CROW BUTTE RESOURCES, INC.

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P.O. Box 169
Crawford, Nebraska 69339-0169

(308) 665-2215
(308) 665-2341 – FAX

March 26, 2003

Mr. Michael Linder, Director
Nebraska Department of Environmental Quality
P.O. Box 98922
Lincoln, NE 68509-8922

40-8943

Subject: Class 3 UIC Permit NE0122611
IJ-13 Monitor Well Excursion 90 Day Report

Dear Mr. Linder:

By way of background, on December 26, 2002, during routine biweekly water sampling of Crow Butte Resources, Inc. (CBR) perimeter monitor well IJ-13, the multiple parameter upper control limit (UCL) was exceeded for sulfate. Alkalinity had previously surpassed the multiple parameter UCL in May of 2002. As required by Section B.1 of Part II of UIC Permit NE0122611, a second sample was collected within 24 hours and analyzed for the five excursion indicator parameters. Analysis of the second sample confirmed the existence of an excursion. CBR notified Mr. Dave Miesbach by telephone on December 27, 2002 of the confirmation of the excursion and submitted a letter to NDEQ Director Mr. Michael Linder on December 31, 2002.

To aid in your review, graphs are attached for the five excursion indicator parameters and water levels that cover the period from January 10, 2002 through March 20, 2003.

In an effort to recover the excursion, additional bleed was initiated in Wellhouses 7 and 8 of MU 3. The injection and production wells in MU 3 that are currently in use are highlighted in color on Map 1. As of March 24, 2003, the bleed from these two houses totaled 55 gpm while Wellhouse 6 was maintained in balance. This bleed has resulted in approximately 15 feet of drawdown at IJ-13 since November of 2002. Since January, the bleed rate has been more than doubled in an effort to direct flow from IJ-13 toward MU 3.

UIC Permit NE0122611 Part II(B)(1) states in part, *"If corrective actions have not been effective within 90 days of the excursion confirmation, the injection of fluid shall be terminated in the affected area. Resumption of injection shall require a written approval by the Director."* The area of injection closest to well IJ-13 is 310 feet to the northwest in Wellhouse 8 (well I315) of MU 3. Mine Unit 3 is currently in restoration by ion exchange and the Mine Unit 4 Restoration Plan was recently submitted to NDEQ for approval. If the current restoration schedule is maintained, around mid-year 2003 restoration will proceed to the reverse osmosis phase in MU 3 and ion exchange in MU 4. Restoration in these mine units will assist in the recovery of the excursion fluid. Since IJ-13 is a MU 3 monitor ring well, final restoration in MU 3 cannot be approved until the excursion at IJ-13 is recovered.

NMSS01

If injection is halted in MU 3 as per the UIC Permit condition, the over production could quickly draw contaminated mining solutions in from MU 4. This would effectively worsen the excursion and reverse the restoration process in MU 3. Additionally, the excursion is completely surrounded by a monitor well ring and is thus contained. For these reasons, CBR requests with this letter, written approval from the Director to continue injection of treated restoration waters in the vicinity of IJ-13 in an effort to recover the excursion.

Crow Butte Resources will continue to do everything possible to recover this excursion. If you have any questions regarding this submittal please feel free to contact Mike Griffin or me at (308) 665-2215.

Sincerely,
Crow Butte Resources, Inc.

