

CAMECO RESOURCES

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

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June 1, 2010

Mr. Lowell Spackman, District 1 Supervisor Wyoming Department of Environmental Quality Land Quality Division Herschler Building, 3 Fl-West 122 West 25th Street Cheyenne, WY 82002

RE: Second Round Monitor Well Sampling May 2010, Cameco Resources, Smith Ranch Highland Uranium Project, Permit Nos. 603 and 633

Dear Mr. Spackman:

In accordance with WDEQ/LQD Chapter 11 Section 12, Power Resources, Inc. d/b/a Cameco Resources (CR) provided verbal notification to Mr. Lowell Spackman of the WDEQ/LQD on May 25, 2010 that due to excessive precipitation some monitor wells, including those presently on excursion may not be sampled timely and CR would provide an update to WDEQ/LQD regarding the monitor well sampling status. On June 1, 2010, CR verbally notified Ms. Pam Rothwell of the WDEQ/LQD and Mr. Doug Mandeville of the NRC that 39 monitor wells could not be sampled for the second round sampling event for May, 2010; however, the three monitor wells currently on excursion were able to be sampled. A list of the monitor wells that could not be sampled for the May second round sampling is attached.

Smith Ranch received 4 to 6 inches of precipitation, mostly in the form of heavy rains, over the last few weeks creating supersaturated ground conditions. CR delayed sampling personnel from entering the wellfields to avoid creating surface ruts, as well as muddy conditions prevented safe access to people and equipment in many wellfield areas. As ground conditions would allow the sampling crew made multiple attempts to sample the monitor wells and logged several additional hours of overtime in order to achieve the semi-monthly monitor well sampling requirement. It is worth noting that in a normal day of monitor well sampling, approximately 100 monitor wells are sampled; therefore, 39 monitor wells equates to about one-third of a day of sampling.

CR will submit a follow-up letter providing trend analysis of the monitor wells after the next sampling round is collected and analyzed.

Please call me at (307) 358-6541 ext. 462 if you have questions.

Sincerely,

Angelo Kallas

Safety, Health, Environment and Quality (SHEQ) Manager

AK/dk

Attachments: List of Un-sampled Wells

cc: J. Brister File: HUP 4.3.3.1 File: SR 4.3.3.1

D. Mandeville, NRC (2 copies)

	WELL NAME	MINE UNIT
	DM22	D
	DM23	D
•	DMU2	D.
	DMU4	D
	FM10	F
	FM11	F
	FM19	F
	FM20	F
	FM21	F
,	FM22	F
	FM23	F
	FM24	F
	FMO18	F
	FMO8	F
	FMU18	F
	FMU8	F
	M416	4
	M417	4
:	M418A	4
	M419	4
	M420	4
	M421	4
•	M433	4
	M434	4
	M928	9
	M929	9
	M930	9
	M931	9
	MD207	2
	MD209	2
	MS207	2
	MS209	2
	MO1526	15
	MU1526	15
	CMP2	С
	CMP22	С
	CMP23	С
	CMP28	С
	CMP31	С