



September 12, 2014

Mr. Mark Rogaczewski, District 3 Supervisor
Land Quality Division
Wyoming Department of Environmental Quality
2100 West. 5th Street
Sheridan, WY 82801

CAMECO RESOURCES

North Butte
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**Release of Solutions, Written Notification
Cameco Resources, North Butte Satellite Operation, Permit 632**

Dear Mr. Rogaczewski:

In accordance with Wyoming Department of Environmental Quality (WDEQ) regulation and the NRC License SUA 1548, Power Resources, Inc. d/b/a Cameco Resources (Cameco) notified Mr. Miles Bennett of Wyoming Department of Environmental Quality, Land Quality Division (LQD), Mr. Joe Hunter (DEQ Emergency Response Coordinator) and Mr. Doug Mandeville, Nuclear Regulatory Commission (NRC) by telephone/voicemail as well as email, on September 9, 2014, that a release of mining fluid occurred at North Butte Satellite Operations in Campbell County, Wyoming. The release was recorded in the WDEQ Report a Spill or Release online database, Incident Id: 140909-084725.

A release estimated at 187 gallons of injection fluid occurred in an area near Well ID I-201 on Permit 632 at approximately 7:00 am on September 8, 2014. The on-shift satellite operator had a leak detection alarm in the satellite control room for injection well I-201. Upon arrival to the well the operator found water leaking from the well basin. It was discovered that the pop-off valve had failed (due to poly shavings lodged in the valve) causing water to leak from the pop-off valve into the well basin. Approximately 187 gallons of water leaked from the basin and into a nearby dry draw which is considered waters of the state.

The perimeter of the release was mapped. A gamma scan of the area was conducted. An RSO will assess risks and determine if further characterization is needed.

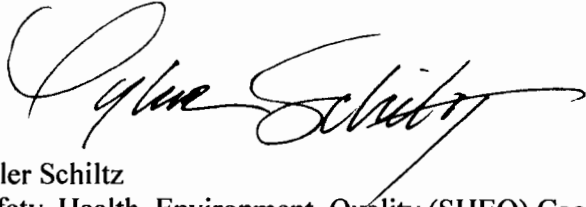
The released solution is not considered hazardous material under RCRA and is not reportable under SARA; the area is not considered hazardous. The release constitutes 11e2 Material as defined by the NRC "...tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content.", and is therefore regulated under the NRC. The release will be assessed at the time of decommissioning according NRC rules and regulations.

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The release was located in the NW¼ NW¼ in Section 19, T44N, R75W, of Campbell County, Wyoming. A field map is attached showing approximate location of the release. The release will be discussed in the next Annual Report.

Please contact me at 307-201-7023 or Tyler_Schiltz@cameco.com if you have questions.

Respectfully,



Tyler Schiltz
Safety, Health, Environment, Quality (SHEQ) Coordinator
Cameco Resources – North Butte

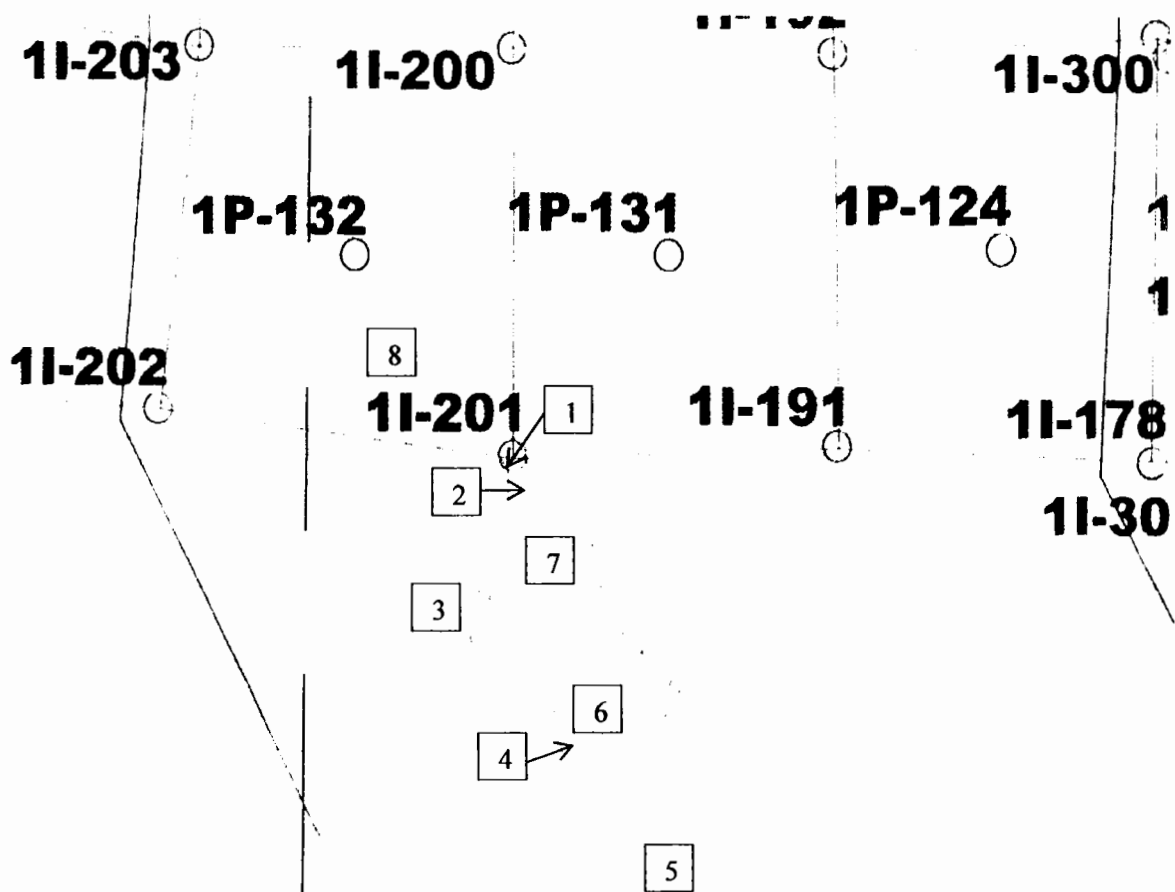
Attachments: Location Map

cc: Mr. Doug Mandeville, NRC
 Document Control Desk, NRC
 Mr. Joe Hunter- WDEQ
cc: Cameco Resources-Casper
xc: Cheyenne LQD Files

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Gamma Levels at Soil Sample Locations	
Sample #1	I-201-1 = 50 μ R/hr
Sample #2	I-201-2 = 18 μ R/hr
Sample #3	I-201-3 = 16 μ R/hr
Sample #4	I-201-4 (Background) = 16 μ R/hr



Note: Soil sample #1 taken at survey point #2, Soil Sample #2(middle of spill) taken at survey point #3, Soil Sample #3(end of spill) taken at survey point #5, and Background soil sample taken at survey point #8.
Note 2: Background radiation levels taken at 3 meters @ waist level. All radiation levels recorded in μ R/hr.