



CAMECO RESOURCES

*Smith Ranch-Highland
Operation*

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December 30, 2011

Mr. Lowell Spackman
District I Supervisor
Land Quality Division
Wyoming Department of Environmental Quality
122 W. 25th Street
Cheyenne, WY 82002

CERTIFIED MAIL #7011 0470 0000 7716 4414 RETURN RECEIPT REQUESTED

RE: Excursion Report Summary Update, Cameco Resources, Smith Ranch-Highland Uranium Project, Permit 603 and 633

Dear Mr. Spackman:

Power Resources, Inc. d/b/a/ Cameco Resources (Cameco) is submitting the monthly Excursion Report Summary for the Smith Ranch-Highland Uranium Project. During the month of December zero (0) new excursions were reported. The Cameco Excursion Report table is attached. Monitor well DM-003 and DM-010 remain on excursion from the month of November. Monitor well KM-031 went off excursion on October 18, 2011. Guideline 8 samples pursuant to Chapter 11 regulations were taken October 11, 2011. Results were received on December 7, 2011 and are attached.

Constituent levels in Monitor Well DM-003 have stayed relatively stable throughout the month of December 2011. Alkalinity and Conductivity levels in Monitor Well DM-010 have stayed stable with Chloride showing a gradual decrease. Copies of the monitor well reports for these wells are attached. Also attached please find graphs tracking alkalinity, chloride, and conductivity trends for each well.

A Plan and Compliance Schedule for well DM-003 was submitted to LQD in a letter dated March 10, 2011 responding to 3rd Qtr. 2010 Excursion Monitoring Report comments from LQD. A Plan and Compliance Schedule for the well DM-010 was submitted to LQD in a letter dated October 20, 2011 proposing to have DM-010 off excursion by the end of 2012 and stating that Cameco will submit progress reports through the monthly excursion report summary. LQD has acknowledged receipt of said letter and found acceptable the plan and schedule via an email dated October 25, 2011, cc. to Ken Garoutte, Cameco, from Pam Rothwell, LQD to Steve Ingle,

FSMEZO
FSME

LQD. Cameco is conducting additional monitoring in an effort to merge Mine Units C, D and E in a comprehensive ground water restoration plan. Cameco plans to review this plan with LQD during the next site inspection.

Please contact Ken Garoutte @ 307-358-6541, ext 476 or Kenneth_Garoutte@cameco.com if you have questions.

Respectfully,



Brent Berg
General Manager

BB/vg

Attachments: Cameco Resources Excursion Report
Monitor Well Report and Trend Graphs for DM-003
Monitor Well Report and Trend Graphs for DM-010
KM-031 Guideline 8 Sample Results – Energy Labs

cc: File HUP 4.3.3.1 File SR 4.3.3.1
Mr. Doug Mandeville, NRC (2copies) - CERTIFIED MAIL #7009 2820 0001 4046 2720
Document Control Desk, NRC - CERTIFIED MAIL #7009 2820 0001 4046 2737

ec: Cameco-Cheyenne

Cameco Resources Excursion Report
Permit Nos. 603 & 633
(December 2011)

