CAMECO RESOURCES
CROW BUTTE OPERATION

86 Crow Butte Road
P.O. Box 169
Crawford, Nebraska 69339-0169

(308) 665-2215
(308) 665-2341 – FAX

May 19, 2008

Mr. Keith I McConnell, Deputy Director
Decommissioning and Uranium Recovery Licensing Directorate
Division of Waste Management and Environmental Protection
Office of Federal and State Materials and Environmental Management Programs
Mailstop T8-F5
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Re: Source Materials License SUA-1534
Docket No. 40-8943
CM9-5 Monitor Well Excursion

Dear Mr. McConnell:

On May 15, 2008 during routine biweekly water sampling of Crow Butte Operation (CBO) perimeter monitor well CM9-5, the multiple parameter upper control limit (UCL) was exceeded for conductivity and the single parameter upper control limit was exceeded for alkalinity. As required by License Condition 11.2 of Source Materials License SUA-1534, a second sample was collected within 48 hours and analyzed for the three excursion indicator parameters. The results of the second sample exceeded the multiple UCL for conductivity and the single UCL for alkalinity.

CBO notified Mr. Stephen J. Cohen by phone on May 16, 2008 of the confirmation of the exceedance as required in License Condition 9.2. Laboratory results for the sample analysis for CM9-5 are attached. In addition, graphs are attached for the three excursion indicator parameters and water level that cover the period from September 7, 2007 to May 16, 2008.

This well began to trend upward four weeks ago. CBO shut off injection in the well nearest CM9-5 on May 1, 2008. On May 15, 2008 six more injection wells were shut off in the area. A production bleed continues to be maintained in the area to recover injection fluids.

In accordance with License Condition 11.2, CBO has increased the sampling frequency for CM9-5 to weekly until three consecutive weekly samples are below the exceeded UCLs. CBO will continue weekly sampling for an additional three weeks after this goal has been achieved as required by

CBO's Nebraska Department of Environmental Quality (NDEQ) Class III UIC Permit requirements. If the well has not exceeded the UCLs after these samples, it will be returned to normal status.

If you have any questions or require any further information, please do not hesitate to call me at (308) 665-2215 Ext. 117.

Sincerely,
CAMECO RESOURCES, CROW BUTTE OPERATION.

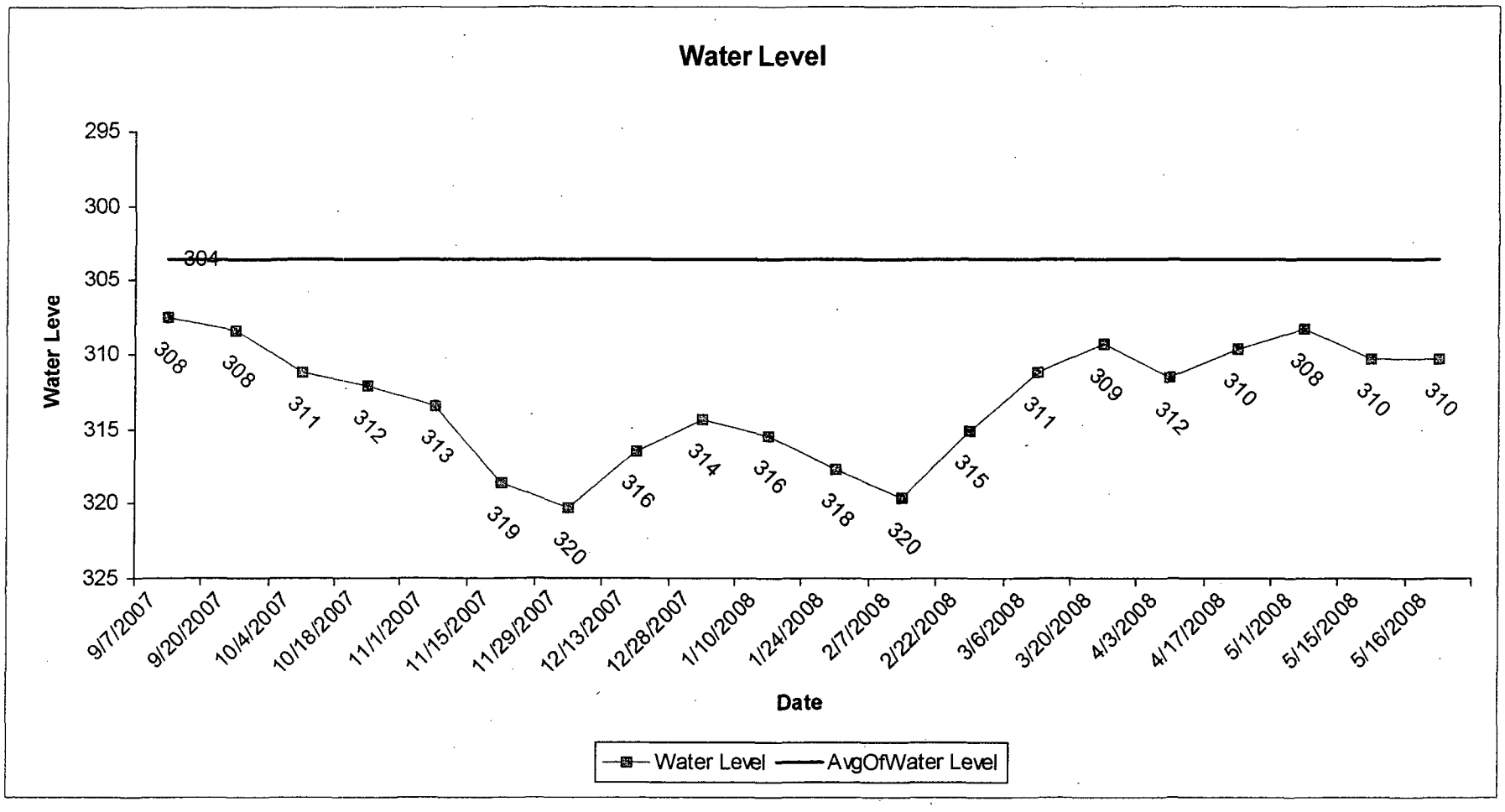
Walt Nelson
Environmental Leadership Coordinator

