

May 17, 2002

MEMORANDUM TO: Daniel M. Gillen, Chief  
Fuel Cycle Facilities Branch  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

THRU: Gary S. Janosko, Chief  
Uranium Processing Section  
Fuel Cycle Facilities Branch /RA/  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

FROM: Michael Layton, Hydrogeologist  
Uranium Processing Section  
Fuel Cycle Facilities Branch /RA/  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

SUBJECT: SUMMARY OF MAY 7, 2002, MEETING BETWEEN CROW BUTTE  
RESOURCES, INC. AND THE U.S. NUCLEAR REGULATORY  
COMMISSION (NRC) AT NRC HEADQUARTERS

An announced Open Meeting was held at U.S. Nuclear Regulatory Commission (NRC) Headquarters on May 7, 2002, at the request of Crow Butte Resources, Incorporated (Crow Butte). The sign-in attendance sheet is attached to this summary. No members of the public were in attendance. Crow Butte operates an *in situ* leach uranium extraction facility under NRC license SUA-1534, and requested this meeting with NRC staff to discuss concerns the licensee had with the NRC's denial of the restoration approval at the Unit 1 wellfield. NRC issued a denial of the Unit 1 restoration approval by letter dated March 29, 2002, based on inadequate information [10 CFR 2.108(b)]. A Denial Notice was published in the Federal Register on April 22, 2002, providing a 30-day window for filing a hearing request with the Atomic Safety Licensing Board Panel (ASLBP).

The licensee expressed concern that: 1) the denial was based on changes in the licensing program that were not part of the original licensing; 2) application of these changes were not risk informed; and 3) ultimately this action would result in the total cessation of *in situ* operations in the US. The licensee requested that NRC rescind the denial and publish a letter stating the restoration completed to date is protective of human health and the environment.

D. Gillen

-2-

NRC indicated that such an action was beyond the ability of the staff and management attending this meeting and would require approval from the Office Director of the Office of Nuclear Material Safety and Safeguards, since the Director of the Division of Fuel Cycle Safety and Safeguards approved the denial notice for the Federal Register.

The NRC staff agreed to set up a visit or telephone conference call between Mr. Martin Virgilio, NMSS Office Director, and Mr. Fletcher Newton, President, Crow Butte Resources, within the next few days. The licensee has until May 21 to file for a hearing with the ASLBP under 10 CFR 2.108(b) and plans to make that filing unless there is a retraction of the denial. No other decisions or commitments were made during this meeting.

Docket: 40-8943  
License: SUA-1534

Attachment: Sign-in Meeting Attendance Sheet

D. Gillen

-2-

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<b>OFFICE</b>	FCFB/UPS		FCFB/UPS		FCFB/UPS			
<b>NAME</b>	MLayton*		JMuszkiewicz		GJanosko*			
<b>DATE</b>	05/17/02		05/14/02		05/17/02			

\* See previous concurrence

OFFICIAL RECORD COPY

Attachment

May 7, 2002  
Open Meeting Number 2002-0384  
Room O 6 B 6  
9:00 am - 10:00 am

Attachment