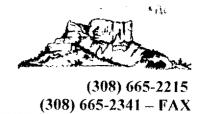
## CROW BUTTE RESOURCES, INC.

86 Crow Butte Road P.O. Box 169 Crawford, Nebraska 69339-0169



December 28, 1999

Mr. John Surmeier, Chief
Uranium Recovery Branch
Division of Waste Management
Office of Nuclear Material Safety and Safeguards
Mail Stop T-7-J-8
U.S. Nuclear Regulatory Commission
11545 Rockville Pike
Rockville, Maryland 20850

Re:

Source Materials License SUA-1534

Docket No. 40-8943

Mine Unit 1 Monitor Well Sampling

Dear Mr. Surmeier:

By letter dated November 18, 1999 the Nebraska Department of Environmental Quality (NDEQ) accepted the restoration of Mine Unit 1 at the Crow Butte Uranium Project and agreed to the designation of three production/injection wells as post-restoration monitor wells. NDEQ specified that the wells should be sampled on the current production zone monitoring well schedule (biweekly). Wells PR8 and PR15 will monitor the boundaries of Mine Unit 2. Well IJ13 will monitor the boundaries of Mine Unit 3.

To properly analyze the data from this biweekly sampling, it was necessary to set post-restoration Upper Control Limits (UCLs) for these wells. By letter dated December 17, 1999, NDEQ approved the UCLs calculated for PR8, PR15 and IJ13 and incorporated them into UIC Permit No. NE0122611. CBR plans to begin biweekly sampling of these wells in the near future. The results of the monitoring will be included in the Semiannual Radiological Effluent and Environmental Monitoring Reports submitted to NRC.

If you have any questions or require further information, please do not hesitate to contact me at (308) 665-2215.

Sincerely,

CROW BUTTE RESOURCES, INC.

Michael L. Griffin

Manager of Envilonmental and Regulatory Affairs

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