March 1, 2000

Mr. Michael L. Griffin Manager of Environmental and Regulatory Affairs Crow Butte Resources, Inc. 86 Crow Butte Road Post Office Box 169 Crawford, NE 69339-0169

## SUBJECT: MECHANICAL INTEGRITY TESTING OF WELLS IN MINE UNIT 1 AT THE CROW BUTTE FACILITY, LICENSE NO. SUA-1534

Dear Mr. Griffin:

This letter is in follow up to our recent phone calls about stopping mechanical integrity testing in Mine Unit 1. License Condition 10.2 requires that:

"Mechanical integrity tests shall be performed on each injection and production well before the wells are utilized and on wells that have been serviced with equipment or procedures that could damage the well casing. Additionally, each well shall be retested at least once each five (5) years it is in use."

The staff agrees that there is not a need to conduct the 5-year retest in Mine Unit 1, because uranium extraction and ground-water restoration activities have ceased in Mine Unit 1. However, should ground-water restoration activities resume in Mine Unit 1, this decision will need to be revisited.

If you have any questions concerning this letter, please contact the NRC Project Manager, Mr. William Ford, at (301) 415-6630.

Sincerely,

/s/ Daniel Gillen for

Thomas H. Essig, Chief Uranium Recovery and Low-Level Waste Branch Division of Waste Management Office of Nuclear Material Safety and Safeguards

Docket No. 40-8934 License No. SUA-1534 Amendment No. 6

cc: Stephen P. Collings, CBR, Denver Dave Meisback, Nebraska, UIC, DEQ Dave Carlson Nebraska, UIC, DEQ Cheryl K. Rogers, Nebraska, RMP, PHA Manager of Environmental and Regulatory Affairs Crow Butte Resources, Inc. 86 Crow Butte Road Post Office Box 169 Crawford, NE 69339-0169

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