



August 25, 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**

**Mail:**  
**P.O. Box 1210**  
**Glenrock, WY**  
**82637 USA**

**Tel: (307) 358-6541**  
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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:

Power Resources, Inc. dba 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, equipment has been ordered to assist in the removal of the sludge allowing on site personnel to perform the task. A completion date of October 1, 2008 is anticipated. This schedule allows for weather delays and possible repairs to the underlying clays prior to new liner installation.

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 cursive script that reads "John McCarthy".

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