



CROW BUTTE RESOURCES, INC.

274 Union Blvd., Suite 310 • Lakewood, Colorado 80228 • (720) 879-5140 • Fax: (720) 879-5141

May 17, 2002

40-8943

VIA FACSIMILE # (301) 415-5370

Mr. Martin J. Virgilio
Director, Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
11555 Rockville Pike
Mail Stop T8A23
Rockville, MD 20852

**Re: Open Meeting Conference Call of May 14, 2002
NRC's March 29, 2002 Denial of Crow Butte's Request for
Approval of Restoration of Mine Unit 1**

Dear Mr. Virgilio:

Once again, thank you for taking the time to meet with members of Crow Butte Resources, Inc. (Crow Butte) and NRC Staff via conference call to discuss NRC's decision not to approve restoration of Crow Butte's Mine Unit 1. This letter is intended to confirm the arrangements we agreed upon during our conference call.

NRC agrees to hold in abeyance the immediate effectiveness of the monitoring requirements set forth in its Notice of Denial dated March 20, 2002, and Federal Register notice dated April 22, 2002, for a period of seventy-five (75) days beginning May 14, 2002. During this time period, Crow Butte will develop alternative approaches to demonstrating restoration at Mine Unit 1. These alternative approaches will focus on providing reasonable assurance that restoration at Mine Unit 1 will adequately protect public health and safety and the environment in the State of Nebraska.

If, at the end of this 75-day period, Crow Butte and NRC have been unable to resolve these restoration issues, Crow Butte will have thirty (30) days, beginning on the first day after expiration of the 75-day abeyance period, within which to file a notice of appeal to the March 20th denial before the Atomic Safety and Licensing Board Panel.

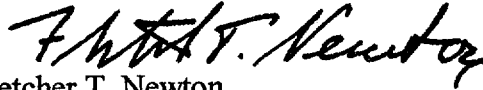
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Crow Butte will also expect to receive a reply from NRC confirming the matters set forth in this letter. We will be in contact with Mike Layton and John Lusher to schedule our additional meetings over the next 75 days.

Once again, thank you for your time and attention in this matter. We look forward to reaching a mutually acceptable resolution to this issue.

Very truly yours,



Fletcher T. Newton

FTN:sjg

c: Mike Layton
John Lusher
Maria Schwartz, Esq.
Mike Griffin
Steve Collings
Tony Thompson, Esq.
Christopher Pugsley, Esq.