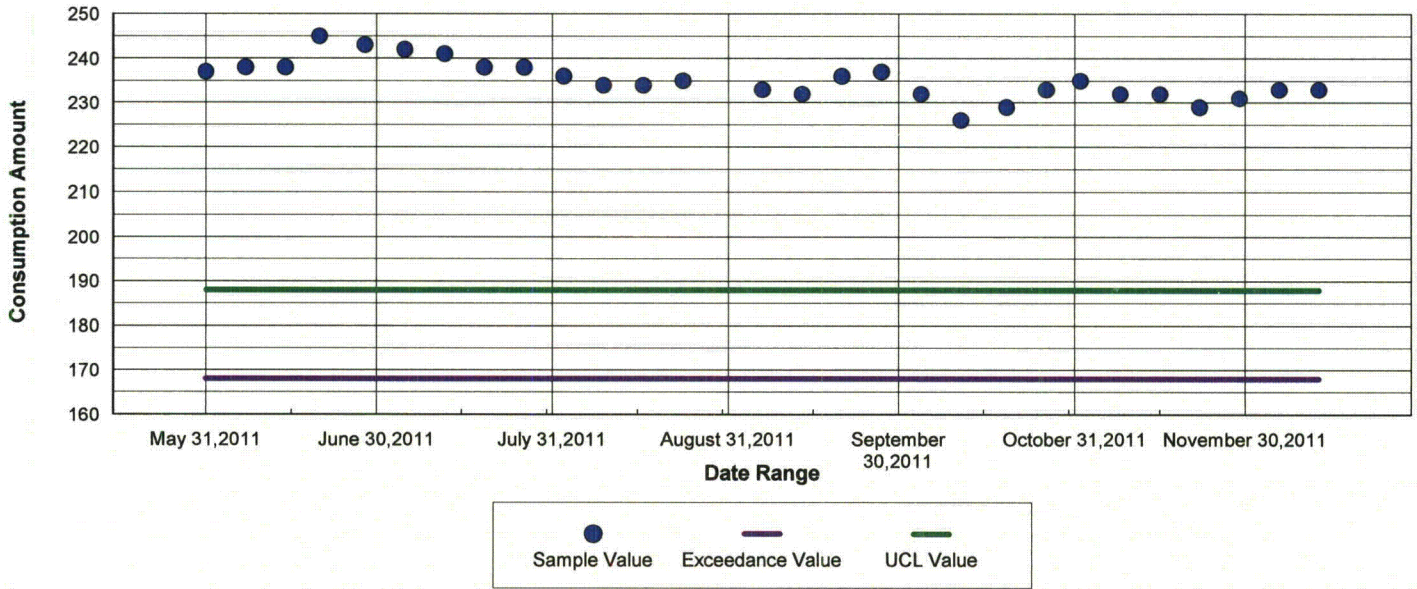
Well Identification	Initial Sample Date	Confirmation Sample Date	Excursion Status (on/off)	Parameters Exceeded	Verbal Notification Date	Written Notification Date	Excursion Resolution Date	LQD Concurrence Notification Date
DM-3	11/19/2009	11/20/2009	ON	Chloride Alkalinity	11/23/2009	11/25/2009		
DM-10	6/3/2011	6/6//2011	ON	Chloride Alkalinity	6/7/2011	6/10/2011		



