

July 27, 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

**Subject: License SUA-1341, Docket No. 40-8502  
Willow Creek Project  
Quarterly Progress Report of Monitor Wells on Excursion Status – 2<sup>nd</sup>  
Qtr. 2012**

Dear Mr. McConnell:

In accordance with License Conditions 11.2 and 12.2 of the referenced license, this letter serves as the Quarterly Progress Report for all of the Uranium One USA, Inc. Wyoming operation wells on Excursion Status at the Willow Creek Project during the 2<sup>nd</sup> Quarter of 2012.

**Monitor Well 2MW-89**

Monitor Well 2MW-89 went on Excursion March 27, 2012. This monitor well was confirmed on Excursion Status on March 28, 2012, and reported to you by email on March 29, 2012. Monitor Well 2MW-89 is a perimeter monitor well located in the south central portion of the restored Mine Unit 2 wellfield at the Christensen Ranch site.

The Corrective Actions implemented to address this concern were as follows; Wells 2AF11-1 (391 feet to the east) and 2AE13-3 (341 feet to the West), of Well 2MW-89 were pumped at a combined rate of 11 gpm. This action dropped all parameters below the Upper Control Limits (UCLs) for four of the last five sampling rounds. The attached table provides the analytical data for the samples taken from Well 2MW-89 from January 4, 2010 to May 14, 2012.

In accordance with License Conditions 11.2, the criteria for termination of an Excursion are when the concentrations of at least two of the three Excursion indicators remain below

the established UCL's for three consecutive samples. This has been the case at Well 2MW-89 since April 16, 2012. Therefore, this letter serves as notification that the Excursion Status for Monitor Well 2MW-89 in the restored Mine Unit 2 wellfield has been terminated and this well has returned to the biweekly monitoring frequency.

### **Monitor Well 5MW-66**

Monitor Well 5MW-66 went on Excursion March 28, 2012. This monitor well was confirmed on Excursion Status on March 29, 2012, and reported to you by email on March 29, 2012. Monitor Well 5MW-66 is a perimeter monitor well located in the north eastern portion of the restored Mine Unit 5 wellfield at the Christensen Ranch site. It is located far away from the Mine Unit 5-2 area that was recently put back into production operations.

The Corrective Actions implemented to address this concern were as follows; wells 5BP118-1 (348 feet to the NNE) and 5BM103-1 (349 feet to the SSW), of Well 5MW-66 were reconnected and pumped at a combined rate of 11 gpm. This action dropped all parameters below the Upper Control Limits (UCLs) for the last five sampling rounds. The attached table provides the analytical data for the samples taken from Well 5MW-66 from January 13, 2010 to May 14, 2012.

In accordance with License Conditions 11.2, the criteria for termination of an Excursion are when the concentrations of at least two of the three Excursion indicators remain below the established UCL's for three consecutive samples. This has been the case at Well 5MW-66 since April 23, 2012. Therefore, this letter serves as notification that the Excursion Status for Monitor Well 5MW-66 in the restored Mine Unit 5 wellfield has been terminated and this well has returned to the biweekly monitoring frequency.

### **Monitor Wells 5AH57-1, 5AV46-1 and 5AG70-1**

Monitor Wells 5AH57-1, 5AV46-1 and 5AG70-1 are actually historic injection and production wells in the restored Mine Unit 5 wellfield at Christensen Ranch that were put into service as monitor wells for the MU 5-2 activities. These wells are located in the southwestern portion of Mine Unit 5 wellfield at the Christensen Ranch site. Monitor Wells 5AH57-1 and 5AV46-1 were confirmed on Excursion Status on April 2, 2012 and reported to you by email on April 3, 2012. Monitor Well 5AG70-1 was confirmed on Excursion Status on April 12, 2012 and reported to you by email on April 12, 2012.

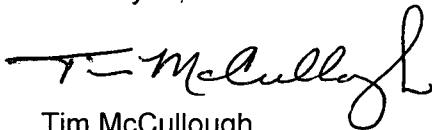
These "Excursions" are limited to areas of the wellfield that were previously mined and restored. Therefore, the ground water that has been impacted is not "native" ground water and is within the Exempted Aquifer area.

