



February 22, 2013

CERTIFIED MAIL # 7012 1640 0000 2326 9586

Mr. Lowell Spackman, District 1 Supervisor
Land Quality Division
Wyoming Department of Environmental Quality
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Excursion at Monitor Well KM-031, Cameco Resources, Permit No. 633

Dear Mr. Spackman:

In accordance with Wyoming Department of Environmental Quality (WDEQ) – Land Quality Division (LQD) Chapter 11 regulations, Section 12(c)(ii), Section 5.5.4 of the Operations Plan for Permit 633, and NRC License Condition No. 12.1, Power Resources, Inc. d/b/a/ Cameco Resources (Cameco) is providing written notification that Monitor Well KM-031 went on excursion status February 15, 2013. Confirmation monitoring results were received on February 20, 2013. Ms. Pam Rothwell from WDEQ-LQD and Mr. Doug Mandeville from the NRC were notified by telephone and email on February 20, 2013.

Analytical results on February 19, 2013 for the routine sample taken on February 15, 2013 indicated a potential exceedance in two of the three parameters (alkalinity and conductivity). Cameco collected a confirmation sample from the monitor well and analyzed it with a quality assurance duplicate on February 19, 2013. Results of this laboratory analyses were received on February 20, 2013 and confirmed the exceedance of Upper Control Limit (UCL) parameters. Shown below are results of samples taken.

Sample Date	Chloride (mg/L)	Alkalinity (mg/L CaCO ₃)	Conductivity (µMhos/cm)
	UCL 16	UCL 149	UCL 769
February 15, 2013	7	154	775
February 19, 2013	7	150	774

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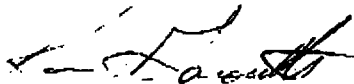
Well KM-031 has been watched closely as this well has gone on excursion status in the recent past. In a letter dated January 24, 2013 Cameco responded to LQD's review of the excursions at KM-031. In the responses to LQD comments Cameco discusses the findings from the investigation into the excursions and explains that it is unlikely that the elevated concentrations in KM-031 are due to an excursion and that the water quality in KM-031 is consistent with that of adjacent monitor wells. In response to comment #3 Cameco requests that the current UCL parameters for KM-031 be changed to match the UCL parameters for Mine Unit K.

Weekly samples will be collected to monitor the UCL constituents and uranium until the excursion is resolved. The excursion at Monitor Well KM-031 has been added to the monthly Excursion Report Summary and will be identified on the Cameco Resources site map.

Pursuant to WDEQ/LQD Chapter 11, Section 2 a duly authorized representative certification is attached.

Please contact me at (307) 358-6541 ext. 476 or email to Kenneth_Garoutte@cameco.com if you have any questions.

Respectfully,



Ken Garoutte
Safety, Health, Environment, Quality (SHEQ) Manager

KG/vg

Attachment: Duly Authorized Representative Certification

cc: File SR 4.3.3.1
Doug Mandeville, NRC (2 copies) Certified Mail # 7012 1640 0000 2326 9593
Document Control Desk, NRC Certified Mail # 7012 1640 0000 2326 9609

cc: Cameco-Cheyenne

Duly Authorized Representative Certification

I certify under penalty of law that this document and all attachments were prepared under my direction and supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for known violations.

For Brent Berg  2/22/13
Duly Authorized Representative Brent Berg Date: February 22, 2013