



CAMECO RESOURCES
Smith Ranch-Highland
Operation
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February 1, 2010

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 by voicemail to Ms. Pam Rothwell of Wyoming Department of Environmental Quality, Land Quality Division (WDEQ/LQD), Mr. Doug Mandeville, Nuclear Regulatory Commission (NRC), and online documentation to Joe Hunter, WDEQ, Water Quality Division (WDEQ/WQD), on January 29, 2010, Power Resources, Inc. d/b/a Cameco Resources (CR) had a release of injection solutions at the Smith Ranch-Highland Uranium Project in Converse County, Wyoming. Approximately 224 gallons were released from Well No. JI-184 located in Mine Unit J. The pop-off valve failed as a result of PVC shavings back-flushing into the valve. The well is located in the SE NW of Section 20, T.36N, R.73W, Converse County, Wyoming. A field map is attached. The release will also be updated into the site base map for inclusion in the Annual Report as required by the Settlement Agreement for Notice of Violation Docket No. 4122-07. The release did not exceed the 420 gallon limit, but the spill is being reported because it entered a dry draw.

A solution sample was collected and resulting analysis indicated 1.3 ppm U_3O_8 . The fluid is not considered hazardous material under RCRA and is not reportable under SARA. A gamma survey of the release area will be conducted using a MicroR meter and soil samples (0-6 inches) will be collected for analysis.

CR's Spill Committee will also meet to address this release and make recommendations to mitigate re-occurrence.

If you have questions, please call Dawn Kolkman at (307) 358-6541 ext. 435.

