

August 7, 2012

via Overnight Mail

Mark Rogaczewski, Supervisor
Wyoming Department of Environmental Quality
Land Quality Division – District III
2100 West 5th Street
Sheridan, WY 82801

**RE: Willow Creek ISR Project – Permit to Mine No. 478
Christensen Ranch Mine Unit 10 Incidental Boundary Revision**

Dear Mr. Rogaczewski:

Uranium One USA, Inc. (Uranium One) herein requests an Incidental Boundary Revision (IBR) consisting of adding 200 acres to the currently approved Christensen Ranch (CR) Permit Boundary in Permit to Mine No. 478. This boundary revision is needed to facilitate the installation of approximately 12 perimeter production zone monitor wells necessary for Uranium One's ongoing development of Mine Unit 10 (MU10). The MU10 IBR is located in: W1/2 SW1/4; SE1/4 SW1/4; SW1/4 NW1/4; SW1/4 SE1/4 Section 36, T.45N., R.77W. (See Figure 1 of new Addendum 5.0 of Appendix D-6).

Although the proposed MU10 IBR area consists of 200 acres to be incorporated into the current CR permit area, actual disturbance will be limited to the drilling and completion of the 12 monitor wells and access via two track roads to the wells needed for routine sampling; thus, resulting in less than 6 acres of disturbance.

The requested MU10 IBR area was chosen to provide a clear and simple boundary line adjustment along established 1/4, 1/4 section lines. The area within the MU10 IBR area was permitted by the Cotter Corporation in 1982 as the Charlie Project, WDEQ-LQD Permit to Mine No. 489. The Charlie Project was identified as a potential surface uranium mining operation; consequently, an agreement has been reached with Cotter to allow the installation of the 12 MU10 monitoring wells as well as the three monitoring wells installed to facilitate operations in Mine Unit 8 (IBR approved July 10, 2012). No mining will take place within the IBR area. The surface owner, John Christensen, has granted Uranium One permission to install these 12 monitor wells. A copy of the signed landowner consent is included with this MU10 IBR submission as Addendum C1-D of Appendix C the Christensen Ranch Amendment Application to WDEQ Permit to Mine

No. 478 Document; the Uranium One – Cotter Corporation Reciprocal Monitor Well Non-Interference Agreement was previously submitted to WDEQ-LQD as Addendum C1-B also of Appendix C.

All pertinent baseline and adjudication information for the MU10 IBR area is contained in the enclosed Addendums for Appendices A, C, and D-1 through D-10 of the 1988 Christensen Ranch Amendment Application. During WDEQ-LQD review of Uranium One's previous IBR (TFN 5 4/322, submitted May 2, 2012, approved July 10, 2012) it was concluded that no updates were needed for Appendix B. Due to the limited disturbance that will occur within the IBR area, the immediate proximity to the current CR boundary, the fact that only 12 perimeter monitor wells will be installed, no mining will occur, and baseline studies have already been conducted in the IBR area as part of Charlie Property and Christensen Ranch application process, Uranium One believes that additional baseline studies are not necessary. Baseline ground water quality analyses, hydrogeologic characteristics, detailed geologic interpretation and all necessary well completion information for the 12 monitor wells within the IBR area will be submitted to the WDEQ-LQD as part of the Mine Unit 10 Wellfield Data Package.

Operations Within the MU10 IBR Area

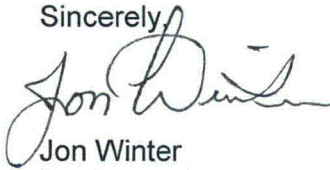
As the addition of the MU10 IBR lands is for the sole function of installation and monitoring of 12 wells, there will be little to no impact as a result of this boundary change to current operating procedures. All of the procedures and commitments listed in the Permit to Mine No. 478, A-2 Update (January, 1996) as well as the January 2012 Update to No. 478 will apply to these 12 monitor wells, specifically:

- Section 3.3.1 Wellfield Design
- Section 3.3.2 Well Construction and Completion Techniques
- Section 3.3.3 Well Filed Operations
- Section 3.6 Construction Considerations (Topsoil, Seeding, Surface Drainage & Fencing)
- Section 5.8 Environmental Monitoring Programs (Mine Unit Groundwater Monitoring, Upper Control Limits and Excursion Monitoring)
- Section 6.0 Section 6.1.2.4 (Stabilization Monitoring); Section 6.1.3.3 (Monitoring during restoration); Section 6.2.1 and 6.2.2 (Well Plugging and Abandonment & Records and Reporting); Section 6.3.2.1 (Subsoil and Topsoil Replacement Methods and Handling Techniques); Section 6.3.3 Revegetation Practices; and Section 6.4 Bonding Assessment.

Figures in the January 2012 Permit No. 478 Update and the January 5, 1996 Permit to Mine No. 478, A-2 Update affected as a result of the MU10 IBR have been updated to show the revised Christensen Ranch permit boundary, and are included with this submittal. Figures 2.3 (Surface Ownership) and 2.4 (Mineral Ownership) have also been updated to incorporate the IBR area. The minerals within the IBR area are owned by the State of Wyoming and, as previously mentioned, John Christensen is the surface owner. Please note that because this MU10 IBR request affects three separate permit documents, *Christensen Ranch Amendment Application to WDEQ Permit to Mine No. 478 & NRC License SUA-1341* (Malapai Resources, 1988), *Permit to Mine No. 478, A-2 Update Irigaray and Christensen Ranch* and *U.S. NRC License Renewal Application: Source Materials License SUA-1341* (COGEMA Mining, Inc., 1996) and *Willow Creek Project Permit to Mine No. 478 Update* (Uranium One, January 2012); three Index of Change sheets, one for each document, have been included with this IBR request.

