



CAMECO RESOURCES

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October 12, 2011

U.S. Nuclear Regulatory Commission
Attn: Douglas Mandeville
11545 Rockville Pike
Two White Flint North, Mailstop T8 F5
Rockville, MD 20852-2738

RE: Construction Plans at the North Butte Project – NRC License SUA-1548

Dear Mr. Mandeville:

During the NRC's presubmittal audit of Cameco Resources (Cameco) license renewal application (SUA-1548) on September 20, 2011 there were discussions of construction activities at our North Butte project which Cameco is planning to commence in the 4Q/2011 and throughout 2012. The purpose of this letter is to serve as our notice to you regarding these construction plans.

Cameco's planned activities have been evaluated by NRC and incorporated into NRC license SUA 1548. The current construction activities that are planned at North Butte include upgrading the access roads, drilling one deep disposal well (See Change No. 6 NRC Application, Page 15-32, Section 15.8 dated March 27, 1992), and construction of the main satellite building. Cameco has reviewed the approved license conditions for the North Butte project and the following discussion documents the minor variances from the approved application.

The original plant design in evaluated in the license has building dimensions of 80' x 150' (See Change No. 6 NRC Application, Page 1-6, Section 1.4.2 dated March 27, 1992). The plant evaluated in the license includes an elution circuit, slurry processing and a drying and packaging circuit. Our current plans envision a 150' x 112' satellite plant. The resin would then be processed at the Smith Ranch facility. Attachment 1 (Figure CIV-NB-001) provides the layout and dimension of the proposed plant and offices. Since Cameco no longer plans to include a drying and packaging circuit at North Butte, Cameco believes that the potential safety and environmental impacts from the new plant design are less than previously evaluated and approved by the NRC.

The only other change to our plans has to do with the road construction. In the original license, the road extends north to the plant and offices in Section 24 (See Change No. 7 NRC Application, Page 15-1, Section 15.1 dated October 1, 1992). The current plans are to continue the road North, past the plant and offices and then turn East across the Northern portion of

Section 19 until it reaches the North Butte Road. Attachment 2 (Figure C1.4) provides the current layout of the proposed road. This route is preferred by the landowner.

Please note, Cameco's 2011-2012 surety estimate – originally submitted to the NRC January 28, 2011, covers building demolition and disposal costs for the satellite building in the amount of \$648,020 (Part II). This estimate was revised in Cameco's response to the Wyoming Department of Environmental Quality comments on August 30, 2011 to a total of \$656,491.

The 2011-2012 surety estimate, submitted in January, contains waste disposal well abandonment costs in the amount of \$213,790 (Part IV, Section D). This value was slightly adjusted in August 30, 2011 to a total of \$213,247. A copy of the August letter to the DEQ with attached surety estimate was sent to the NRC on October 7, 2011.

The 2011-2012 surety estimate, submitted in January 2011, contains access road reclamation costs in the amount of \$62,757 (Part V, Section E). This value was unchanged in the August 2011 response to DEQ's comments.

Cameco believes the planned construction activities have been evaluated by the NRC and incorporated into License SUA 1548. Should NRC have any questions regarding our construction plans, please contact me at 307-316-7588.