Uranium One has assessed the current monitoring plan that uses historic production or injection wells in the restored area and determined that the monitoring plan for this area needs to be revised. Therefore, on May 10, 2012 Uranium One submitted a Non significant Revision (NSR) to the MU-5 Wellfield Data Package to WYDEQ Permit No. 478. The NSR proposed a revised monitoring plan for this area to add additional wells and make the four monitor wells in question "Trend Wells" thereby removing these wells from Excursion Status. The NSR was approved by the WDEQ-LQD District III office on June 27, 2012. All future monitoring will follow the approved monitoring schedule identified on Table A-2 of the May 10, 2012 NSR. As a result of this approval, this effectively removes the above mentioned wells from Excursion Status.

The attached table provides the analysis data for the samples taken from Monitor Wells 5AH57-1, 5AV46-1 and 5AG70-1 from November 23, 2011 to June 25, 2012. As all the wells listed above are no longer on excursion, no quarterly reports will be filed for these wells.

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

Thank you,



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 2  
MONITOR WELL 2MW-89**

<b>Sample Date</b>	<b>CHLORIDE (UCL 13.6mg/l)</b>	<b>CONDUCTIVITY (UCL 823 µmhos/cm)</b>	<b>ALKALINITY (UCL 121.3 mg/l)</b>	<b>pH</b>	<b>WATER LEVEL</b>	<b>U<sub>3</sub>O<sub>8</sub> ppm</b>
1/4/2010	15.3	777	157.9	8.1	4573.9	<0.4
1/11/2010	16.1	771	157.4	8.1	4570.5	
1/18/2010	15.1	758	135.9	8	4556.9	<0.4
1/25/2010	13.9	755	125.6	8.2	4545.3	<0.4
2/1/2010	13.6	726	110	8	4550.1	<0.4
2/8/2010	13.3	720	112.8	8	4549.9	<0.4
2/16/2010	13.6	711	99.9	8	4547.6	<0.4
3/8/2010	13.3	716	95.6	8.2	4569.7	
6/7/2010	12.8	732	118.4	8	4573	
9/28/2010	13.3	750	120	8.3	4564.9	
12/8/2010	13.7	760	118.4	8.3	4565	
3/8/2011	15	765	142	8.2	4569.8	<0.4
3/9/2011	14.5	763	137.8	8.3	4569.8	<0.4
3/14/2011	14.4	759	137.5	8.2	4568.5	<0.4
3/21/2011	15.5	760	148.2	8.4	4567.6	<0.4
3/28/2011	14.7	763	147.9	8.4	4570.2	<0.4
4/4/2011	14.5	762	145.8	8.4	4559.8	<0.4
4/11/2011	14.5	748	130.9	8.4	4558.5	<0.4
4/18/2011	14.5	738	127.4	8.1	4557.4	<0.4
4/25/2011	14.9	729	123.2	8.4	4562.8	<0.4
5/2/2011	14.3	726	118.6	8.4	4561.8	<0.4
5/9/2011	14.7	727	114.8	8.4	4557.7	<0.4
5/16/2011	14.7	716	112	8.5	4556.2	<0.4
5/23/2011	14.5	712	105.7	8.4	4557.8	<0.4
5/31/2011	14.2	713	106.9	8.4	4566	<0.4
6/6/2011	14.5	714	108.5	8.3	4560	<0.4
6/13/2011	12.6	711	107	8.4	4559.8	<0.4
6/15/2011	13	708	109.9	8.3	4560	<0.4
6/20/2011	12.9	712	109.9	8.3	4560	<0.4
6/27/2011	12.5	708	112.5	8.5	4558.3	
8/22/2011	13.5	713	112.8	8.3	4558.3	
11/8/2011	13.2	732	123.2	8.3	4570.7	
3/27/2012	14.0	743	128.3	8.4	4555.1	0.8
3/28/2012	13.9	742	127.4	8.5	4554.7	<0.4
4/2/2012	13.6	739	124.2	8.4	4555.3	<0.4
4/9/2012	13.6	728	122.2	8.5	4554	<0.4

