



CAMECO RESOURCES
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August 28, 2009

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

RE: Highland Uranium Project, Permit to Mine No. 603, Excursion at
Monitor Well IM-8

Dear Mr. Spackman:

Power Resources, Inc. d/b/a/ Cameco Resources (CR) is submitting an update to report on Monitoring Well IM-8. CR provided notification on July 31, 2009 to Ms. Pam Rothwell from WDEQ/LQD and Mr. Doug Mandeville from NRC that Monitor Well IM-8 was on excursion status with two of the three parameters (chloride and alkalinity) exceeding the approved UCLs. Analytical results from weekly samples collected during August indicate that water quality levels had trended below the UCLs on August 11, but then trended above the UCLs the following week. Monitoring well IM-8 will continue to be sampled weekly and another Guideline 8 will also be collected and submitted for analysis.

As discussed with Pam Rothwell during the August 25, 2009 inspection, CR is in the process of contracting with a consulting firm who will be assisting CR by assessing and reviewing work done to date and providing recommendations for resolution.

If you have questions, please contact me at (307) 358-6541, Ext. 429.

Sincerely,

A handwritten signature in black ink, appearing to read "Wayne Anderson".

Wayne Anderson
Manager, Environment, Health and Safety

cc: T. Cannon S. Bakken B. Johnson File HUP 4.6.4.1
T. Hewitt M. Bryson D. Mandeville, USNRC (2 copies)
File SR 4.3.3.1