



February 14, 2012

Mr. John Passehl, PG
Underground Injection Control Program
Water Quality Division
Wyoming Department of Environmental Quality
Herschler Building, 4th FL-West
122 W. 25th Street
Cheyenne, WY 82002

CAMECO RESOURCES

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CERTIFIED MAIL # 7011 0470 0000 7716 4544 RETURN RECEIPT REQUESTED

RE: UIC Permit 09-054, Missed Falloff Test on Morton 1-20 Class I Well, Cameco Resources

Dear Mr. Passehl:

Power Resources, Inc. d/b/a Cameco Resources (Cameco) is herein providing written notification of a scheduled falloff test that was not conducted for the Morton 1-20 Class I injection well under UIC Permit 09-054, Facility Number WYS-009-011. The Wyoming Department of Environmental Quality – Water Quality Division (WQD) was notified verbally and by email on February 7, 2012.

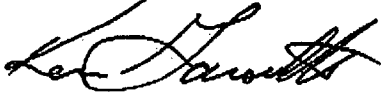
During a records review conducted on February 6, 2012, Cameco discovered that a falloff test scheduled to be conducted in August 2011 was not completed for the Morton 1-20 Class I well as required by UIC Permit 09-054.

Cameco has discontinued injection at the Morton 1-20 well with this discovery and is planning to conduct a falloff test in early March. Cameco will notify the WQD approximately two weeks in advance of starting the falloff test to allow WQD to be present. As a condition under our NRC Source Material License SUA 1548, verbal notification was given to Mr. Doug Mandeville of the NRC on February 7, 2012.

As a preventive measure, Cameco will utilize a maintenance work order scheduling system to provide advance notification of falloff tests, mechanical integrity tests (MITs), and other permit requirements for Class I wells. This will ensure permit conditions are met under the UIC program.

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 and Quality (SHEQ) Manager

KG/kg

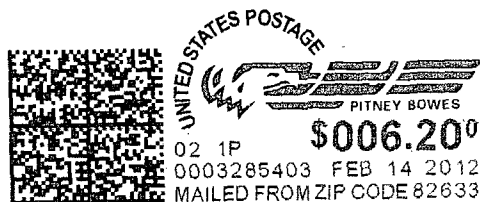
Cc: HUP 4.4.3.1 HUP 4.4.3.3
Document Control Desk, NRC: CERTIFIED MAIL # 7011 0470 0000 7716 4551
Doug Mandeville, NRC (2 copies): CERTIFIED MAIL# 7011 0470 0000 7716 4568

Ec: Cameco-Cheyenne

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