Cameco

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May 22, 2008

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

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

Dear Mr. Spackman:

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. Paul Michalak, USNRC Project Manager, on October 21, 2005 and a follow up report was submitted on November 21, 2205.

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 is scheduled for sludge removal and repair starting June 4, 2008 with completion October 1, 2008. This schedule allows for weather delays and possible repairs to the underlying clays prior to new liner installation.

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,

John McCarthy
Manager, Environment, Health and Safety, RSO

Cc: D. Mandeville, NRC Project Manager C. Foldenauer T. Cannon
M. D. Bryson S. Bakken File SR-4.3.3.4