Enclosures: As Stated

cc: U.S. Nuclear Regulatory Commission
Mr. Stephen J. Cohen - ADDRESSEE ONLY
Fuel Cycle Licensing Branch
Mailstop T8-F5
Washington, DC 20555

Mr. Steve Magnuson - CBO, Denver

CM9-5


Water Level
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9/7/2007
9/20/2007
10/4/2007
10/18/2007
11/1/2007
11/15/2007
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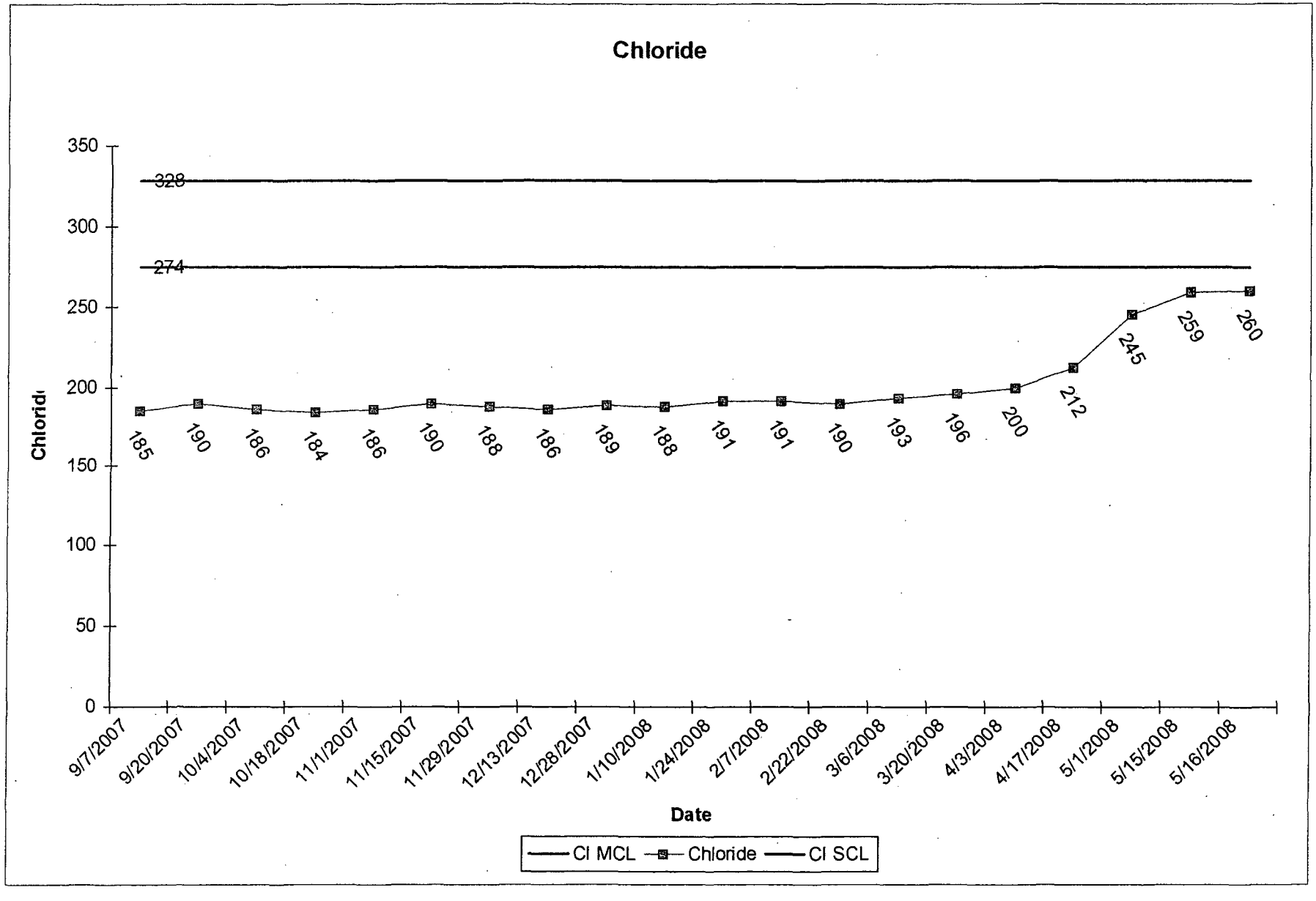
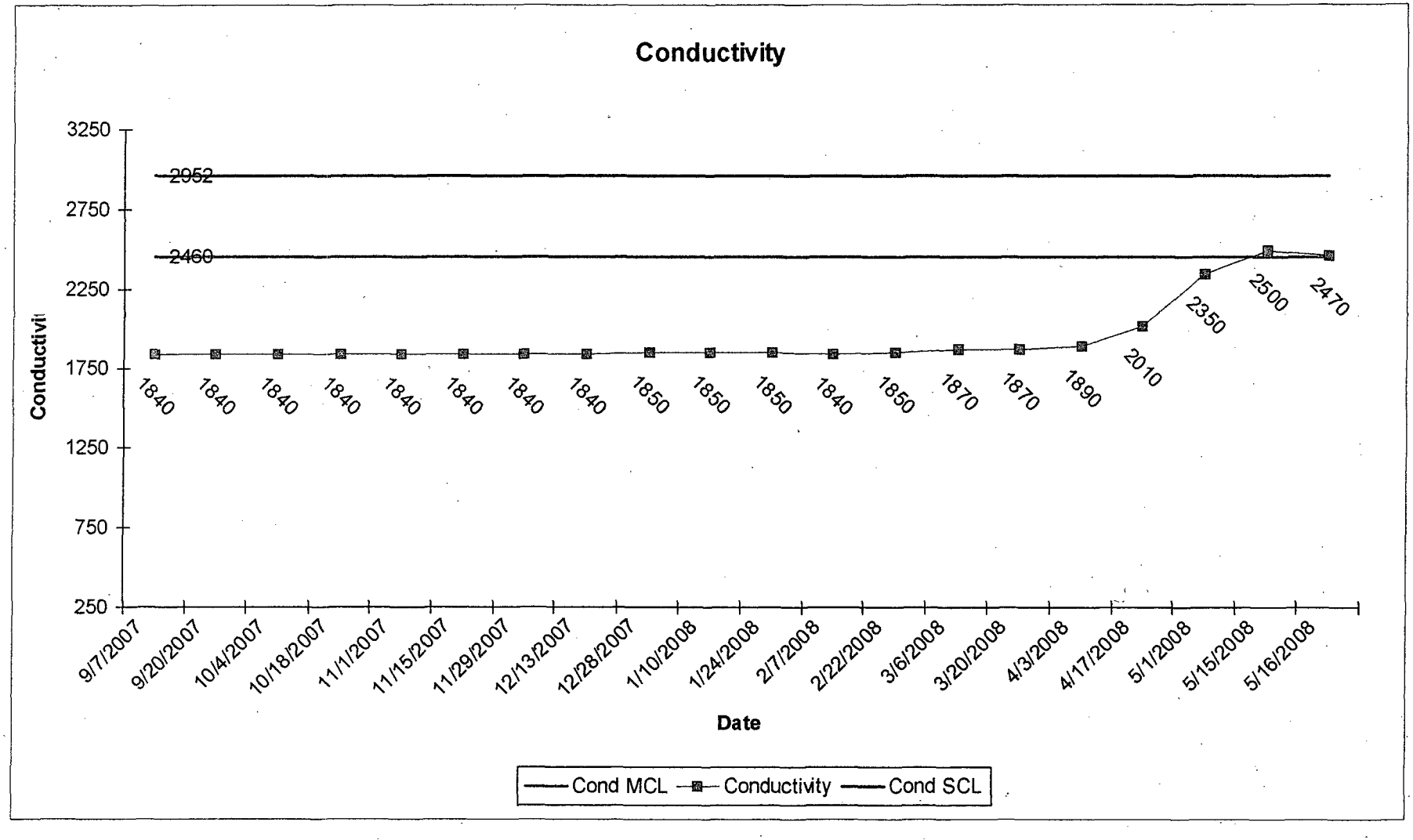
12/28/2007
1/10/2008
1/24/2008
2/7/2008
2/22/2008
3/6/2008
3/20/2008
4/3/2008
4/17/2008
5/1/2008
5/15/2008
5/16/2008
Date
Water Level
AvgOfWater Level