Cameco Resources
Smith Ranch - Highland

Alkalinity Trending Analysis

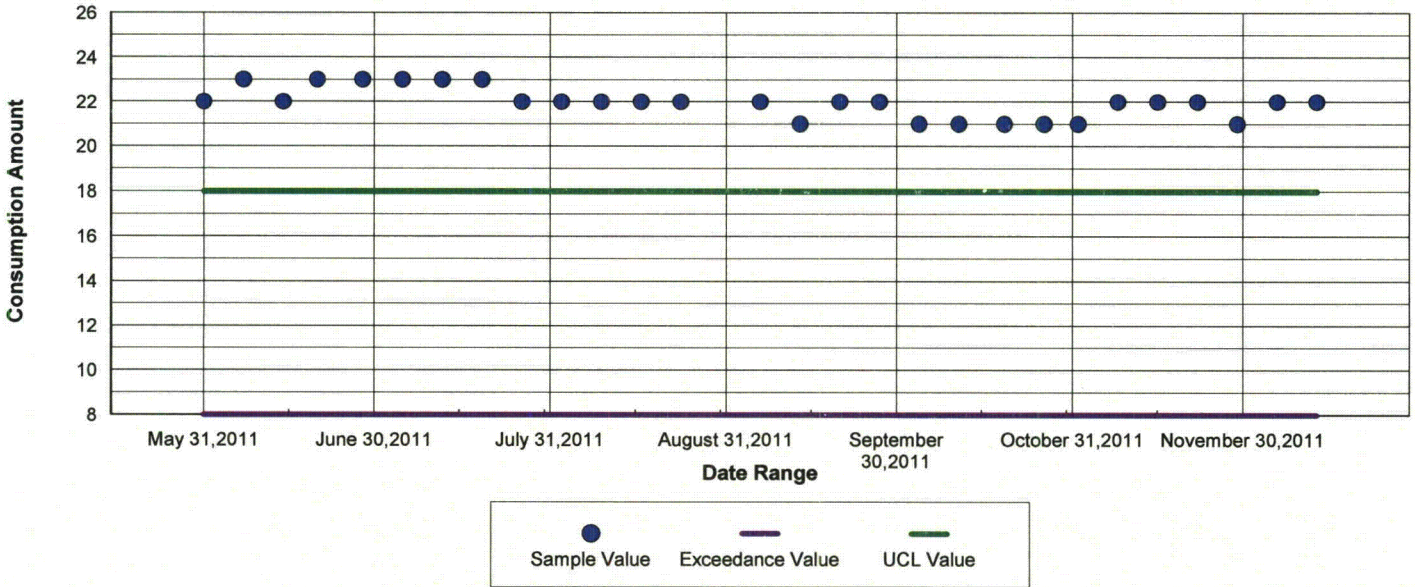
Well : DM-003





Cameco Resources
Smith Ranch - Highland

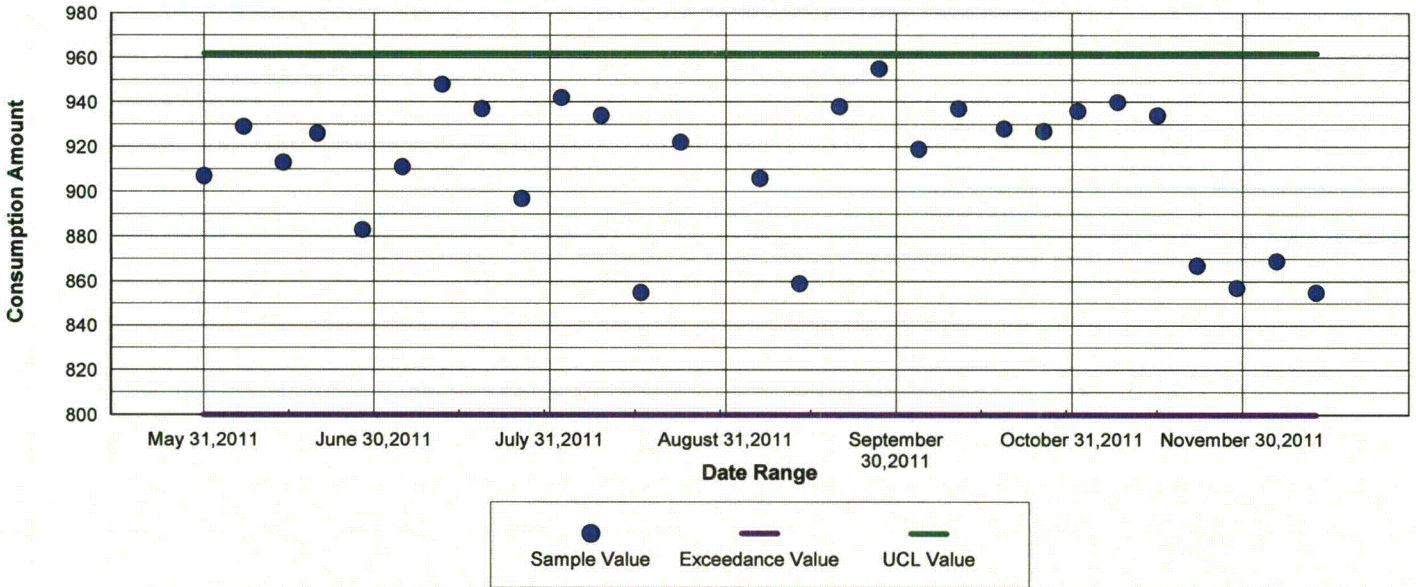
Chloride Trending Analysis Well : DM-003





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Conductivity Trending Analysis Well : DM-003





Cameco Resources

Smith Ranch - Highland Operation

Monitor Well Report

Well ID: DM-003

<i>NRC/WDEQ UCL</i>	<i>Chloride (mg/L)</i>	<i>Alkalinity (mg/L CaCO₃)</i>	<i>Conductivity (µMhos/cm)</i>	<i>U₃O₈ (mg/L)</i>	<i>Water Elevation</i>	<i>Comment</i>
	18	188	962			
12/27/2011	21	233	839	0	5092.0	
12/20/2011	22	233	879	0	5095.9	
12/13/2011	22	233	855	0	5097.8	Uranium below .5
12/06/2011	22	233	869	0	5094.6	Uranium Below Detection Limit
11/29/2011	21	231	857	0	5093.4	Uranium below .5
11/22/2011	22	229	867	0	5093.5	Uranium below .5
11/15/2011	22	232	934	0	5095.0	Uranium Below Detection Limit
11/08/2011	22	232	940	0	5096.2	Uranium Below Detection Limit
11/01/2011	21	235	936	0	5103.0	Uranium below .5
10/26/2011	21	233	927	0	5097.5	Uranium Below Detection Limit
10/19/2011	21	229	928	0	5095.4	Uranium Below Detection Limit
10/11/2011	21	226	937	0	5095.4	Uranium below .5
10/04/2011	21	232	919	0	5094.0	Uranium Below Detection Limit
09/27/2011	22	237	955	0	5093.5	Uranium Below Detection Limit
09/20/2011	22	236	938	0	5094.6	Uranium Below Detection Limit
09/13/2011	21	232	859	0	5094.8	Uranium below .5
09/06/2011	22	233	906	0	5095.3	Uranium below .5
08/23/2011	22	235	922	0	5099.6	Uranium Below Detection Limit
08/16/2011	22	234	855	0	5099.6	Uranium below .5
08/09/2011	22	234	934	0	5103.4	Uranium below .5
08/02/2011	22	236	942	0	5104.4	Uranium Below Detection Limit
07/26/2011	22	238	897	0	5107.9	Uranium below .5
07/19/2011	23	238	937	0	5112.6	Uranium below detection limit