John W. Cash
Safety Director/Wellfield Supervisor

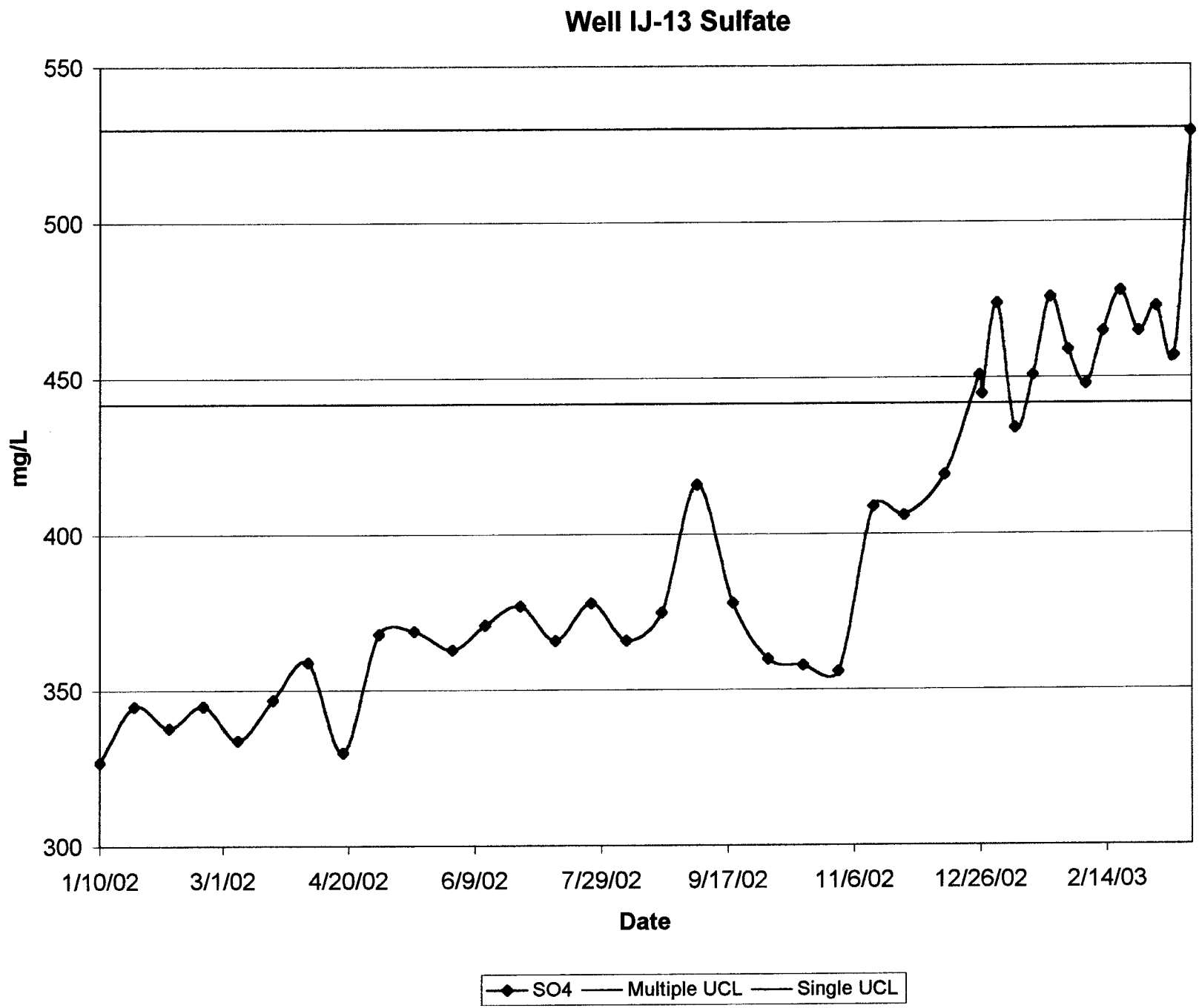
