



Department of Environmental Quality

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



Matthew H. Mead, Governor

Todd Parfitt, Director

November 6, 2013

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

RE: TFN 6 3/040, Incidental Boundary Revision (IBR) Review, Permit 633, Cameco Resources

Dear Mr. Garoutte:

The Land Quality Division (LQD) has completed the referenced review with a minor request for additional information. Although it was agreed during our meeting on October 25, 2013 that a cross-reference to the previous submittal (TFN 5 3/399) for the 40 acres included under this IBR, it has been recognized that to approve new acres to the permit for an IBR, certain minimal requirements need to be satisfied. These include the Form 11, surface owner consent and the Appendix C with a boundary map showing the amendment area. Please find the review enclosed outlining how to proceed for the approval of the IBR.

If you have any questions, please contact me at 307-777-7048 or pam.rothwell@wyo.gov.

Sincerely,

Pam Rothwell
District 1 Assistant Supervisor
Land Quality Division

Enclosure:

cc: Cameco Resources, Cheyenne, WY
Doug Mandeville, NRC
Matt Clark, BLM-CFO
TFN 5 3/399



TFN 6 3/040, INCIDENTAL BOUNDARY REVISION REVIEW

PERMIT 633, CAMECO RESOURCES

INTRODUCTION

The Land Quality Division (LQD) received the referenced proposal to amend 40 acres as an Incidental Boundary Revision (IBR) on October 30, 2013. The submittal was the outcome of a discussion of the 40 acres in Section 19, T35N, R74W which occurred on October 25, 2013 during a meeting with LQD. During the meeting Cameco expressed an urgency to begin mining in Mine Unit 10, Header House 1 and therefore, questioned the need to amend lands in Section 19 as outlined in Permit Condition No. 3 attached to the approval of Mine Unit 10 (Change No. 43-R6). LQD's concern is that monitor wells 10M-06 and 10M-07 lie approximately within 30 to 50 feet of the permit boundary. The permit condition requires a permit amendment of a portion of Section 19 to provide a minimum 500 foot buffer between the monitor well ring and the permit boundary. The approved aquifer exemption boundary is at the monitor well ring resulting in the concern that if an excursion occurs at the monitor well ring essentially at the permit boundary, a potential violation for off-sight disturbance would be imminent. LQD acknowledges that Cameco installed two trend monitor wells to help alleviate the concern of off-site disturbance in the event of an excursion, however, Cameco has acknowledged that a boundary revision provides a more conservative approach to protecting the subsurface aquifer.

A previous proposal to amend 80 acres (two separate 40 acre parcels) including this 40 acres was submitted to LQD on April 12, 2013 and reviewed by LQD with draft comments sent to Cameco (electronic) on July 24, 2013 (TFN 5 3/399). During a meeting on July 23, 2013, LQD informed Cameco that the portion of the 80 acre proposal which includes Class III wells (Section 7) would require a Major Revision to the permit. LQD advised Cameco to separate the two 40 acre parcels into 1) Section 7 – 40 Acres requiring public notice as a Major Revision and 2) Section 19 – 40 Acres as an IBR which would not require public notice. Subsequent meeting discussions of the issue revealed that Cameco preferred to keep the two forty acre proposals under one review (TFN 5 3/399). LQD has not formalized the original review and Cameco has not provided additional information as requested in the draft comments.

In light of this recent request to expedite an IBR for the Section 19, 40 acre parcel, the LQD has agreed to move forward with an approval to amend the 40 acres with permit changes addressing any updates such as baseline information to be incorporated into the permit under the subsequent Major Revision for the Section 7, 40 acre amendment (TFN 5 3/399). This review will follow the approval of the Permit Update/Combination/Amendment (PUCA) (TFN 5 6/100).

LQD understands that the purpose of amending 40 acres in Section 19 is for incidental purposes of providing a buffer area between the Mine Unit 10 monitor well ring and the permit boundary. This amendment does not allow for expansion of the wellfield into the amendment area without additional review of a mine unit expansion for additional Class III wells. In addition, baseline requirements for soils, vegetation, wildlife, wetlands, radiometric and cultural resources would be necessary if the amendment area will be disturbed for mining operations.

REVIEW

- 1 During the meeting on October 25, 2013, LQD agreed to allow Cameco to cross-reference information from TFN 5 3/399 (80 acres amendment) to approve the IBR application. However, the information in that application requires corrections that are needed before approving the IBR. For example, the legal description of the 40 acre amendment is incorrectly illustrated and described on Map C-1.

An IBR requires minimal information for approval depending on the individual need for the amended lands for the mine operation. In this case, no surface disturbance is proposed for the amended acres. Therefore, the submittal requirement includes:

- Surface Owner Consent
- Legal Description (Appendix C)
- A map showing the IBR boundary

The surface owner consent is acceptable as proposed under TFN 5 3/399 provided the Appendix C information is corrected.

The legal description shown on (Form C-1) shows the correct description for the 40 acres, however, the IBR amendment should not include the acres in Section 7, thus requiring modification to the Form C-1. (The modification can be done on the submitted Form and the correction initialed by Cameco or a corrected Form can be provided.) A new Form C-1 showing the Section 7 location should be provided under TFN 5 3/399 when that review moves forward.

The IBR boundary on Map C-1 is incorrect as well as the citation describing the location in Section 19. These will need to be corrected on the map before approving the IBR. The Section 7 location should be removed for the IBR approval. A revised map should be submitted with Section 7 depicted under TFN 5 3/399 when that review moves forward. In addition, the map showing the IBR boundary will need to be corrected to illustrate only 40 acres are being amended rather than 160 acres.

SUMMARY

The following steps should be followed to approve the IBR and subsequent review and approval of the Amendment of Section 7:

Section 19 Amendment (IBR)

- 1 Cameco will provide a new corrected Form C-1 or modify and initial the submitted form. If the Form is modified it will be removed from TFN 5 3/399 and inserted into TFN 6 3/040 for the approval of the IBR.
- 2 Cameco will provide a new corrected Map C-1 showing only the Section 19 amendment with the correct citation and boundary.
- 3 The Section 19 surface owner consent will be removed from TFN 5 3/399 and inserted into TFN 6 3/040.

Section 7 (Major Amendment)

- 1 Cameco should modify the application to indicate it is to amend 40 acres in Section 7 including all of the application requirements (i.e., adjudication and baseline information). If Cameco desires to include additional baseline information (i.e., soils, vegetation, wildlife, wetlands, radiometric and cultural resource information) for Section 19 it can be included in this review as supplemental information for potential future disturbance of that area of the permit.