CAMECO RESOURCES CROW BUTTE OPERATION

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

(308) 665-2215 (308) 665-2341 – FAX

July 16, 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 CM9-3 Monitor Well Excursion

Dear Mr. McConnell:

On May 30, 2008 during routine biweekly water sampling of Crow Butte Operation (CBO) perimeter monitor well CM9-3, the multiple parameter upper control limit (UCL) was exceeded for alkalinity and chloride. 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 alkalinity, chloride, and conductivity. Based on these results, CM9-3 was placed on excursion status.

In accordance with License Condition 11.2, CBO increased sampling frequency for CM9-3 to weekly. Weekly samples were obtained from May 30, 2008 to July 15, 2008. The samples collected on June 10, 17, and 24, 2008, and July 1, 8, and 15, 2008 were below the excursion criteria from the permit. Based on these results, CBO is removing CM9-3 from excursion status and is returning it to routine biweekly sampling. Attached are copies of the analytical data for each of the weekly samples and graphs for each parameter covering the period of December 28, 2007 to July 15, 2008.

CROW BUTTE RESOURCES, INC.



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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.

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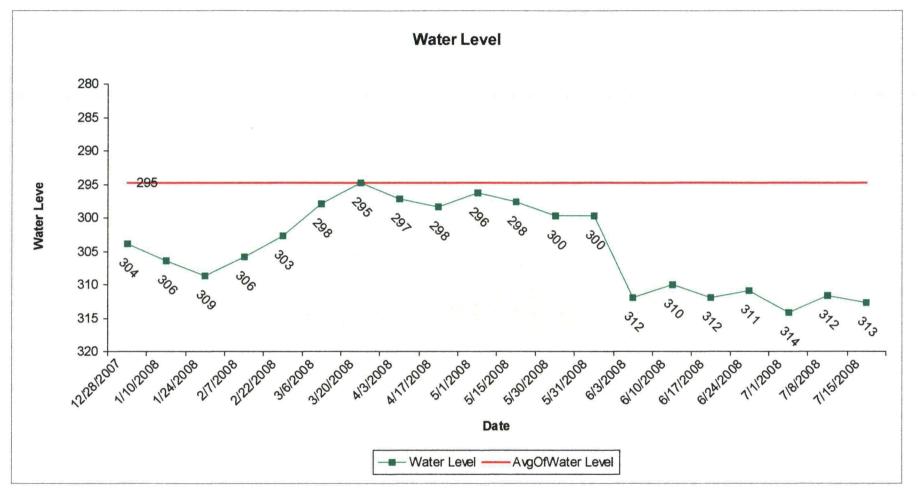
Walter D. Nelson Environmental Leadership Coordinator

Enclosures: As Stated

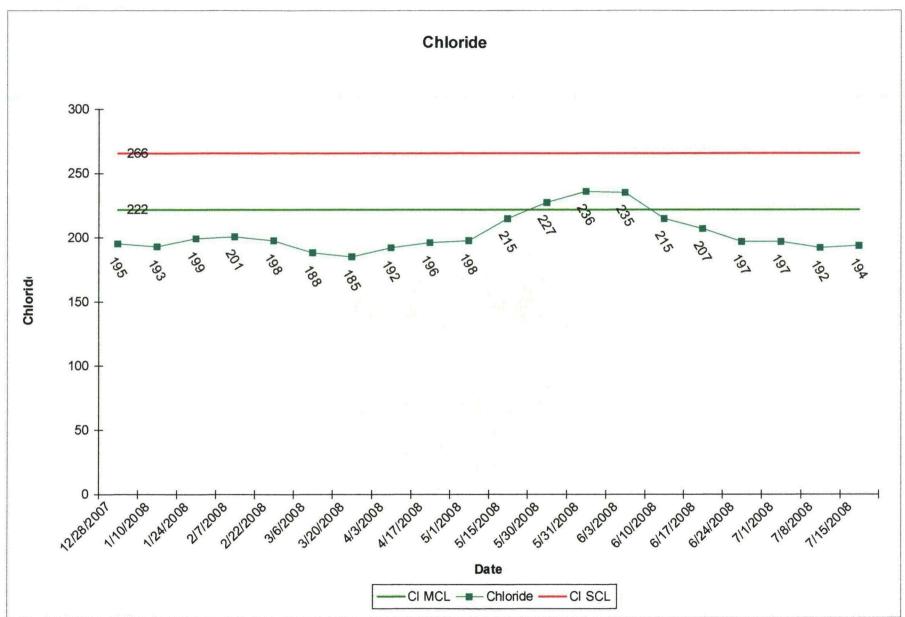
cc: U.S. Nuclear Regulatory Commission Mr. Stephen J. Cohen - ADDRESSEE ONLY Fuel Cycle Licensing Branch Mailstop T8-F5 Washington, DC 20555