If you have any questions or need additional information concerning this Permit 478 MU10 IBR request please contact me at 307-234-8235 or by email at jon.winter@uranium1.com.

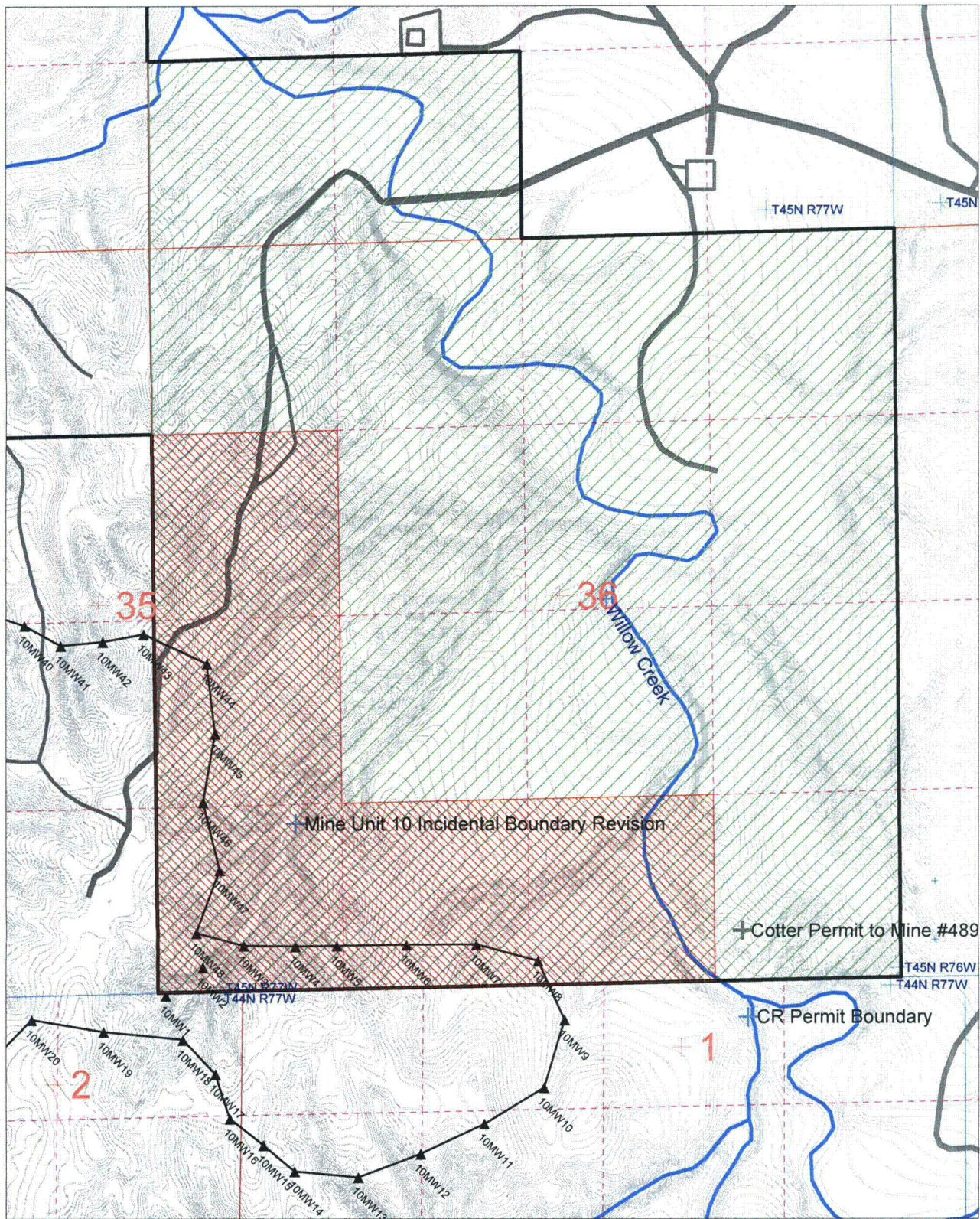
Sincerely,





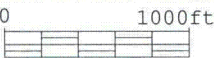


Jon Winter
Manager of Environmental & Regulatory Affairs, Wyoming

Encl: Index of Change (6)
Page Replacements/Insertions (2)

cc: Tim McCullough, Uranium One, w/ encl.
Bill Kearney, Uranium One, w/o encl.
Ron Linton, NRC, Map displaying IBR



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|---|---|---|----------|--------|--|---|--|
|  |  | Scale | DATE | SHEET |  Monitor Well  Monitor Ring | <p>Figure 1 Mine Unit 10 Incidental Boundary Revision</p> | <p>Uranium One USA, Inc. Wyoming Production Geology Group 907 North Poplar St, Suite 260 Casper, WY 82601 (307) 234-8235</p> |
| | | 1:1000 | 8/2/2012 | 1 of 1 | | | |
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907 North Poplar St., Suite 260
Casper, Wyoming 82601


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Ron Linton
U.S. NRC
11545 Rockville Pike
Rockville, MD 20852

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