

→ L. Gerjey



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May 3, 2012

Sent via Certified Mail

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 and State Materials &
Environmental Management Programs
11545 Rockville Pike
Rockville, MD 20852-2738

**RE: License SUA-1341, Docket No. 40-8502
Willow Creek ISR Project
Notification of Excursion - Monitor Well 5AG70-1**

Dear Mr. McConnell:

In accordance with License Conditions 12.2 and 9.2 of the referenced license, this letter serves as the written notification of the confirmed Excursion status for Monitor Well 5AG70-1 which was reported to you by email on April 12, 2012. This well is located in the south western portion of the Mine Unit (MU) 5 wellfield area where groundwater restoration was previously completed (Section 17 of Township 44 N, Range 76 W in Campbell County, Wyoming). This well is actually a historic production well located in the MU 5-1 area that was put into service as a production zone monitor well for the recently resumed uranium production activities in MU 5-2. Consistent with the similar conditions at Monitor Wells 5AH57-1 and 5AV46-1, which were reported to you in the Notification of Excursion Report on April 9, 2012, this "Excursion" is limited to areas of the wellfield that were previously mined and restored. Therefore, the ground water that has been impacted is not "native" ground water and is within the Exempted Aquifer area.

The routine biweekly sample of Well 5AG70-1 exceeded two Upper Control Limits (UCLs) on April 10, 2012. A second confirmation sample was taken on April 12, 2012. The confirmation sample exceeded two of the UCLs as well, which confirmed the Excursion status. The results for uranium concentration for the samples were 10.0 and 9.7 mg/L, respectively. In accordance with permit requirements, the sampling frequency has been increased to weekly, and will continue until 3 consecutive weekly samples indicate that not more than one UCL is exceeded.

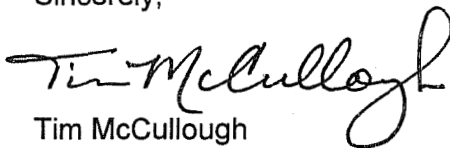
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Uranium One is assessing potential Corrective Actions as well as the current monitoring plan that uses historic production or injection wells in the restored area as routine monitor wells has created some unforeseen circumstances. The situation will be evaluated in the near future, in part with the WDEQ, to develop a revised monitoring scheme for these unique conditions at the 5-2 area.

The attached table provides the analytical data for the samples which confirmed the Excursion status of Monitor Well 5AG70-1.

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

Sincerely,



Tim McCullough
Manager Site SHE

cc: Bill Kearney
Larry Arbogast
Rick Kukura
Barry Koch
Blair Spitzberg, NRC
Ron Linton, NRC
Linda Gersey, NRC

**URANIUM ONE
CHRISTENSEN RANCH
MINE UNIT 5-2
MONITOR WELL 5AG-70**

Sample Date	CHLORIDE (UCL 78.2mg/l)	CONDUCTIVITY (UCL 3014 µmhos/cm)	ALKALINITY (UCL 1049.3 mg/l)	pH	WATER LEVEL	U ₃ O ₈ ppm
11/23/2011	55.4	2847	937.7	6.7	4442.7	7.1
11/28/2011	64	2833	987	6.7	4443.7	7.5
12/5/2011	62.9	2776	977.9	6.7	4440.2	7.1
12/14/2011	62	2753	951.0	6.7	4442.9	4.3
12/19/2011	64.5	2753	945	6.8	4442.5	7.9
12/27/2011	66	2716	948	6.8	4442.9	7.8
1/5/2012	67.5	2715	939	6.7	4443.0	7.6
1/18/2012	63	2744	935	6.9	4443.4	7.2
2/16/2012	55.3	2661	938	7.2	4443.3	
2/29/2012	58.6	2700	891	6.9	4441.2	
3/13/2012	57.6	2734	916	7.1	4442	
3/29/2012	70	3230	1028	6.8	4465.1	
4/10/2012	74.5	3220	1077.5	7	4445.4	10.0
4/11/2012	75	3180	1110.5	6.9	4445.1	9.7
4/16/2012	82	3170	1158.5	6.7	4443.7	9.9
4/23/2012	97	3240	1128	6.7	4452.5	10.7
4/30/2012	75	3250	1119.5	6.7	4456.8	10.5