Mr. Steve Magnuson - CBO, Denver

CBO File Copy



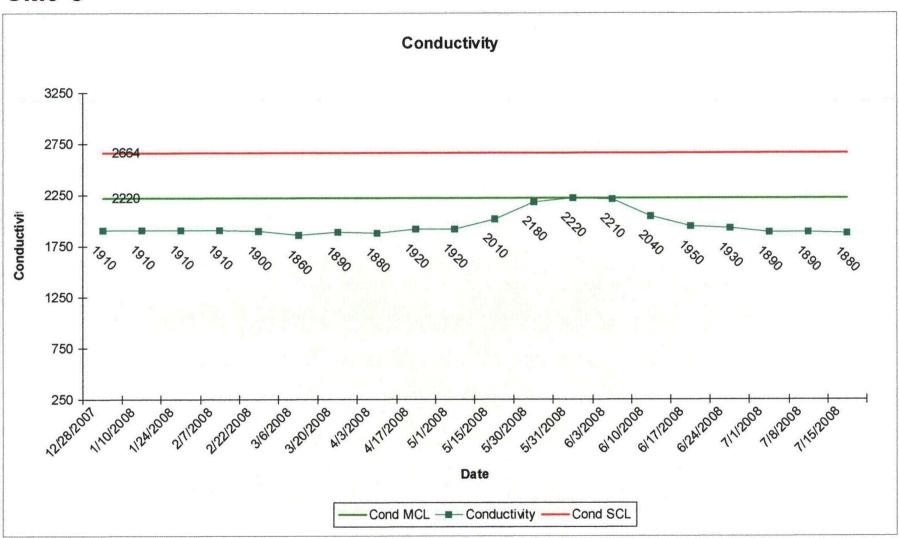
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Wednesday, July 16, 2008

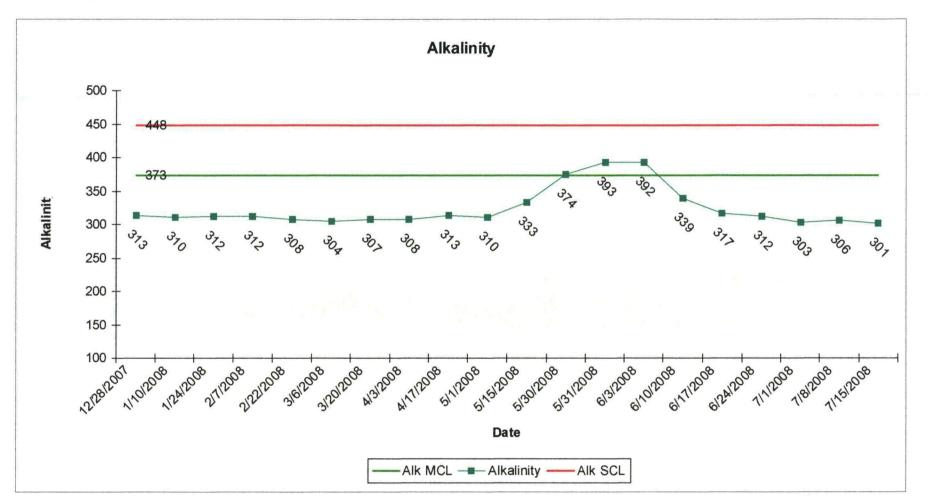
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