Enclosures: As Stated

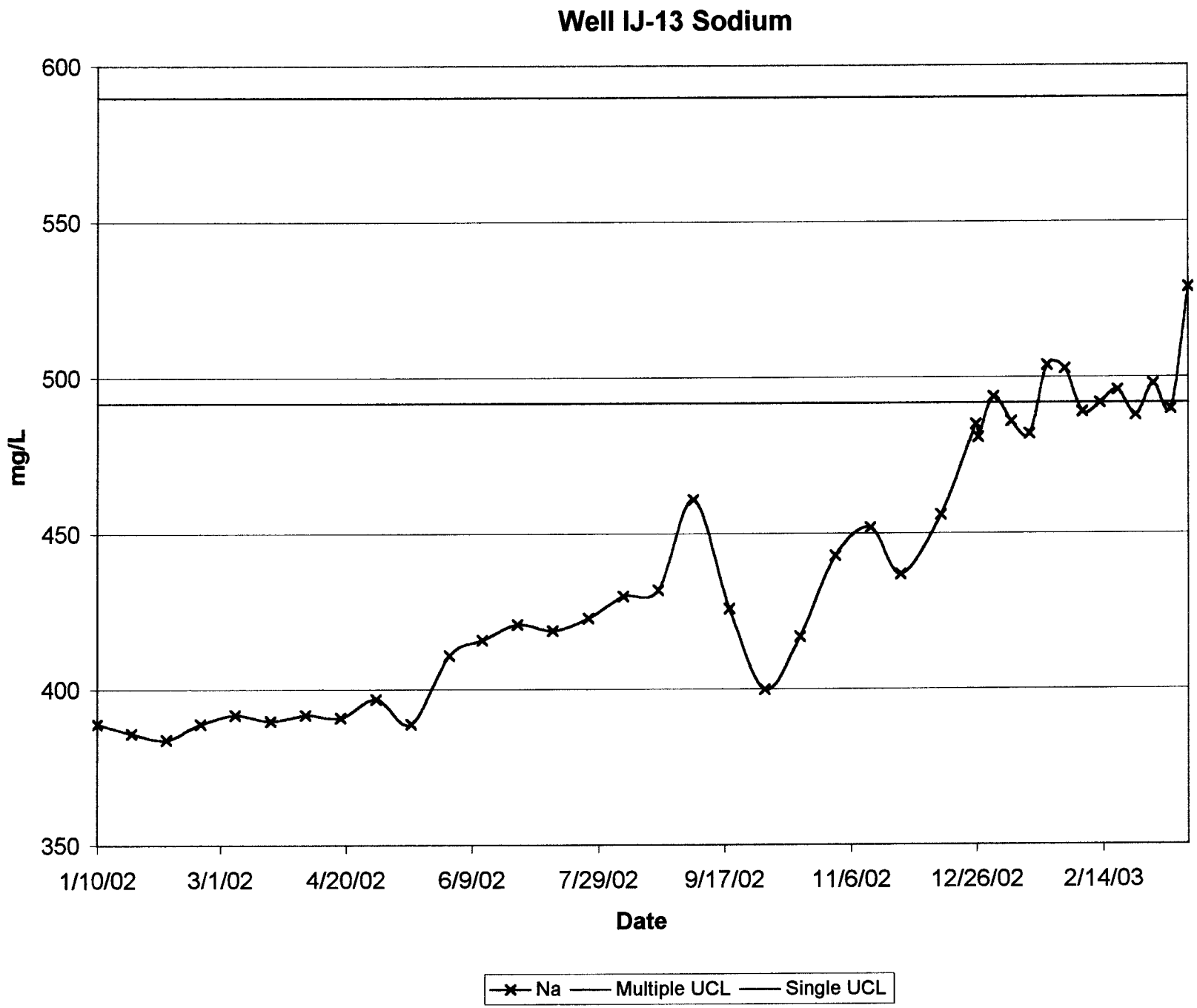
cc: Mr. Dave Carlson
NDEQ Chadron Office