**URANIUM ONE  
CHRISTENSEN RANCH  
MINE UNIT 2  
MONITOR WELL 2MW-89**

<b>Sample Date</b>	<b>CHLORIDE (UCL 13.6mg/l)</b>	<b>CONDUCTIVITY (UCL 823 µmhos/cm)</b>	<b>ALKALINITY (UCL 121.3 mg/l)</b>	<b>pH</b>	<b>WATER LEVEL</b>	<b>U<sub>3</sub>O<sub>8</sub> ppm</b>
4/16/2012	13.4	720	117.8	8.5	4553.9	<0.4
4/23/2012	<b>14.9</b>	715	112.7	8.4	4656.7	<0.4
4/30/2012	13.6	719	118.7	8.6	4560	<0.4
5/7/2012	12.6	715	111.1	8.5	4557.3	<0.4
5/14/2012	13.5	713	104.8	8.3	4556.2	<0.4

**URANIUM ONE  
CHRISTENSEN RANCH  
MINE UNIT 5  
MONITOR WELL 5MW-66**

Sample Date	CHLORIDE (UCL 22.7mg/l)	CONDUCTIVITY (UCL 1004 µmhos/cm)	ALKALINITY (UCL 134 mg/l)	pH	WATER LEVEL	U <sub>3</sub> O <sub>8</sub> ppm
1/13/2010	37.6	1411	358	7.2	4635.9	
3/24/2010	37	1407	259.1	7.5	4635	2.6
4/6/2010	38.2	1405	319	7.4	4635.2	2.7
4/21/2010	36.2	1400	297.8	7.4	4635.7	<0.4
4/27/2010	38.3	1386	306.4	7.5	4635.2	2.2
5/11/2010	37.2	1392	335.2	7.2	4635	2.2
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	<0.4
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	2.0
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
10/6/2010	33.9	1380	345	7	4632.5	2
10/13/2010	38.6	1371	363.4	7.3	4629.5	2.1
10/19/2010	36.6	1378	350.4	7.2	4629.5	2.8
10/27/2010	36	1370	334.8	7.3	4633.8	2.2
11/2/2010	33	1370	320.4	7.5	4629.6	
11/9/2010	32.2	1372	314.4	7.1	4630.5	1.76
11/16/2010	32.6	1341	320.8	6.8	4622.4	2.28
11/22/2010	32.6	1360	315	6.9	4623.6	2.0
11/29/2010	32.6	1350	328	6.9	4629.4	1.9
12/8/2010	25.6	1162	192.6	7	4629.4	1.9
12/13/2010	25.2	1132	195.3	7.1	4629.4	0.95
12/20/2010	25.2	1112	192.4	7.1	4629.4	0.9
12/28/2010	27.8	1091	185.2	7.1	4629.4	0.5
1/3/2011	29.3	1109	177.6	7.2	4629.4	1.0
1/10/2011	23.7	1110	153.5	7.2	4629.4	<0.4
1/17/2011	22.9	1112	154.7	7.6	4629.4	1.0
1/24/2011	24.5	1080	193	7.4	4629.4	1.0

**URANIUM ONE  
CHRISTENSEN RANCH  
MINE UNIT 5  
MONITOR WELL 5MW-66**

Sample Date	CHLORIDE (UCL 22.7mg/l)	CONDUCTIVITY (UCL 1004 µmhos/cm)	ALKALINITY (UCL 134 mg/l)	pH	WATER LEVEL	U <sub>3</sub> O <sub>8</sub> ppm
2/1/2011	22.5	1095	185.9	7.5	4629.4	1.1
2/7/2011	22	1098	198.2	7.7	4629.4	1.0
2/14/2011	21.7	1085	188.1	7.1	4629.4	1.3
2/23/2011	20.1	986	124.4	8	4620.8	<0.4
2/28/2011	20.6	990	129.4	7.5	4614.7	<0.4
3/7/2011	19.3	985	130	8	4614.7	<0.4
3/14/2011	20.9	985	125.7	8	4617.1	<0.4
3/21/2011	21.2	991	135.9	8.1	4616.7	<0.4
3/28/2011	20.3	985	136.1	8.1	4618.7	<0.4
4/4/2011	19.4	983	137.9	8.1	4623.6	<0.4
4/11/2011	19.2	983	128.5	8.1	4627.9	<0.4
4/18/2011	20.4	988	130.9	7.7	4626.4	<0.4
4/25/2011	20.9	991	133.6	8	4626.8	<0.4
5/2/2011	20.7	995	137.7	8	4627.2	<0.4
5/9/2011	21.2	976	125.7	8.1	4620	<0.4
5/16/2011	21.4	973	124.8	8.2	4619.2	0.7
5/23/2011	20.5	968	115.7	7.9	4620.8	<0.4
5/31/2011	19.5	965	117.3	8.1	4625.9	<0.4
6/20/2011	17.9	967	125.3	8.2	4628.3	
6/27/2011	18	971	128.9	8.1	4628.7	
9/21/2011	17.2	942	126.7	8.2	4625.9	
11/14/2011	17	950	133.4	8	4627.9	
12/1/2011	16.7	963	138.4	7.7	4626.2	
3/28/2012	23.9	1146	244.1	8.1	4631.7	1.6
3/29/2012	23.4	1149	235.7	8.0	4631.5	1.5
4/2/2012	21.8	1119	215.1	8	4630.8	1.4
4/9/2012	14.7	901	135.1	8.1	4619.3	<0.4
4/16/2012	14.5	887	130	8.1	4620.8	<0.4
4/23/2012	18.5	897	127	7.9	4623.4	1.1
5/1/2012	14.2	897	124.2	8.1	4624.6	0.5
5/7/2012	14.2	896	121.7	8.1	4624.1	<0.4
5/14/2012	15.4	885	111.8	8.1	4626.1	<0.4

