



CAMECO RESOURCES
Smith Ranch-Highland
Operation
Mail:
P.O. Box 1210
Glenrock, WY
82637 USA

Tel: (307) 358-6541
Fax: (307) 358-4533
www.cameco.com

June 2, 2009

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

RE: Permit to Mine No. 603, Release of Solutions Report

Dear Mr. Spackman:

As reported to Ms. Pam Rothwell of Wyoming Department of Environmental Quality, Land Quality Division (WDEQ/LQD), Mr. Doug Mandeville, Nuclear Regulatory Commission (NRC), and Joe Hunter, WDEQ, Water Quality Division (WDEQ/WQD), on May 26, 2009, Power Resources, Inc. d/b/a Cameco Resources (CR) had a release of production solutions at the Smith Ranch-Highland Uranium Project in Converse County, Wyoming. Approximately 5,050 gallons of injection fluid was released from well HI-43 in Mine Unit H. The amount of fluid recovered was approximately 7,350 gallons, which included rainwater that had pooled in the area during a storm event and co-mingled with the injection fluid. A solution sample was collected upon discovery of the release and analysis showed 3.0 ppm U₃O₈. Soil samples were collected and a gamma survey of the release area was conducted using a MicroR meter. The samples have been sent to an outside laboratory for analysis. The release is located in the NW of NE quarter of Section 13, T.36N., R.73W, Converse County, Wyoming. A field map is attached.

The leak was detected at approximately 1:00 PM on May, 26, 2009 by a Wellfield Operator during routine field inspections. The release was the result of the flange separating from the wellhead casing. The fluid is not considered hazardous material under RCRA and is not reportable under SARA.

CR's Spill Committee meets bi-monthly and as needed to discuss preventive measures to minimize the potential of releases from Smith Ranch-Highland Uranium Operations and to assess and make recommendations to potentially mitigate re-occurrences. The H Field was turned off awaiting replacement fittings that were on order for several wellheads in the H Field. In addition, the Spill Committee will discuss this spill and proposed corrective actions.

Please call me at (307) 358-6541 ext. 462 if you have questions.

Sincerely,



Krista Wenzel
Manager, Environment, Health and Safety

Attachment: Map

cc: T. Cannon M. Bryson S. Bakken D. Kolkman
S. Miller J. Jarrell B. Kluchewski File SR 4.3.3.1
File SR 4.6.4.4 Doug Mandeville – NRC Project Manager (2 copies)
Joe Hunter – Water Quality Division