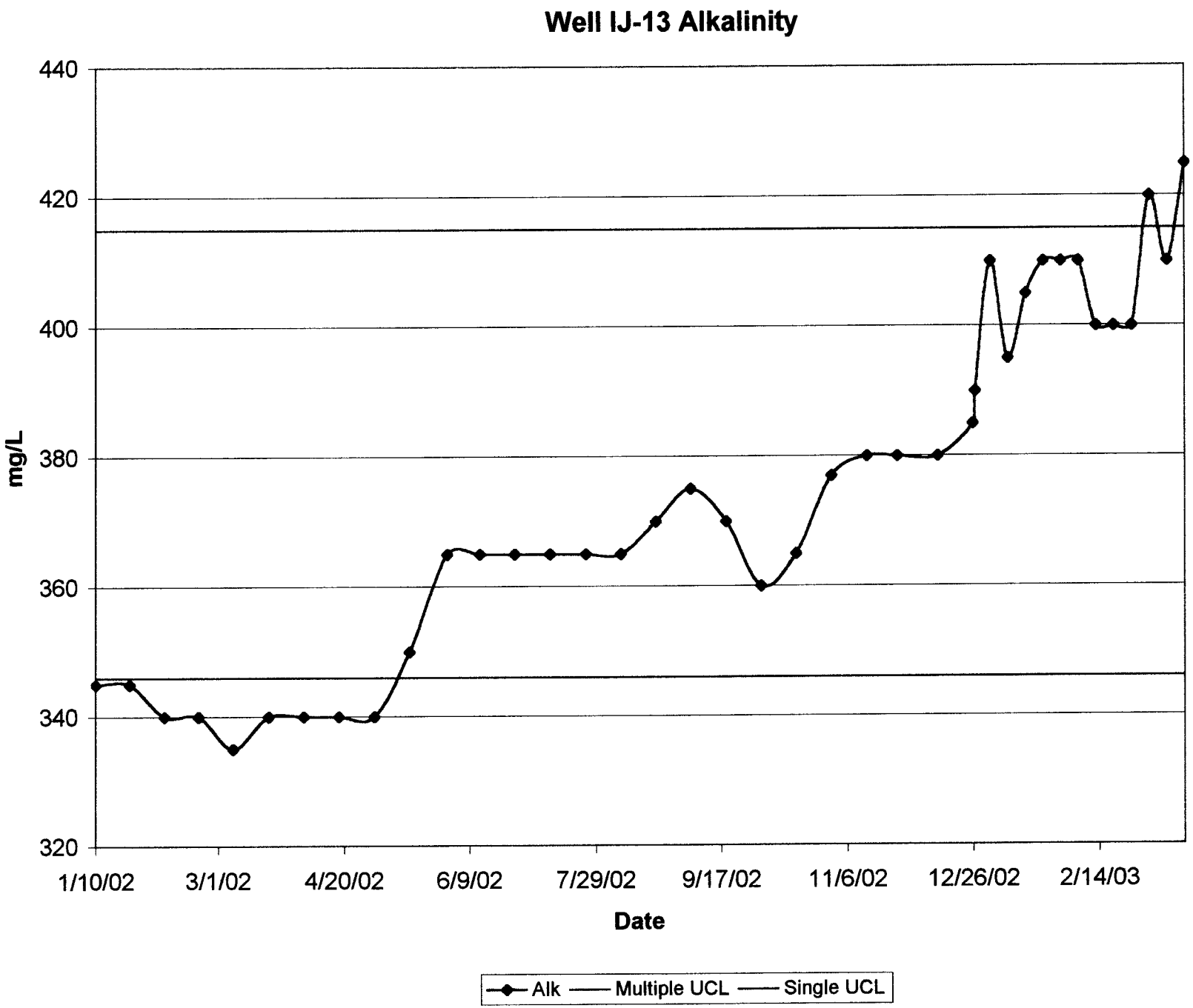
Mr. Steve Collings
CBR, Denver, Colorado

