



July 16, 2010

**LICENSE SUA-1341
DOCKET NO. 40-8502**

Attn: Document Control Desk
U.S. Nuclear Regulatory Commission
Mr. Keith I. McConnell, Deputy Director
Decommissioning & Uranium Recovery Licensing Directorate
Division of Waste Management & Environmental Protection
Office of Federal & State Materials & Environmental Management Programs,
11545 Rockville Pike
Rockville, MD 20852-2738

RE: Quarterly Progress Report of Monitor Wells on Excursion Status – 2nd Qtr. 2010.

Dear Mr. McConnell:

This letter serves as the progress report required by License Sections 11.2 and 12.2, for all of Uranium One U.S.A., Inc Wyoming operation wells on excursion status through the end of the second quarter of 2010.

Uranium One had two wells on excursion status at the Christensen Ranch project site during this past quarter. At Christensen Ranch, well 5MW66 remained on excursion status through March, 2010. On March 2, 2010 Mr. Mark Taylor (WDEQ Project Manager for Irigaray & Christensen Ranch) provided his acceptance of our December 9, 2004 proposal for release from excursion status for this well. By letter dated March 18, 2010 the WDEQ-LQD District III has requested Uranium One place 5MW66 back to excursion status as per chapter 11, sec.12 of the Wyoming Land Quality Rules & Regulations. As a result of this action Uranium One will follow the provisions of our License Condition 11.2 & 12.2. 5MW66 is being sampled on a weekly basis and will continue until three consecutive weekly samples show no more than one upper control limit (UCL) is exceeded. A corrective action plan is in progress with the assistance of Petrotek Engineering. To date Uranium One has identified five wells surrounding 5MW66. The wells have been checked for mechanical integrity, sampled and analyzed. All sample analysis has been sent to Petrotek engineering for a formal corrective action plan.

On June 9, 2010 during routine quarterly sampling perimeter monitor well 4MW1 at the Christensen Ranch project site exceeded three upper control limits (UCL). A second sample was taken on June 10, 2010 and again three (UCL) were exceeded confirming the well on excursion. Sampling of this well is being done weekly and will continue until three consecutive weekly samples show that the excursion is not exceeding more than one Upper Control Limit. Corrective action will begin as soon as the leak in pond 1 is repaired.

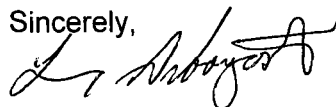
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FSME21

The attached Table shows the sample analysis of 5MW66 and 4MW1.

Please contact me if you have any questions regarding this report.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry Arbogast". The signature is fluid and cursive, with a large initial "L" and a stylized "A".

Larry Arbogast
Radiation Safety Officer

cc: Jon Winter Uranium One

MONITOR WELL ID 5MW 66

LOCATION: CHRISTENSEN RANCH MU 5

SAMPLE DATE	CHLORIDE	CONDUCTIVITY	ALKALINITY	Ph	WATER LEVEL	U ₃ O ₈
	UCL 22.7mg/l	UCL 1004 mmhos	UCL 134.3 mg/l		ELEV.	ppm
3/24/2010	37	1407	259.1	7.5	4635	2.6
* 3/31/2010						
4/6/2010	38.2	1405	319	7.4	4635.2	2.7
* 4/14/2010						
4/21/2010	36.2	1400	297.8	7.4	4635.7	2.26
4/27/2010	38.3	1386	306.4	7.5	4635.2	2.2
* 5/5/2010						
5/11/2010	37.2	1392	335.2	7.2	4635	2.2
* 5/18/2010						
5/25/2010	40	1394	352.8	7.1	4634	2.3
6/3/2010	42	1383	360.2	7.2	4634.5	2.2
6/9/2010	35.2	1380	328.2	7.3	4634	2.1
6/15/2010	36.2	1371	314.2	7	4632.6	2
6/21/2010	43.8	1378	318.8	6.9	4634.1	2.1
6/29/2010	35.8	1412	327.4	6.8	4635.3	2.5

* Field conditions to muddy and unsafe to be sampled.

MONITOR WELL ID 4MW1

LOCATION: CHRISTENSEN RANCH MU 4

SAMPLE DATE	CHLORIDE	CONDUCTIVITY	ALKALINITY	Ph	WATER LEVEL	U ₃ O ₈
	UCL 11.1mg/l	UCL 825 mmhos	UCL 116.9 mg/l		ELEV.	ppm
6/9/2010	25	809	124.9	7.8	4588	<.4
6/10/2010	25.8	796	125	7.8	4588.8	<.4
6/15/2010	29.1	857	135	7.4	4588.5	1.1
6/21/2010	31.8	859	131.7	6.6	4588.3	0.7
6/29/2010	28	864	140	6.6	4588.1	0.9