

**CAMECO RESOURCES**

Smith Ranch-Highland
Operation

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May 26, 2015

CERTIFIED MAIL # 7013 1090 0001 7751 1630

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

**Release of Solutions Report, Deep Disposal Well #1
Cameco Resources, Smith Ranch Highland Uranium Project, Permit 633**

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) verbally notified Mr. Miles Bennett of WDEQ Land Quality Division (LQD), Mr. Joe Hunter, Emergency Coordinator WDEQ-WQD, and Mr. Doug Mandeville, Nuclear Regulatory Commission (NRC), on May 22, 2015, that a release occurred at Smith Ranch-Highland Uranium Project in Converse County, Wyoming. The release was recorded in the WQD Report a Spill or Release online database, Incident Id: 150522-0908 on May 22, 2015.

Cameco Resources has determined that the release was approximately 480 gallons of discharge fluid. The release was determined to be the result of a failure of a stainless steel ½" threaded plug which was ejected from the discharging pipe flange of a flow meter. The release was discovered when a plant operator noticed a lower disposal well discharge pressure than normal. The operator shut down the system, and then drove to the disposal well to investigate. The threaded plug was replaced and the system was slowly brought back on line. Twenty-five gallons of fluid was recovered using a vacuum truck. The perimeter of the release was mapped using a GPS device. Since the downtime on the waste disposal well was brief (approximately two hours), production was not significantly affected and resulted in a negligible cost. The released fluid did not enter waters of the state.

A sample of the fluid released was taken on May 21, 2015 and analyzed for uranium. The result of the analysis showed uranium content of 7.0 ppm. 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

NM5501

NM55

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. The site Radiation Safety Officer (RSO) will determine the radiological properties and potential impacts.

The release was located in the NE ¼ of the NE ¼, in Section 35, T35N, R74W, of Converse County, Wyoming. A field map is attached showing location and extent of the release. The release will be updated into the site base map for inclusion in the LQD Annual Report.

While the stainless steel plugs used at these facilities are rated for the pressures that they sustain, Cameco will consider replacing these particular plugs with ones that are rated for higher pressures in order to mitigate any incidents of this nature that might occur in the future.

Please contact me at 307-358-6541, ext. 476 or Kenneth_Garoutte@cameco.com if you have questions.

Respectfully,



Ken Garoutte
Manager of Safety, Health, Environment and Quality (SHEQ)

KG/nsb

Attachments: Map

cc: Cameco File SR 4.3.3.1
LQD Special Volume: Wellfield Release, Spill Reports
Mr. Doug Mandeville, NRC Certified Mail # 7013 1090 0001 7751 1647
Document Control Desk, NRC Certified Mail # 7012 1640 0000 2326 6462
Mr. Joe Hunter – Water Quality Division Certified Mail # 7013 1090 0001 7751 1654

ec: Cameco Resources-Casper
xc: WDEQ-LQD Cheyenne

DDW-1



Sec. 36

RELEASE-5/21/15
AREA = 3853 sqft.

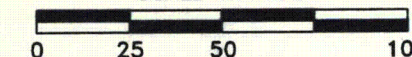
R74W

T36N

LEGEND

-  RELEASE AREA
-  DEEP DISPOSAL WELL

SCALE IN FEET



REVISIONS

NO.	DATE	BY



CAMECO

CAMECO Resources
SMITH RANCH - HIGHLAND
OPERATION
P.O. Box 1210
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Deep Disposal Well #1
Release 5/21/2015

FSOM NO:

DWG NO:

CURRENT REV
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PAPER SIZE: ANSI FULL BLEED B (11.00 X 17.00 INCHES)

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