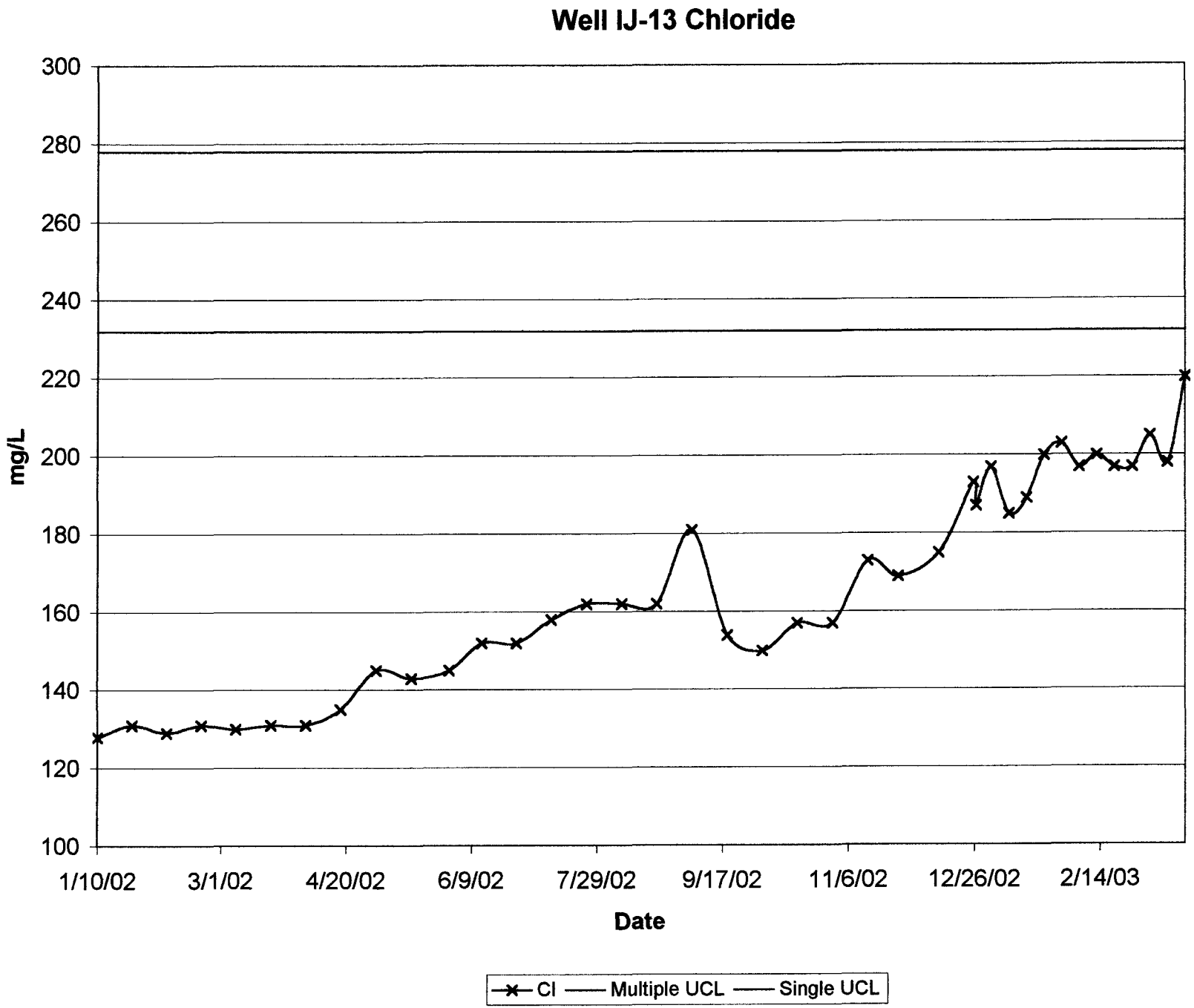
Mr. Daniel Gillen
Branch Chief, Fuel Cycle Licensing Branch
Division of Fuel Cycle Safety and Safeguards
c/o Document Control Desk
U. S. Nuclear Regulatory Commission
Washington D.C. 20555

