

January 24, 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 – 4<sup>th</sup>  
Qtr. 2011**

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 4th Quarter of 2011.

Monitor well 2MW108 went on excursion August 23, 2011. This monitor well was confirmed on excursion status on August 24, 2011, and reported to you by email on August 25, 2011. Monitor well 2MW108 is a perimeter monitor well located in the restored Mine Unit 2 Wellfield at the Christensen Ranch site. It should be noted that the Wellfield Restoration Report for Mine Units 2-6 was submitted to the NRC for review and approval on April 8, 2008.

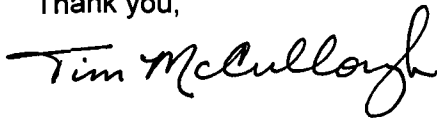
Wells 2R106-1 (466 feet to the East), 2R115-1 (530 feet to the Northeast) and 2T105-2 (583 feet to the East) were plumbed in and started pumping (~ 20 gpm total) to the evaporation ponds on October 21, 2011 for excursion control. These wells were in operation until November 11, 2011. This action has dropped all three parameters below the Upper Control Limits (UCL) for the last seven sampling rounds. Analysis for uranium for all samples remained below the detection limit. The attached table provides the analytical data for the samples taken from well 2MW108 from August 23, 2011 to December 5, 2011.

FSME20

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 2MW108 since October 17, 2011. Therefore, this letter serves as notification that the excursion status for monitor well 2MW108 in the restored Mine Unit 2 wellfield has been terminated and this well will return to the quarterly monitoring frequency.

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  
Mike O'Leary  
Blair Spitzberg, NRC  
Ron Linton, NRC  
Linda Gersey, NRC