

**From:** Bill Kearney (USA - Casper) [Bill.Kearney@uranium1.com]  
**Sent:** Tuesday, March 05, 2013 6:47 PM  
**To:** Spitzberg, Blair; Gersey, Linda; Linton, Ron; Mike Ploughe; Mark Taylor  
**Cc:** Tim McCullough (USA - Casper); Larry Arbogast (USA - Christensen Ranch); Barry Koch [USA - Christensen Ranch]  
**Subject:** Willow Creek ISR Project- Potential Evaporation Pond Leakage

All:

As conveyed to Mike Ploughe of the WDEQ-LQD and Ms. Linda Gersey of the US NRC via phones calls on March 5, 2013, this notification is to inform you that routine monitoring of the leak detections systems at the evaporation ponds at the Irigaray Plant site at the Willow Creek Uranium Project has shown that two ponds may have some potential leakage concerns. Due to the occurrence of fluid (water) in the leak detection systems at Ponds IR-D and IR-RA water samples were obtained on February 28, 2012 from the leak detection systems and the ponds themselves. Although the comparison between the water quality in the leak detection systems and the ponds is not the same (as would be expected if it was leakage from the ponds), the occurrence of similar amounts of uranium between the ponds and the water from the leak detection systems (approximately 4 mg/L at Pond IR-D and 18 mg/L at Pond IR-RA) gives rise to potential leaks at each pond.

Both ponds were recently constructed in 2010 and they both contain 2-liner systems. The flow of plant waste water to each pond has been discontinued and each pond will be pumped down to assess the condition of the liners. Pond IR-D only contains approximately 1 foot of water. It will be pumped to Pond IR- B. Pond IR-RA only contains about 3.5 feet of water. It will be pumped to Pond IR-RB. In accordance with License Condition 11.4 the water in the leak detection systems will be analyzed for chloride, conductivity, pH and uranium on a weekly basis.

Due to the 2-liner systems at each pond there is no concern at this time that potential leakage at either pond is impacting the environment. There is considerable storage remaining in the other lined ponds to accommodate anticipated waste water flow volumes for several months. A written report containing more details and potential repairs, if required, will be submitted with 30 days.

If you have any questions don't hesitate to contact me or Tim McCullough, Manager Site SHE at the Willow Creek Project.

Regards

**Bill Kearney**  
**Vice President- Safety, Health & Environment (SHE)**  
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