Sincerely,

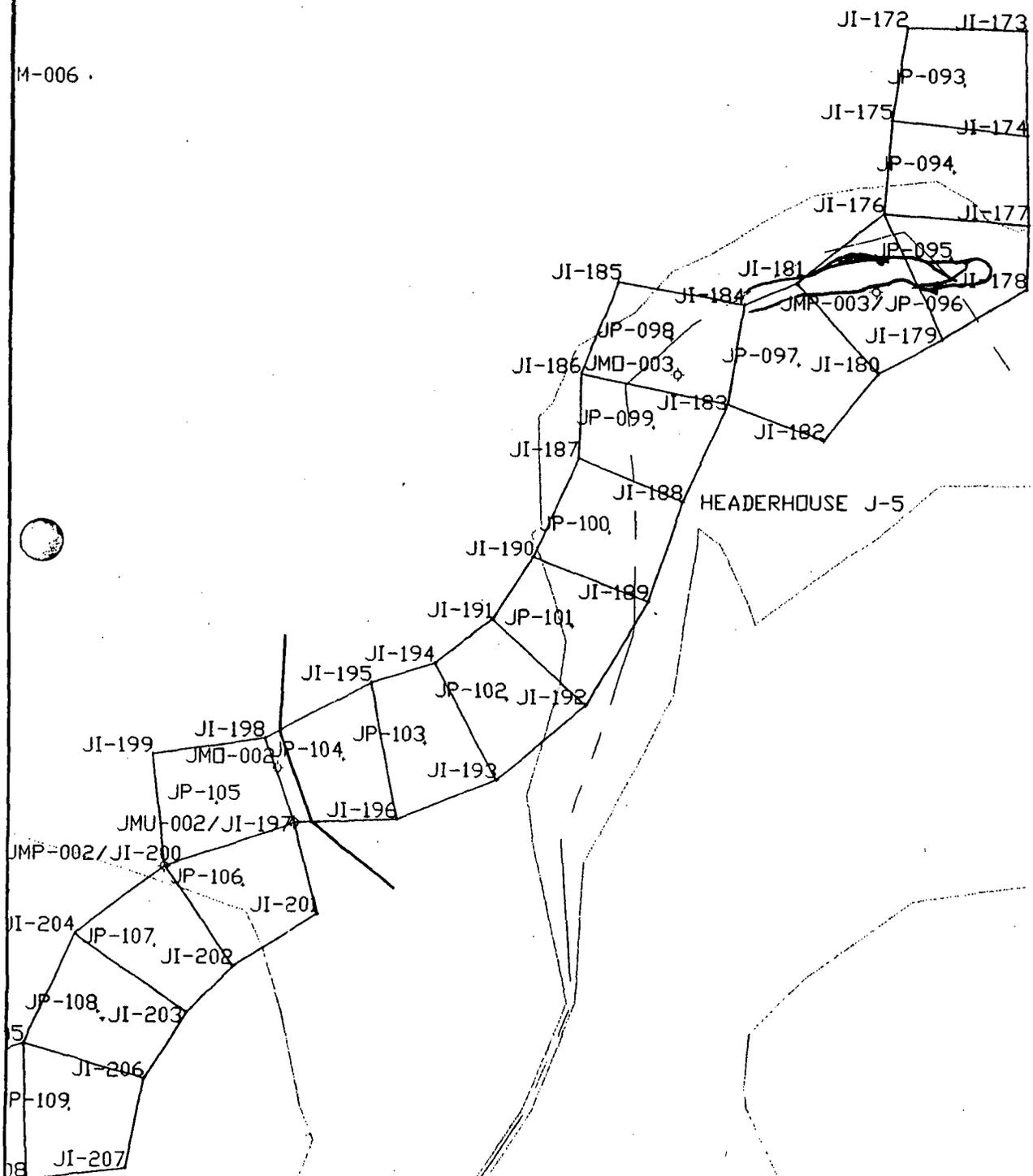


Angelo Kallas
Safety, Health, Environment, and Quality Manager
AK/jm

Attachment: Map

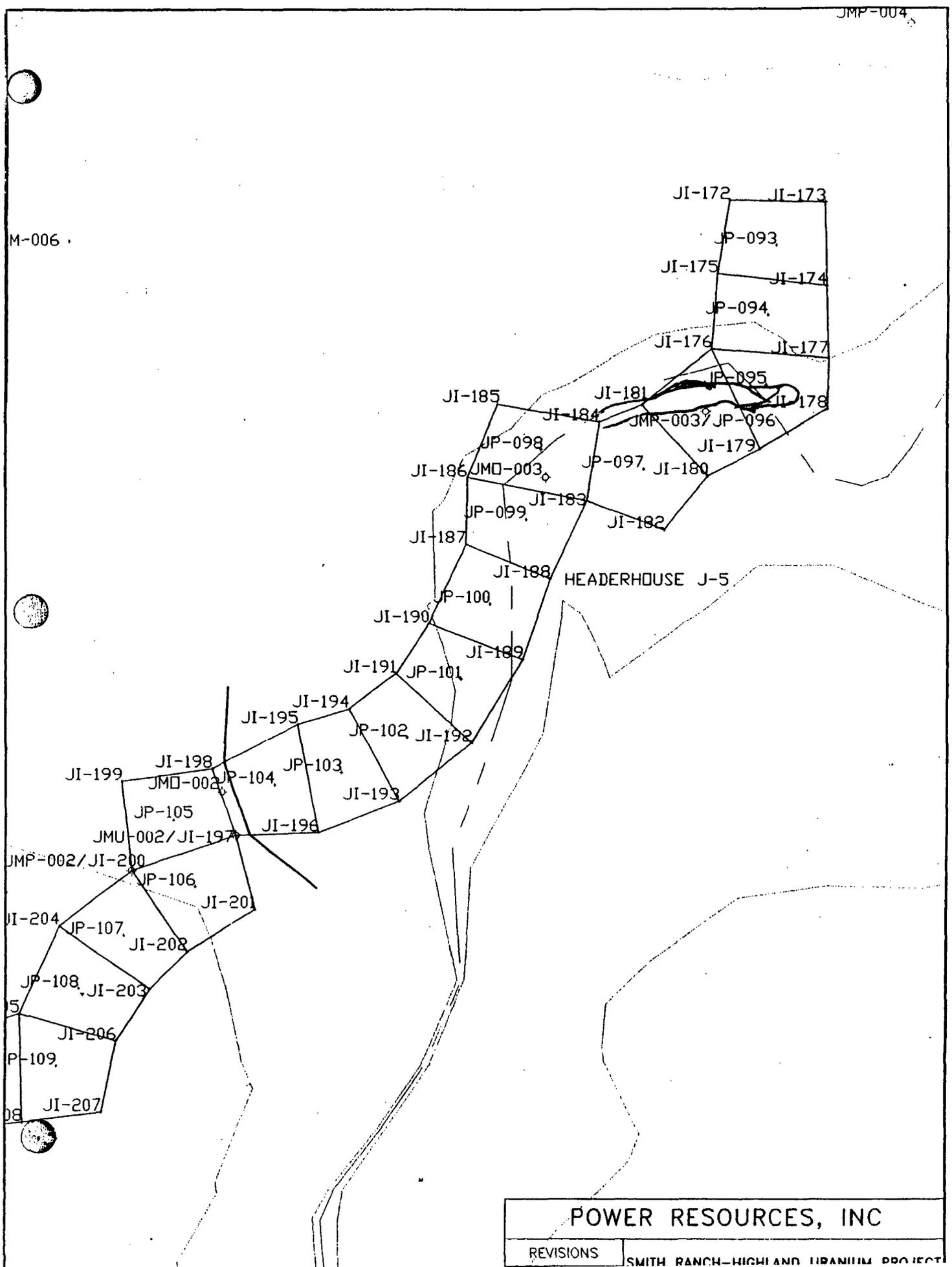
cc: J. Brister T. Cannon
Mr. Doug Mandeville – NRC Project Manager (2-copies)
Mr. Joe Hunter – Water Quality Division
File SR 4.3.3.1 File SR 4.6.4.4 File SR 4.6.4.1

M-006



POWER RESOURCES, INC	
REVISIONS	SMITH RANCH-HIGHLAND URANIUM PROJECT

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