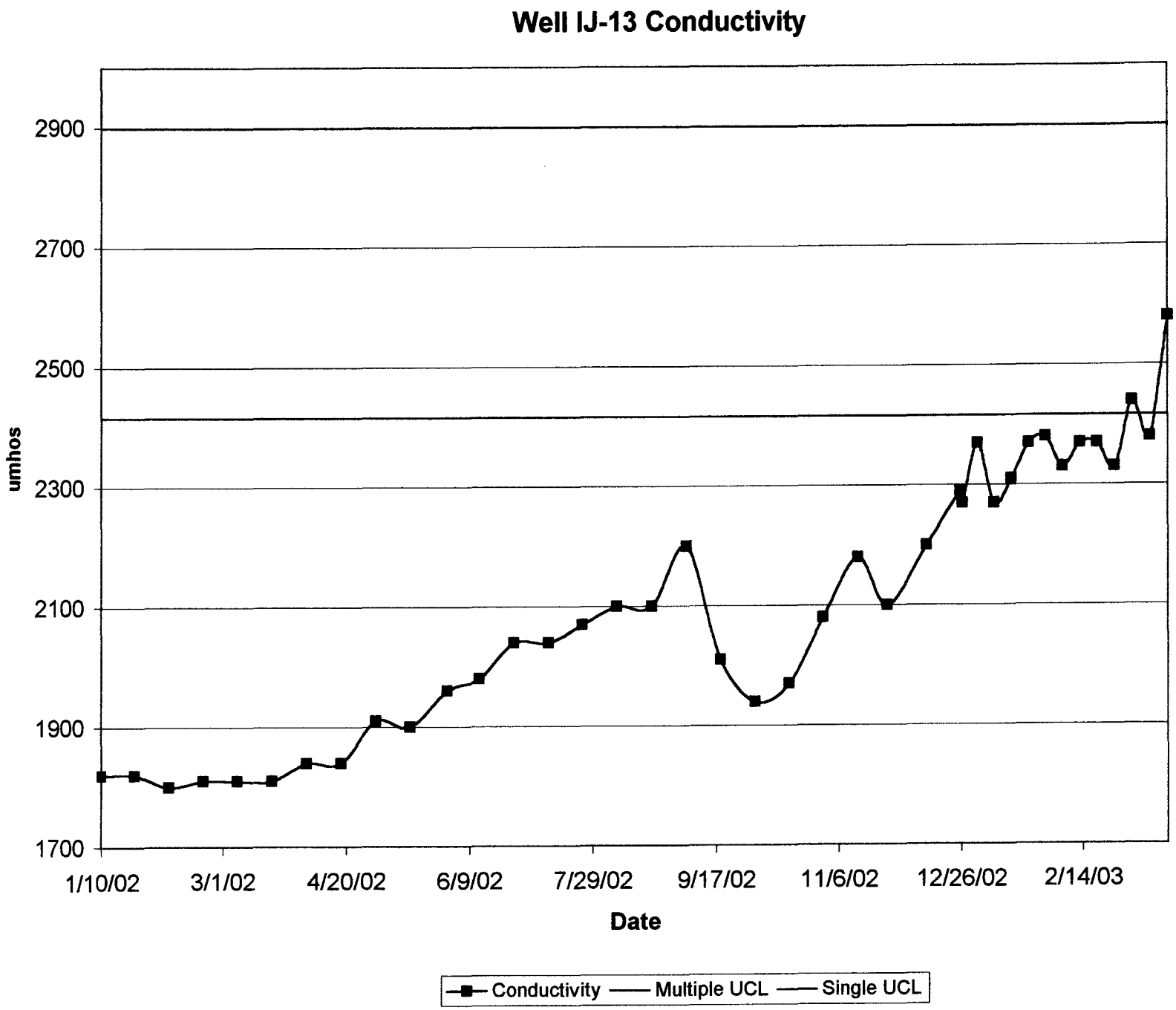
U.S. Nuclear Regulatory Commission
Mr. John Lusher – ADDRESSEE ONLY
Fuel Cycle Licensing Branch
Mail Stop T-8A33
Washington D.C. 20555