12/29/2011



Cameco Resources
Smith Ranch - Highland Operation
Monitor Well Report

Well ID: DM-003

<i>NRC/WDEQ UCL</i>	<i>Chloride (mg/L)</i>	<i>Alkalinity (mg/L CaCO₃)</i>	<i>Conductivity (µMhos/cm)</i>	<i>U₃O₈ (mg/L)</i>	<i>Water Elevation</i>	<i>Comment</i>
	18	188	962			
07/12/2011	23	241	948	0	5110.3	Uranium below detection limit
07/05/2011	23	242	911	0	5106.8	Uranium below detection limit
06/28/2011	23	243	883	0	5102.6	Uranium below detection limit
06/20/2011	23	245	926	0	5093.9	Uranium below .5
06/14/2011	22	238	913	0	5095.4	Uranium below .5
06/07/2011	23	238	929	0	5099.1	Uranium below detection limit
05/31/2011	22	237	907	0	5099.7	Uranium below detection limit
05/24/2011	23	239	938	0	5103.9	Uranium below detection limit
05/17/2011	22	239	910	0	5107.2	Uranium below detection limit
05/10/2011	22	241	888	0	5099.6	Uranium below detection limit
05/03/2011	22	234	843	0	5100.5	Uranium below detection limit
04/26/2011	21	235	888	0	5104.0	Uranium below detection limit
04/19/2011	21	232	874	0	5107.2	Uranium below detection limit
04/12/2011	22	232	844	0	5107.6	Uranium below detection limit
04/05/2011	21	229	845	0	5108.8	Uranium below detection limit
03/29/2011	21	228	860	0	5110.0	Uranium below detection limit
03/22/2011	20	228	826	0	5112.4	Uranium Below Detection Limit
03/15/2011	21	231	824	0	5114.3	Uranium Below Detection Limit
03/08/2011	22	236	832	0	5115.2	Uranium Below Detection Limit
03/01/2011	22	233	863	0	5115.8	Uranium Below Detection Limit
02/22/2011	22	235	863	0	5116.5	Uranium Below Detection Limit
02/15/2011	23	240	846		5118.0	Uranium test not completed
02/08/2011	22	236	871	0	5115.8	Uranium Below Detection Limit

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Cameco Resources
Smith Ranch - Highland Operation
Monitor Well Report