CM9-5



Monday, May 19, 2008

CM9-5


Conductivity
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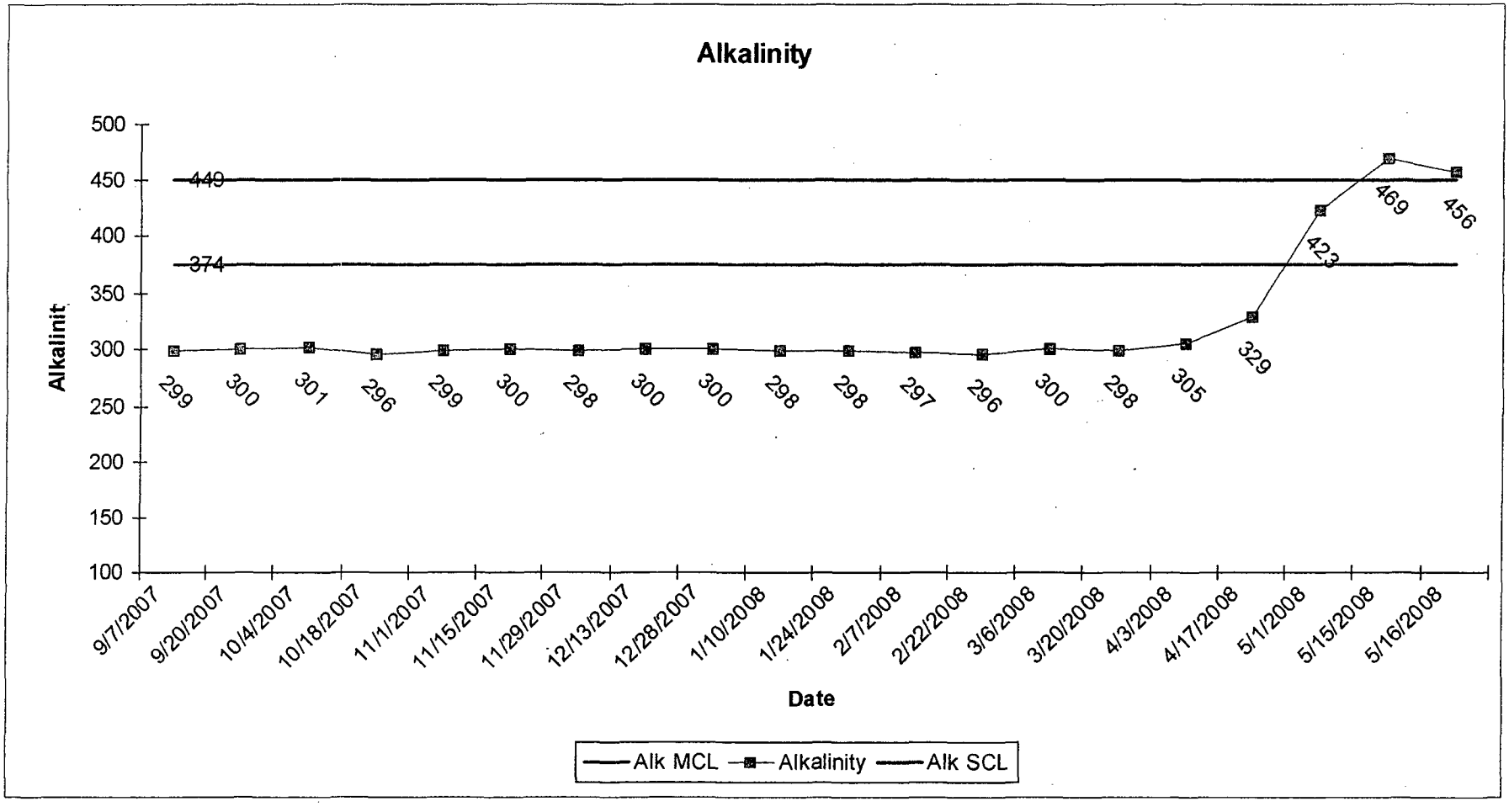
Date
Cond MCL
Conductivity
Cond SCL

