highland  
Operation*

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

Dear Mr. Spackman:

Cameco Resources (CR) 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. Paul Michalak, USNRC Project Manager, 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. At present, the East Evaporation Pond sludge removal is being evaluated to determine the safest and best practical approach, but will not take place, at the earliest, until summer of 2008. A new liner has been pre-fabricated, is on site and will be installed with the East Evaporation Pond placed back into service upon completion of the sludge removal.

CR 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 black ink, appearing to read "John McCarthy".

John McCarthy  
Manager, Safety, Health and Environment, RSO

Cc: D. Manderville, NRC Project Manager

C. Foldenauer

T. Cannon

M. D. Bryson

S. Magnuson

S. Bakken

File SR-4.3.3.4