Well ID: DM-003

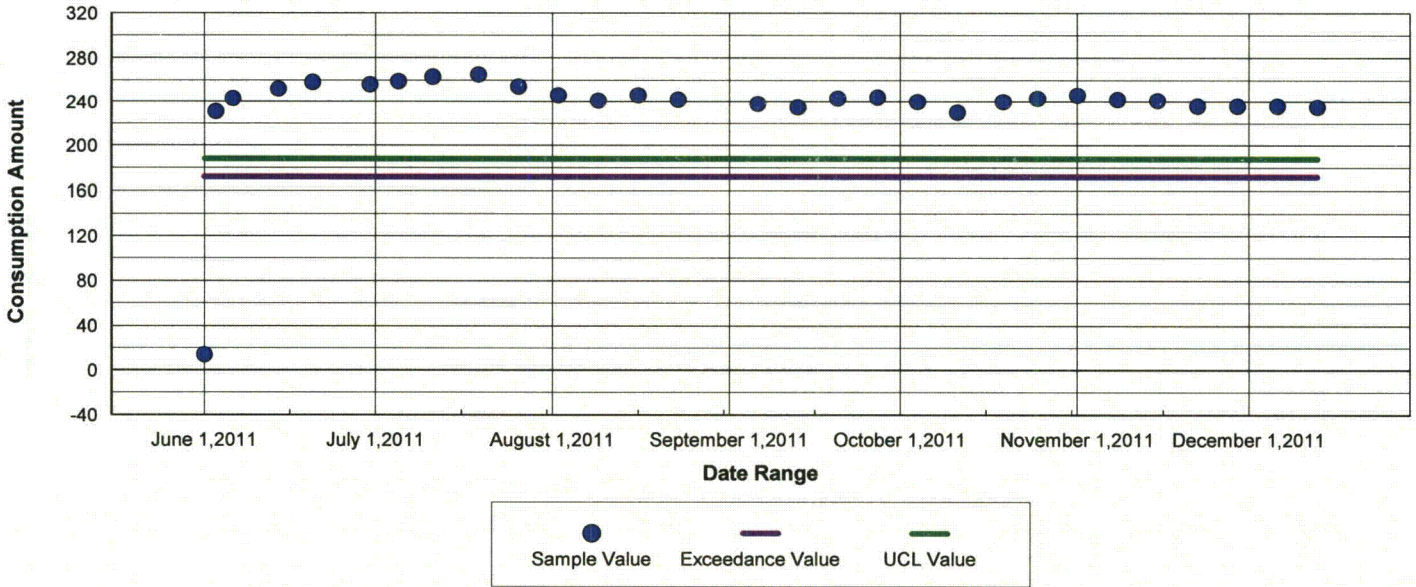
	<i>Chloride (mg/L)</i>	<i>Alkalinity (mg/L CaCO₃)</i>	<i>Conductivity (µMhos/cm)</i>	<i>U₃O₈ (mg/L)</i>	<i>Water Elevation</i>	<i>Comment</i>
<i>NRC/WDEQ UCL</i>	18	188	962			
02/01/2011	23	237	838	0	5115.4	Uranium Below Detection Limit
01/25/2011	22	237	829	0	5115.2	Uranium Below Detection Limit
01/18/2011	23	237	826	0	5115.8	Uranium Below Detection Limit
01/11/2011	22	239	853	0	5115.6	Uranium Below Detection Limit
01/04/2011	23	238	855	0	5117.0	Uranium Below Detection Limit



