



October 6, 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 – 3rd 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 third quarter of 2010. Uranium One had two wells on excursion status at the Christensen Ranch project site during the past quarter.

At Christensen Ranch, well 5MW66 remained on excursion status through September, 2010. 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 fifteen wells surrounding 5MW66. The wells have been checked for mechanical integrity, sampled and analyzed. Actions completed or are currently underway as outlined in the September 21, 2010 report to the WDEQ-LQD (Copied to the NRC) include:

- Assess production and restoration history of module 5-5 - August 13, 2010 report to WDEQ. (Complete)
- Evaluate historic and recent water quality and level data – August 13, 2010 report to WDEQ and September 21, 2010 report to WDEQ. (Complete)
- Collect additional water quality data for further characterization – August 13, 2010 report to WDEQ and September 21, 2010 report to WDEQ. (Complete)
- Measure water levels to establish the current potentiometric surface – September 21, 2010 report to WDEQ. (Complete)

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- Review historic groundwater models used to assess excursion recovery – (Complete)
- Prepare geologic cross-sections to identify potential pathways for migration – (October 15, 2010)
- Develop or update groundwater models to assess current conditions and evaluate excursion recovery alternatives – (October 30, 2010, ongoing)
- Propose a corrective action option along with a monitoring plan to demonstrate the effectiveness of the selected remedy – (October 30, 2010, ongoing). The corrective action plan will be finished by October 30, 2010

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 began on July 29, 2010 with the pumping of two adjacent recovery wells. On August 25, 2010 Uranium One was successful in reversing the excursion with only one (UCL) being exceeded for consecutive weekly samples. The excursion was terminated at that time.

The attached Tables show the sample analysis of 5MW66 and 4MW1.

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

Sincerely,



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
7/7/2010	36.2	1397	313.8	7.2	4633.3	2.2
7/12/2010	36.6	1385	324.4	7.1	4633.5	2.2
7/20/2010	31.6	1386	309.2	7.2	4631.9	2.1
7/27/2010	38	1395	322.4	7.3	4631.4	1.8
8/3/2010	34.8	1384	346	7.4	4631.9	2.1
8/9/2010	37.2	1393	348	7.6	4634.7	1.9
8/18/2010	34.4	1394	328.2	6.9	4632.6	2.1
8/25/2010	38.2	1391	370.2	6.8	4633.3	2.5
8/31/2010	38.4	1379	352	7	4632.6	2
9/9/2010	37.6	1378	360.6	7.3	4631.5	2.2
9/13/2010	37.2	1386	348.2	7.4	4631.9	2.1
9/22/2010	36.6	1382	356.8	7.8	4630.8	1.9
9/28/2010	32.6	1376	317.8	7.3	4633.3	2.2

* 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
7/7/2010	28.9	857	141.4	7.2	4589.5	<.4
7/12/2010	29.4	851	134.4	7.1	4585.4	<.4
7/19/2010	28.8	855	135.8	7.2	4588.7	<.4
7/26/2010	26.3	848	137.8	7.1	4583.3	<.4
8/4/2010	15	679	119	8.3	4583.1	<.4
8/9/2010	12	694	99.5	8.1	4575.7	<.4
8/18/2010	11.1	689	95.2	7.9	4576.5	<.4
8/25/2010	10.5	691	93.2	7.7	4576.1	<.4