

CAMECO RESOURCES Smith Ranch-Highland

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September 22, 2010

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

CERTIFIED MAIL #70101060000021397665 RETURN RECEIPT REQUESTED

RE: Highland Uranium Project, Permit to Mine No. 603, Update on Monitor Well CM-15 Excursion

Dear Mr. Spackman:

On September 10, 2010, Power Resources, Inc. d/b/a/ Cameco Resources (CR) verbally notified the Wyoming Department of Environmental Quality Land Quality Division (WDEQ/LQD) per Chapter 11 regulations, Permit 603 Plan of Operations Section 8, and the Nuclear Regulatory Commission (NRC) License Condition No. 11.5, that monitor well CM-15 was on excursion. A letter regarding the excursion was submitted to both regulatory agencies on September 13, 2010 in accordance with the permit and license. Weekly sampling results from September 14, 2010 did show that two of the three constituents (chloride and conductivity) were below UCLs and the well is off excursion. A voice mail message was left for Ms. Pam Rothwell of the WDEQ/LQD to that regard; however, CR decided to collect an additional weekly sample to ensure the values. The table below has been updated to show the water quality data from the last two sampling events.

Sample Date	Chloride (mg/L)	Alkalinity (mg/L CaCO ₃)	Conductivity (µMhos/cm)
	UCL 18	UCL 202	UCL 852
9/21/2010	16	208	843
9/14/2010	16	212	844
9/10/2010	14	215	859
9/9/2010	14	205	891

Please call me at (307) 358-6541, Ext. 474 if you have questions.

Sincerely,

for Angelo Kallas Na

Angelo Kallas Safety, Health, Environment and Quality Manager

AK/dk

cc: T. Cannon J. Brister D. Mandeville, USNRC (2 copies) File HUP 4.6.4.1