



# 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

November 1, 2010

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

**RE: 2010 Partial Inspection Report, DN 236, Cameco Resources**

Dear Mr. Kallas:

The Land Quality Division (LQD) completed the inspection on August 26, 2010 of eight drill hole sites that were inspected during the 2009 DN inspection to verify the sites had received seeding and thus allow release of the plug and abandonment costs in the surety. Please find the report enclosed.

CR will need to provide additional information to explain the disturbances found at these sites. In addition, an uncapped, broken pipe from a well and an unreclaimed open pit will need to be explained to LQD. Please provide this information at your earliest convenience.

If you have any questions, please contact me at [prothw@wyo.gov](mailto:prothw@wyo.gov) or 307-777-7048.

Sincerely,

Pam Rothwell  
Permit Coordinator/District I Assistant Supervisor  
Land Quality Division

cc: Joe Brister, Cameco Resources, Cheyenne, WY  
Doug Mandeville, NRC

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## 2010 REPORT OF PARTIAL INSPECTION

**COMPANY:** Cameco Resources (CR), DN236

**LOCATIONS:** North of Douglas off Ross Road (County Road 31), Converse Co., WY.

**INSPECTOR:** Pam Rothwell, Land Quality Division (LQD)

**DATE OF INSPECTION:** August 26, 2010

**DATE OF REPORT:** October 28, 2010

**COMPANY REPRESENTATIVES:** Dawn Kolkman (CR), Jason Kosola (CR)

**FIELD CONDITIONS:** Sunny, 70°

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### INTRODUCTION

The purpose of this inspection was to inspect eight delineation drill holes which were inspected in 2009 and noted to not have been seeded. As noted during the review of the DN 236 surety (TFN 5 3/119, Comment No. 2), "*Release of drill holes from the plugging and abandonment cost does not occur until LQD verifies that the holes are plugged and abandoned in accordance with W.S. §35-11-404(c)(i-v). This includes W.S. §35-11-404(c)(v) "Surface Restoration. Each drill site shall be restored as nearly as possible to its original condition, including reseeded if grass or other crop was destroyed". Therefore, the 8 drill holes from the 2008 plugged and abandoned report will need to retain the plugging and abandonment cost in the surety bond estimate until LQD verifies the drill sites have been recontoured and seeded for reclamation.*" In summary, LQD is required to verify the drill sites are plugged, graded and seeded to release the plug and abandonment costs from the surety.

### INSPECTION

CR located the eight holes for inspection using GPS. These sites as listed in the 2009 Inspection Report include drill holes 35-1109, 35-1110, 36-1452, 36-1448, 36-1449, 35-1451, 36-1450 and 36-1447. The revegetation on the drill holes was poor, however there was evidence of seeding on some of the holes (**Figures 1 & 2**). There were also abandoned sites that had poor grading and no evidence of seeding (**Figure 3 & 4**). Many of the sites had evidence of first year revegetation surrounding the drill sites and new wells installed close to or on top of the reclaimed sites (**Figure 5**). An open hole and an open pit were left at one site which will require evaluation by CR for plugging requirements and additional backfill and grading (**Figure 6 & 7**). It was difficult to tell if the areas of plugged holes were actually more recent disturbances for new wells on top of

reclaimed delineation holes. CR staff did not provide an explanation during the inspection.

### CONCLUSION

- 1 CR should reseed the sites where vegetation is not evident or very poor.
- 2 CR must address the potential open hole with proper abandonment practices and regrade the open pit.
- 3 The inspection resulted in a determination that the reclamation bond remains a requirement for the eight drill sites until LQD better understands the work completed at these sites. CR will need to describe the reclamation completed, i.e., grading and seeding dates for the drill holes listed in the report. If wells were subsequently installed that carry a separate reclamation bond for the same disturbance area, CR should explain this as a double bonded site and show it on a map and in the surety. LQD will consider reviewing a request to release the bond for the drill holes if it is bonded separately for a well. The descriptions should be as detailed as possible for LQD to review the overlapping sites.

PHOTOS



**Figure 1 View of plugged and reseeded drill hole site**



**Figure 2 View of plugged and reseeded drill hole site**



**Figure 3 View of graded site with no evidence of seeding**



**Figure 4 View of graded site with no evidence of seeding**



**Figure 5** View of reclaimed drill site surrounded by new cover crop of recent reclamation, also showing a new well



**Figure 6** View of possible open hole, broken pipe



**Figure 7 View of un-reclaimed mud**