



CAMECO RESOURCES
Smith Ranch-Highland
Operation
Mail:
P.O. Box 1210
Glenrock, WY
82637 USA

March 4, 2008

Mr. Lowell Spackman, District I Supervisor
Land Quality Division
Wyoming Department of Environmental Quality
122 W. 25th Street
Cheyenne, WY 82002

Tel: (307) 358-6541
Fax: (307) 358-4533
www.cameco.com

RE: Highland Uranium Project
Permit to Mine No. 603
Excursion at Monitor Well CM-33

Dear Mr. Spackman:

In accordance with License Condition No. 12.1 and Section 8.4 of the approved Operations Plan for the Highland Uranium Project, Cameco Resources (CR) is providing written notification that Monitor Well CM33 appeared to be on excursion status February 27, 2008. Consistent with Section 8.4 of the Operations Plan, Ms. Pam Rothwell of your staff was notified of this potential excursion by phone on February 27, 2008.

As stipulated in License Condition 11.5 of Materials License SUA 1548. Sampling frequency will become weekly until the excursion is controlled and verified by sampling results.

Well CM33 was sampled on February 22, 2008 with results received February 25, 2008 indicating excursion parameters were exceeded. As per license condition, the well was re-sampled within 24 hours to confirm the potential excursion. The confirmation results were received February 26, 2008. Well CM-33 is adjacent to Headerhouse C-22 and is depicted on the attached map. At present CR is re-balancing the wellfield in an attempt to mitigate the excursion. The wellfield is within 900' of past underground workings and these wells have historically been problematic.

Date	Chloride (mg/L)	Alkalinity (mg/L CaCO ₃)	Conductivity (µMhos/cm)
	UCL 18	UCL 202	UCL 852
2/22/08	21	206	762
2/25/08	23	212	778

If you have any questions, please call me at your earliest convenience at (307) 358-6541, ext. 46.

Sincerely,



John McCarthy
Manager-Health, Safety
& Environmental Affairs

cc: C. Foldenauer S. Magnuson D. Manderville, USNRC
File HUP-4.6.4.1 S. Bakken

