



CAMECO RESOURCES
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July 12, 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. 633, Release of Solutions Report

Dear Mr. Spackman:

In accordance with WDEQ regulation and the NRC License SUA 1548, Power Resources, Inc. d/b/a Cameco Resources (CR) did verbally notify 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), that on July 8, 2010 Smith Ranch-Highland Uranium Project in Converse County, Wyoming had a release of injection fluid. Approximately 1,440 gallons were released from Well No. KI-006 located in Mine Unit K. An O-ring seal located 5 feet below surface failed and let the well leak to the surface. The well is located in the NW NW of Section 30, 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.

A solution sample was collected and resulting analysis indicated 1.0 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.

Please contact me at (307) 358-6541 ext. 474 if you have questions.

Sincerely,



Angelo Kallas
Safety, Health, Environment, and Quality (SHEQ) Manager

AK/dk

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