Sincerely,
CAMECO RESOURCES

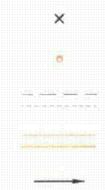
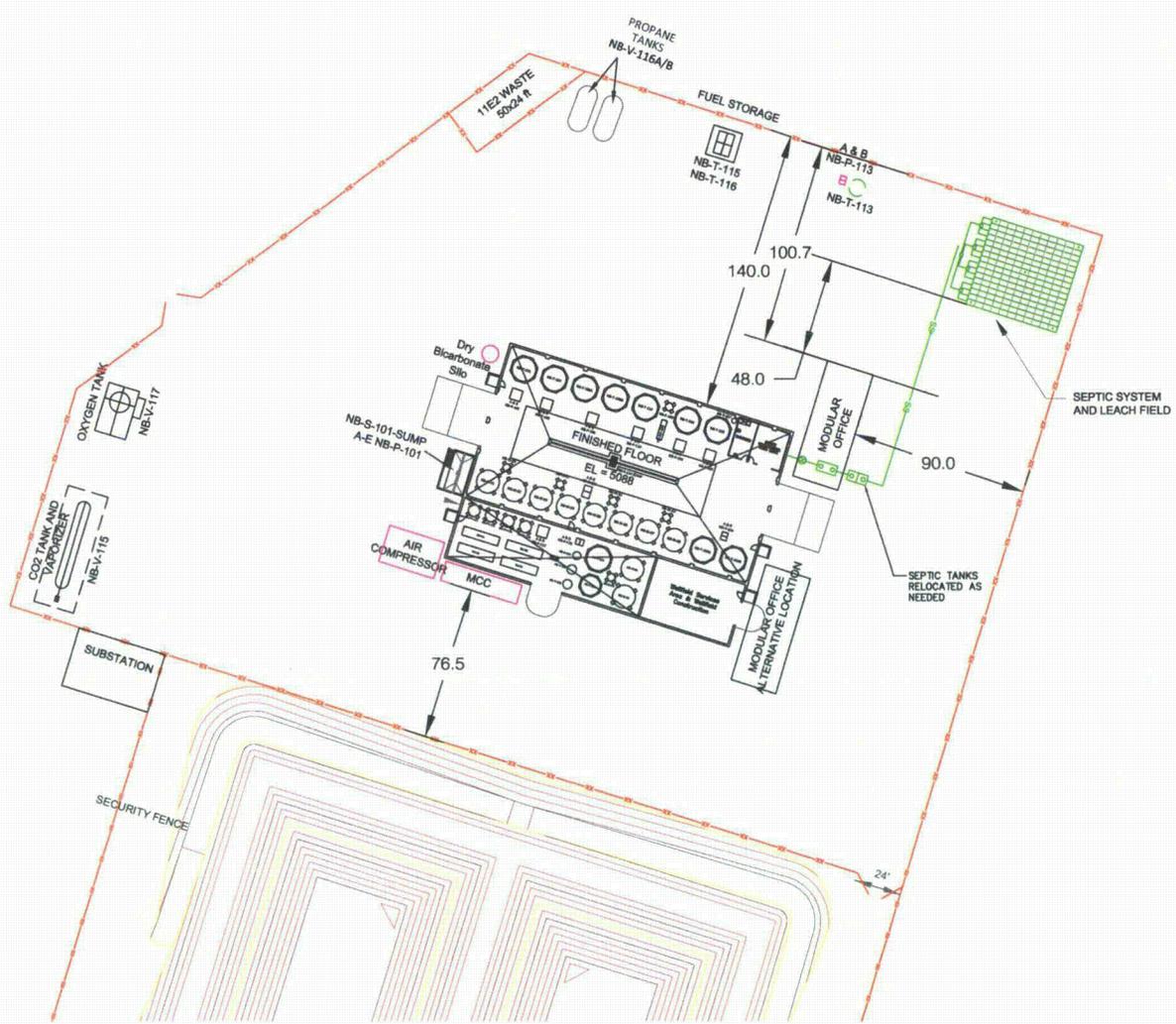


Josh Leftwich
Director of Radiation Safety and Licensing

Attachments: Attachment 1 (Figure CIV-NB-001) Layout and dimensions of Plant and Offices
Attachment 2 (Figure C1.4) Layout of Proposed Road

cc: NB File
Cameco-Casper
Cameco-Cheyenne
Glenn Mooney- DEQ #3

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CONCEPTUAL DESIGN OCTOBER 4, 2011 REV. 1



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Cameco

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Client: CAMECO RESOURCES
Proj. Loc: CAMPBELL COUNTY, WYOMING
NORTH BUTTE ISR PROJECT

SITE MAP

Project No.: 114-510425
Designed By:
Drawn By: MAT9364
Checked By: JMS

CIV-NB-001

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