Cameco Resources
Smith Ranch - Highland

Alkalinity Trending Analysis

Well : DM-010

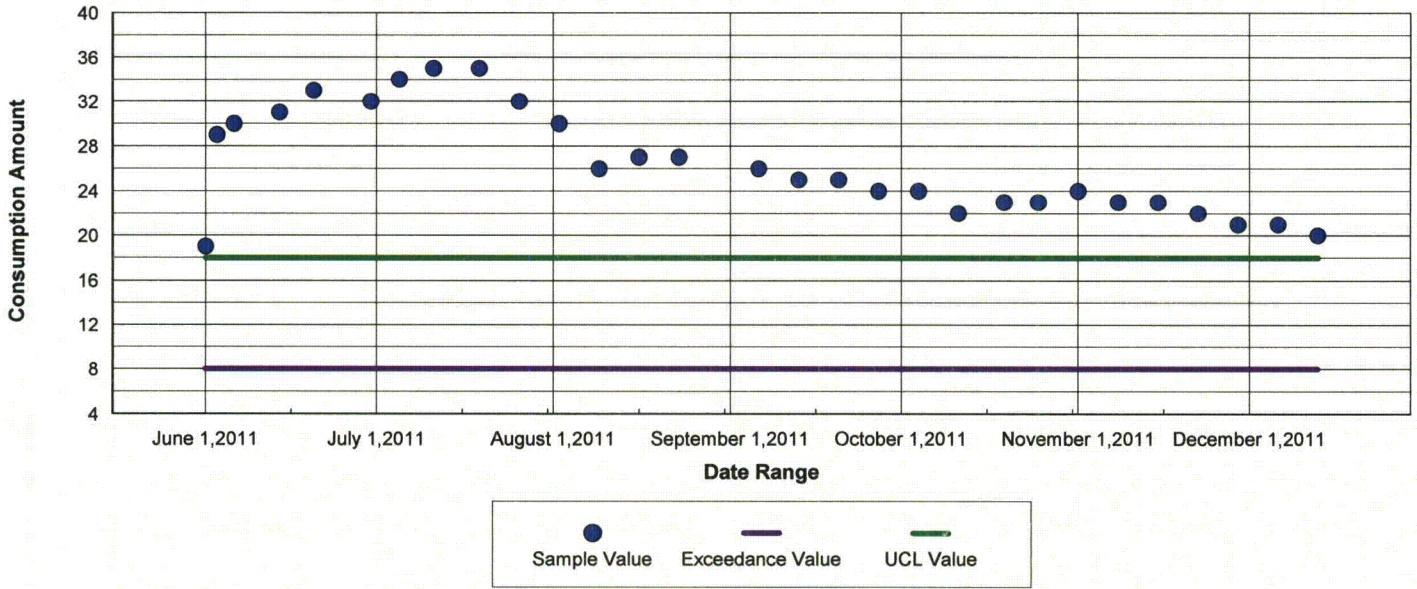




Cameco Resources
Smith Ranch - Highland

Chloride Trending Analysis

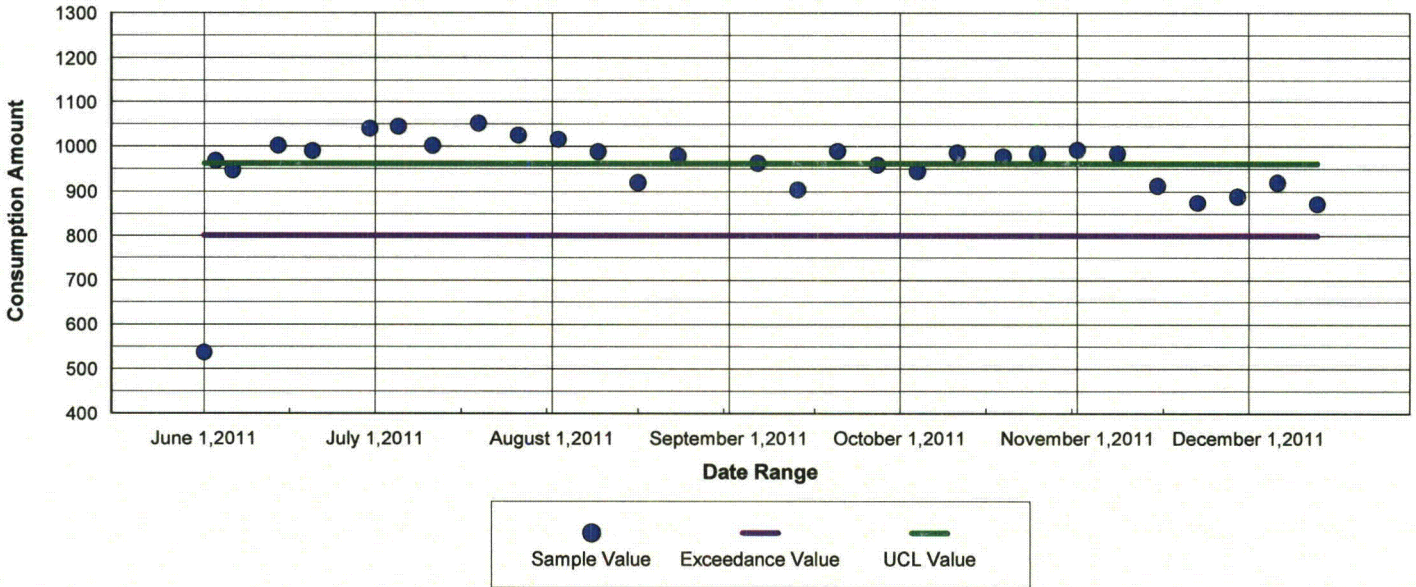
Well : DM-010





Cameco Resources
Smith Ranch - Highland

Conductivity Trending Analysis Well : DM-010





Cameco Resources

Smith Ranch - Highland Operation

Monitor Well Report

Well ID: DM-010

	<i>Chloride (mg/L)</i>	<i>Alkalinity (mg/L CaCO₃)</i>	<i>Conductivity (μMhos/cm)</i>	<i>U₃O₈ (mg/L)</i>	<i>Water Elevation</i>	<i>Comment</i>
<i>NRC/WDEQ UCL</i>	18	188	962			
12/27/2011	20	230	901	0	5094.7	
12/20/2011	20	231	942	0	5087.1	
12/13/2011	20	235	872	0	5092.9	Uranium below .5
12/06/2011	21	236	920	0	5083.3	Uranium below detection limit
11/29/2011	21	236	889	0	5072.4	Uranium below .5
11/22/2011	22	236	875	0	5066.0	Uranium below .5
11/15/2011	23	241	913	0	5068.0	Uranium below .5
11/08/2011	23	242	984	0	5085.4	Uranium below detection limit
11/01/2011	24	246	992	0	5081.1	Uranium below .5
10/25/2011	23	243	984	0	5084.7	Uranium below .5
10/19/2011	23	240	977	0	5056.2	Uranium below detection limit
10/11/2011	22	230	986	0	5059.0	Uranium below .5
10/04/2011	24	240	945	0	5055.4	Uranium below detection limit
09/27/2011	24	244	959	0	5053.6	Uranium below detection limit
09/20/2011	25	243	989	0	5051.2	Uranium below detection limit
09/13/2011	25	235	904	0	5046.9	Uranium below .5
09/06/2011	26	238	963	0	5054.6	Uranium below detection limit
