



Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Dave Freudenthal, Governor

John Corra, Director

CERTIFIED MAIL RETURN RECEIPT REQUESTED # 7008 0500 0000 5541 7453

July 19, 2010

Mr. Angelo Kallas, Manager
Health, Safety, Environment and Quality
Cameco Resources
P.O. Box 1210
Glenrock, WY 82637

RE: Bond Amount for Permit No. 633, Cameco Resources, Smith Ranch Mine

Dear Mr. Kallas:

The information referenced in the 2009 Annual Report for Permit 603 has been reviewed under TFN 5 5/101 which resulted from Settlement Agreement No. 10/24, Notice of Violation Docket No. 4231-08 and has been determined to be insufficient to cover the costs of groundwater restoration and surface reclamation. An inspection of the mine as required by W.S. §35-11-411(c) was completed on August 25, 2009.

In accordance with W.S. §35-11-411(d), the bond amount is set at \$54,532,900.00. This represents an increase of \$22,532,900.00 over the current amount of \$32,000,000.00. Please contact Ms. Deanna Hill, Bonding Analyst, at (307) 777-7756 for information on how to increase the bond. The corrected bond should be submitted to LQD within forty-five days of your receipt of this letter, care of Ms. Hill.

This bond amount is based only on an estimate of the cost of the state performing reclamation in the event of bond forfeiture. If this estimate proves to be less than the amount required, the Department will bring suit to recover the additional cost as allowed under W.S. §35-11-422.

Should you have any questions, please contact Pam Rothwell in the Cheyenne District Office at (307) 777-7756.

Sincerely,

John V. Corra
Director
Department of Environmental Quality

cc: Joe Brister, Cameco Resources, Lakewood, CO
Doug Mandeville, NRC

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ABANDONED MINES
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FAX 777-5616

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LAND QUALITY
(307) 777-7756
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