



# 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

John Corra, Director

May 17, 2012

Mr. Josh Leftwich  
Cameco Resources, Inc.  
550 North Poplar Street, Suite 100  
Casper, WY 82601

**RE: Ruth ISL Operation, Permit No. 631, 2012 Annual Inspection Report**

Dear Mr. Leftwich:

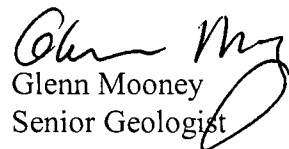
Enclosed is a copy of the report on my 2012 Annual Inspection of the Ruth Project. This inspection was conducted April 27, 2012, in the presence of John McCarthy, Ken Garoutte, Amy Henderson and Jeanie Wolford, all of Cameco Resources, Inc.

A copy of the Report will be placed in the permanent inspection file for Permit No. 631, along with any written comments you may have.

The cooperation and assistance of Mr. McCarthy and company are greatly appreciated.

Please feel free to call if you have any questions.

Sincerely,

  
Glenn Mooney  
Senior Geologist

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Attachment

cc: Cheyenne File w/attach.  
US Nuclear Regulatory Commission, Mail Stop T-7J8, Washington, DC 20555-0001 w/attach.

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MSR  
5/17/12



## ANNUAL INSPECTION REPORT

**SUBJECT:** Power Resources Inc.'s Ruth Project

**PERMIT NO.:** 631

**INSPECTOR:** *GM*  
Glenn Mooney, Land Quality Division

**PERSON CONTACTED:** John McCarthy, Ken Garoutte, Amy Henderson and Jeanie Wolford, Cameco Resources, Inc.

**DATE OF INSPECTION:** April 26, 2012

### Introduction

The Ruth ISL project was formerly a test uranium in situ leach (isl) project operated by Uranerz, USA under Research and Development License No. 9. After completion of the test in situ leach (isl) project the groundwater was restored to DEQ's and the NRC's satisfaction.

Uranerz applied for an expanded commercial-scale isl mining permit encompassing the existing site plus several hundred additional acres for future mining. This permit application was approved December 26, 1990.

On March 5, 1991, Permit No. 631 was transferred to Pathfinder Mines Corporation (Pathfinder).

Pathfinder sold the property to Power Resources Incorporated (PRI) and Permit No. 631 was transferred to PRI on November 29, 2001.

### Inspection

At this time the operation consists of two buildings: the plant building, and a small warehouse, along with two evaporation ponds, two topsoil stockpiles, and the access road. The well field wells were abandoned in January of 2000.

### Plant Building

Externally, the plant building remains basically unchanged from previous years. The remains of a tiny wooden lean-to shed which collapsed several years remains partially attached to the northwest corner of the metal plant building.

Mr. McCarthy said a work crew would soon be dispatched to collect the debris of this building and haul it off for proper disposal.

*AKK  
5/12/12*

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Inside the plant building were four large tanks and three resin columns on a skid which PRI representatives have stated in the past were empty of resin. An electrical panel which once controlled the pumps in the well field also remained. A metal warehouse-shop building also remains.

Most of the junk scattered around the buildings was removed several years ago. The main items stored outside are a number of barrels filled with concrete used as weights to hold down equipment during abandonment operations when the well field wells were cemented shut.

### **Wellfield**

According to the 2000 Annual Report, four wells remain intact, including the plant building supply well and several regional monitor wells. At least one of the remaining wells will be turned over to the surface owner for his use as a stock well.

### **Evaporation Ponds**

The ponds contained small amounts of water, perhaps a foot in the north pond and 8 inches in the south pond. According to the 2009 Annual Report, the NRC allowed discontinuation of monitoring the leak detection tubes beginning in 2005.

### **Topsoil Stockpiles**

Inspection of the two topsoil stockpiles located next to the plant and pond areas found both were well-grassed and had the required topsoil identification signs.

### **Signs**

A permit identification sign with the correct information was located near the plant building and next to the entrance gate. Topsoil identification signs are in place on the project's topsoil stockpiles.

### **Compliance**

There are no outstanding violations at the Ruth Project. No enforcement action was taken as a result of this inspection.

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**Annual Report**

The 2010 Annual Report for Permit No. 631 was received December 22, 2011. It stated no mining activity is planned at Ruth through 2012.

I reviewed the Report and sent comments to Cameco on January 10, 2012. Following submission of responses to my comments, I concluded my review in my letter of April 4, 2012.

**Bond**

The existing bond for Permit No. 631 is Letter of Credit No. 6320/S22016 written by the Royal Bank of Canada in the amount of \$192,000.00.

No photographs were taken.

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