08/23/2011	27	242	979	0	5067.7	Uranium below detection limit
08/16/2011	27	246	920	0	5074.4	Uranium below detection limit
08/09/2011	26	241	988	0	5064.0	Uranium below detection limit
08/02/2011	30	246	1016	0	5058.2	Uranium below detection limit
07/26/2011	32	254	1025	0	5055.6	Uranium below .5
07/19/2011	35	265	1052	0	5115.4	Uranium below detection limit

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Cameco Resources

Smith Ranch - Highland Operation

Monitor Well Report

Well ID: DM-010

<i>NRC/WDEQ UCL</i>	<i>Chloride (mg/L)</i>	<i>Alkalinity (mg/L CaCO₃)</i>	<i>Conductivity (µMhos/cm)</i>	<i>U₃O₈ (mg/L)</i>	<i>Water Elevation</i>	<i>Comment</i>
	18	188	962			
07/11/2011	35	263	1002	0	5112.5	Uranium below .5
07/05/2011	34	259	1045	0	5109.2	Uranium below detection limit
06/30/2011	32	256	1040	0	5080.3	Uranium below detection limit
06/20/2011	33	258	990	0	5078.4	Uranium below detection limit
06/14/2011	31	252	1002	0	5067.8	Uranium below detection limit
06/06/2011	30	243	947	0	5067.9	Uranium below detection limit
06/03/2011	29	231	968		5061.4	
06/01/2011	19	14	537		5060.7	Resample & Retest
04/05/2011	8	139	654		5089.5	
02/09/2011	6	167	746		5112.0	



LABORATORY ANALYTICAL REPORT

Prepared by Casper, WY Branch

Client: Power Resources dba Cameco Resources
Project: SR-HUP
Lab ID: C11100428-001
Client Sample ID: KM-031

Report Date: 12/07/11
Collection Date: 10/11/11
Date Received: 10/11/11
Matrix: Aqueous