**URANIUM ONE  
CHRISTENSEN RANCH  
MINE UNIT 5-2  
MONITOR WELL 5AV46-1**

<b>SAMPLE DATE</b>	<b>CHLORIDE (UCL 33.3mg/l)</b>	<b>CONDUCTIVITY (UCL 1263 µmhos/cm)</b>	<b>ALKALINITY (UCL 424.4 mg/l)</b>	<b>pH</b>	<b>WATER LEVEL</b>	<b>U<sub>3</sub>O<sub>8</sub> ppm</b>
11/28/2011	16.8	976	322.7	7.3		5.4
12/6/2011	16.2	1018	313.4	7.3		5.0
12/14/2011	18.0	969	339.0	7.2		4.9
12/19/2011	19.2	1070	343.4	7.2		7.1
12/27/2011	22	1101	368	7.2		8.1
1/5/2012	18.0	1015	330	6.9		7.4
1/18/2012	18	1000	323.5	7.1		6.4
2/1/2012	22.3	1012	410.7	7.3		6.9
2/16/2012	17.3	961	308	7.6	4453.6	6.1
2/29/2012	18.5	893	284.4	7.4	4449.3	
3/13/2012	19.7	1005	315	7.4	4456.4	
<b>3/29/2012</b>	<b>33.3</b>	<b>1450</b>	<b>459.8</b>	7.6	4425.5	13.7
4/2/2012	26	<b>1320</b>	386.3	7.3	4435.5	12.2
<b>4/3/2012</b>	31.6	<b>1373</b>	<b>459.9</b>	7.4	4419.1	12.4
<b>4/9/2012</b>	<b>35.3</b>	<b>1414</b>	<b>495.9</b>	7.3	4422.4	13.2
<b>4/16/2012</b>	32.8	<b>1430</b>	<b>460.2</b>	7.1	4435.3	13.9
<b>4/23/2012</b>	31.1	<b>1315</b>	<b>428.9</b>	6.7	4427.2	12.6
<b>4/30/2012</b>	30.9	<b>1376</b>	<b>445.5</b>	7.2	4451	13.1
<b>5/7/2012</b>	<b>45.9</b>	<b>1710</b>	<b>568.4</b>	7	4432.2	15.9
<b>5/14/2012</b>	<b>37.9</b>	<b>1544</b>	<b>488.1</b>	7	4425	10.8
<b>5/21/2012</b>	<b>39.9</b>	<b>1667</b>	412.8	7.4	4425.8	17
<b>5/29/2012</b>	<b>42.9</b>	<b>1744</b>	<b>577.4</b>	6.9	4427.9	16.6
<b>6/4/2012</b>	<b>43.9</b>	<b>1759</b>	<b>583.7</b>	7.1	4427.4	18.8
<b>6/11/2012</b>	<b>53.6</b>	<b>1984</b>	<b>655.3</b>	6.9	4418.8	22.7
<b>6/18/2012</b>	<b>58.2</b>	<b>2152</b>	<b>725</b>	7.1	4422.4	26.4
<b>6/25/2012</b>	<b>61.9</b>	<b>2358</b>	<b>779.8</b>	7	4431.1	29.8
<b>7/2/2012</b>	<b>59.7</b>	<b>2374</b>	<b>762.6</b>	7	4427.7	31.2