CM9-5



Monday, May 19, 2008

Sample Date 5/15/08
Analysis Date 5/15/08

Crow Butte Project
Monitor Well Laboratory Report

Well ID	Alkalinity (mg/L)	Alk SCL	Alk MCL	Conductivity (µmho/cm)	Cond SCL	Cond MCL	Chloride (mg/L)	Cl SCL	Cl MCL
BOW96-1	**222**	314	262	**500**	791	659	**6.8**	24	20
CM6-2	**295**	436	364	**1920**	2822	2352	**190**	279	233
CM6-28	**316**	449	374	**1850**	2894	2412	**182**	307	256
CM6-29	**300**	448	373	**1910**	3024	2520	**185**	321	268
CM6-3	**294**	441	367	**1930**	2808	2340	**186**	269	224
CM6-30	**314**	459	383	**1860**	2952	2460	**182**	328	274
CM6-31	**315**	464	386	**1880**	2851	2376	**184**	301	251
CM6-32	**310**	461	384	**1900**	2981	2484	**184**	292	244
CM8-24	**322**	458	382	**1860**	2971	2484	**182**	278	232
CM8-25	**312**	449	374	**1860**	3355	2796	**181**	357	298
CM9-1	**303**	482	402	**1890**	2837	2364	**201**	288	240
CM9-10	**300**	359	**299**	**1800**	2390	1992	**186**	292	244
CM9-2	**302**	439	366	**1840**	2779	2316	**186**	297	247
CM9-3	**333**	448	373	**2010**	2664	2220	**215**	266	**222**
CM9-4	**389**	464	**386**	**2270**	3067	2556	**241**	383	319
CM9-5	**469**	**449**	**374**	**2500**	2952	**2460**	**259**	328	274
CM9-6	**311**	449	374	**1860**	3082	2568	**192**	377	314
CM9-7	**299**	464	386	**1810**	2808	2340	**183**	285	238
CM9-8	**300**	418	348	**1820**	2952	2460	**187**	366	305
CM9-9	**304**	475	396	**1810**	2923	2436	**187**	334	278
SM10-30	**227**	359	299	**510**	778	648	**6.4**	25	21
SM10-31	**226**	340	283	**510**	734	612	**5.9**	25	21
SM10-32	**228**	340	283	**510**	734	612	**5.8**	23	20
SM8-17	**224**	331	276	**510**	848	707	**7.1**	24	20
SM8-18	**223**	317	264	**520**	816	680	**9.9**	25	21

Crow Butte Project
Monitor Well Laboratory Report

Sample Date 5/16/08
Analysis Date 5/16/08

Well ID	Alkalinity (mg/L)	Alk SCL	Alk MCL	Conductivity (µmho/cm)	Cond SCL	Cond MCL	Chloride (mg/L)	Cl SCL	Cl MCL
CM9-5	456	449	374	2470	2952	2460	260	328	274