Analyses	Result	Units	Qualifiers	RL	MCL/ QCL	Method	Analysis Date / By
MAJOR IONS							
Carbonate as CO3	ND	mg/L		5		A2320 B	10/12/11 16:37 / jba
Bicarbonate as HCO3	176	mg/L		5		A2320 B	10/12/11 16:37 / jba
Calcium	97	mg/L		1		E200.7	11/10/11 16:26 / cp
Chloride	7	mg/L		1		E300.0	10/20/11 15:20 / ljl
Fluoride	0.4	mg/L	D	0.2		E300.0	10/20/11 15:20 / ljl
Magnesium	24	mg/L		1		E200.7	11/10/11 16:26 / cp
Nitrogen, Ammonia as N	ND	mg/L		0.05		A4500-NH3 G	10/19/11 13:44 / dc
Nitrogen, Nitrate+Nitrite as N	ND	mg/L		0.1		E353.2	10/25/11 12:46 / dc
Potassium	8	mg/L		1		E200.7	11/10/11 16:26 / cp
Silica	20.6	mg/L		0.2		E200.7	11/10/11 16:26 / cp
Sodium	30	mg/L		1		E200.7	11/10/11 16:26 / cp
Sulfate	250	mg/L	D	2		E300.0	10/20/11 15:20 / ljl
PHYSICAL PROPERTIES							
Conductivity @ 25 C	759	umhos/cm		1		A2510 B	10/12/11 13:49 / lmc
pH	7.76	s.u.		0.01		A4500-H B	10/12/11 13:49 / lmc
Solids, Total Dissolved TDS @ 180 C	531	mg/L		10		A2540 C	10/12/11 16:24 / lmc
METALS - DISSOLVED							
Aluminum	ND	mg/L		0.1		E200.7	11/10/11 16:26 / cp
Arsenic	0.003	mg/L		0.001		E200.8	11/06/11 06:17 / sml
Barium	ND	mg/L		0.1		E200.8	11/06/11 06:17 / sml
Boron	ND	mg/L		0.1		E200.7	11/10/11 16:26 / cp
Cadmium	ND	mg/L		0.005		E200.8	11/06/11 06:17 / sml
Chromium	ND	mg/L		0.05		E200.8	11/06/11 06:17 / sml
Copper	ND	mg/L		0.01		E200.8	11/06/11 06:17 / sml
Iron	ND	mg/L		0.03		E200.8	11/06/11 06:17 / sml
Lead	ND	mg/L		0.001		E200.8	11/06/11 06:17 / sml
Manganese	0.02	mg/L		0.01		E200.7	11/10/11 16:26 / cp
Mercury	ND	mg/L		0.001		E200.8	11/06/11 06:17 / sml
Molybdenum	ND	mg/L		0.1		E200.8	11/06/11 06:17 / sml
Nickel	ND	mg/L		0.05		E200.8	11/06/11 06:17 / sml
Selenium	ND	mg/L		0.001		E200.8	11/06/11 06:17 / sml
Uranium	0.0138	mg/L		0.0003		E200.8	11/06/11 06:17 / sml
Vanadium	ND	mg/L		0.1		E200.8	11/06/11 06:17 / sml
Zinc	ND	mg/L		0.01		E200.8	11/06/11 06:17 / sml
METALS - TOTAL							
Iron	0.07	mg/L		0.03		E200.7	11/07/11 20:49 / cp
Manganese	0.02	mg/L		0.01		E200.7	11/07/11 20:49 / cp

Report Definitions:
RL - Analyte reporting limit.
QCL - Quality control limit.
D - RL increased due to sample matrix.

MCL - Maximum contaminant level.
ND - Not detected at the reporting limit.



LABORATORY ANALYTICAL REPORT

Prepared by Casper, WY Branch

Client: Power Resources dba Cameco Resources
Project: SR-HUP
Lab ID: C11100428-001
Client Sample ID: KM-031

Report Date: 12/07/11
Collection Date: 10/11/11
Date Received: 10/11/11
Matrix: Aqueous

Analyses	Result	Units	Qualifiers	RL	MCL/ QCL	Method	Analysis Date / By
RADIONUCLIDES - DISSOLVED							
Gross Alpha	131	pCi/L				E900.0	12/01/11 08:14 / ep
Gross Alpha precision (±)	6.4	pCi/L				E900.0	12/01/11 08:14 / ep
Gross Alpha MDC	2.4	pCi/L				E900.0	12/01/11 08:14 / ep
Gross Beta	36.2	pCi/L				E900.0	12/01/11 08:14 / ep
Gross Beta precision (±)	2.1	pCi/L				E900.0	12/01/11 08:14 / ep
Gross Beta MDC	2.5	pCi/L				E900.0	12/01/11 08:14 / ep
Radium 226	16	pCi/L				E903.0	11/02/11 05:04 / js
Radium 226 precision (±)	0.68	pCi/L				E903.0	11/02/11 05:04 / js
Radium 226 MDC	0.1	pCi/L				E903.0	11/02/11 05:04 / js
Radium 228	2.1	pCi/L				RA-05	10/26/11 12:53 / plj
Radium 228 precision (±)	0.8	pCi/L				RA-05	10/26/11 12:53 / plj
Radium 228 MDC	1.2	pCi/L				RA-05	10/26/11 12:53 / plj
DATA QUALITY							
A/C Balance (± 5)	0.420	%				Calculation	11/16/11 09:10 / kbh
Anions	8.31	meq/L				Calculation	11/16/11 09:10 / kbh
Cations	8.38	meq/L				Calculation	11/16/11 09:10 / kbh
Solids, Total Dissolved Calculated	530	mg/L				Calculation	11/16/11 09:10 / kbh
TDS Balance (0.80 - 1.20)	1.00					Calculation	11/16/11 09:10 / kbh

Report Definitions:
RL - Analyte reporting limit.
QCL - Quality control limit.
MDC - Minimum detectable concentration

MCL - Maximum contaminant level.
ND - Not detected at the reporting limit.