**URANIUM ONE  
CHRISTENSEN RANCH  
MINE UNIT 5-2  
MONITOR WELL 5AH57-1**

<b>SAMPLE DATE</b>	<b>CHLORIDE (UCL 32.9mg/l)</b>	<b>CONDUCTIVITY (UCL 1126 µmhos/cm)</b>	<b>ALKALINITY (UCL 378.4 mg/l)</b>	<b>pH</b>	<b>WATER LEVEL</b>	<b>U<sub>3</sub>O<sub>8</sub> ppm</b>
12/19/2011	17.5	1025	331.5	6.8		6.1
12/27/2011	17.5	1040	333.0	6.5		5.5
1/3/2012	20.3	1034	336.5	6.5		4.7
1/9/2012	16.2	1035	320.4	6.5		4.0
1/18/2012	18	990	311.5	6.4		3.8
2/1/2012	18.9	1001	315.6	6.7		4.8
2/16/2012	11.9	709	214.5	7.0	4426	1.7
2/29/2012	17.3	883	267	7.0	4426.7	
3/13/2012	18.8	979	294	6.8	4428	
<b>3/29/2012</b>	<b>39.2</b>	<b>1814</b>	<b>534.8</b>	6.8	4427.2	10.9
<b>4/2/2012</b>	28.7	<b>1584</b>	<b>485.8</b>	6.9	4420	8.6
<b>4/9/2012</b>	29	<b>1432</b>	<b>478.8</b>	6.9	4438.9	6.8
<b>4/16/2012</b>	29.5	<b>1417</b>	<b>470.8</b>	7.1	4420.9	6.8
<b>4/23/2012</b>	24.2	<b>1475</b>	<b>473.5</b>	6.6	4425.6	7.9
<b>4/30/2012</b>	27	<b>1398</b>	<b>452.5</b>	7	4434.6	7.6
<b>5/7/2012</b>	32.2	<b>1576</b>	<b>515.4</b>	6.6	4422.6	9.3
<b>5/14/2012</b>	32.4	<b>1554</b>	<b>488.5</b>	6.7	4420.9	8.8
<b>5/21/2012</b>	29.4	<b>1633</b>	<b>470.1</b>	7	4427.3	9.1
<b>5/29/2012</b>	<b>34.6</b>	<b>1672</b>	<b>547.1</b>	6.8	4432.9	7.4
<b>6/4/2012</b>	31.6	<b>1585</b>	<b>517.8</b>	6.8	4438.2	12.5
<b>6/11/2012</b>	37.9	<b>1707</b>	<b>550.4</b>	6.6	4432.2	9.4
<b>6/18/2012</b>	<b>38.2</b>	<b>1765</b>	<b>570.7</b>	6.9	4433.5	9.2
<b>6/25/2012</b>	<b>36.9</b>	<b>1737</b>	<b>553.1</b>	6.9	4440.2	12.1
<b>7/2/2012</b>	<b>33.9</b>	<b>1636</b>	<b>514.1</b>	6.9	4441.1	10.4

**URANIUM ONE  
CHRISTENSEN RANCH  
MINE UNIT 5-2  
MONITOR WELL 5AG-70-1**

Sample Date	CHLORIDE (UCL 78.2mg/l)	CONDUCTIVITY (UCL 3014 µmhos/cm)	ALKALINITY (UCL 1049.3 mg/l)	pH	WATER LEVEL	U <sub>3</sub> O <sub>8</sub> 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
5/7/2012	80.0	3300	1147.5	6.7	4451.5	11.0
5/14/2012	81.5	3300	1136.5	6.7	4458.1	14.7
5/21/2012	78	3300	1074.5	7	4456.9	11.0
5/29/2012	80.5	3270	1166.5	6.6	4451.8	9.2
6/4/2012	77	3240	1148.5	6.7	4467.2	8.8
6/11/2012	80.5	3230	1139.5	6.6	4465.1	10.2
6/18/2012	80	3260	1145.5	6.8	4463.5	11.7
6/25/2012	79	3260	1132	6.8	4469.1	11.4
7/2/2012	73.5	3170	1073.5	6.7	4427.7	10.2