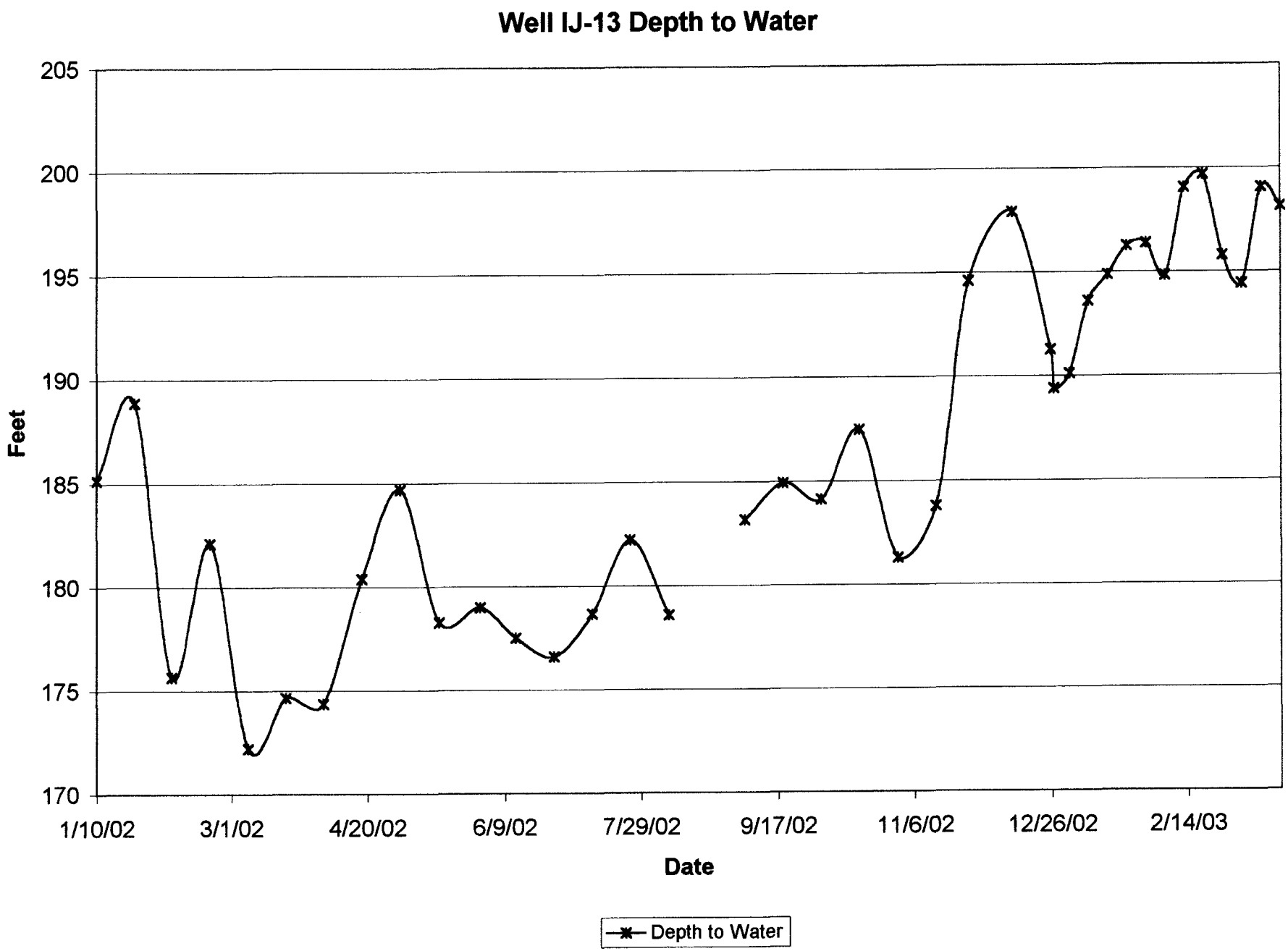

Well IJ-13 Sulfate
550
500
450
400
350
300
mg/L
1/10/02
3/1/02
4/20/02
6/9/02
7/29/02
9/17/02
11/6/02
12/26/02
2/14/03
Date
SO4
Multiple UCL
Single UCL


Well IJ-13 Sodium
600
550
500
450
400
350
mg/L
1/10/02
3/1/02
4/20/02
6/9/02
7/29/02
9/17/02
11/6/02
12/26/02
2/14/03
Date
Na
Multiple UCL
Single UCL


Well IJ-13 Alkalinity
440
420
400
380
360
340
320
mg/L
1/10/02
3/1/02
4/20/02
6/9/02
7/29/02
9/17/02
11/6/02
12/26/02
2/14/03
Date
Alk
Multiple UCL
Single UCL


Well IJ-13 Chloride
300
280
260
240
220
200
180
160
140
120
100
mg/L
1/10/02
3/1/02
4/20/02
6/9/02
7/29/02
9/17/02
11/6/02
12/26/02
2/14/03
Date
Cl
Multiple UCL
Single UCL


Well IJ-13 Conductivity
umhos
2900
2700
2500
2300
2100
1900
1700
1/10/02
3/1/02
4/20/02
6/9/02
7/29/02
9/17/02
11/6/02
12/26/02
2/14/03
Date
Conductivity
Multiple UCL
Single UCL


Well IJ-13 Depth to Water
205
200
195
190
185
180
175
170
Feet
1/10/02
3/1/02
4/20/02
6/9/02
7/29/02
9/17/02
11/6/02
12/26/02
2/14/03
Date
Depth to Water

Crow Butte Project
Monitor Well Laboratory Report

Sample Date: 03-06-2003
Analysis Date: 03-07-2003
Analyst: LG/TD

Well Number	Sodium (mg/L)	Sulfate (mg/L)	Chloride (mg/L)	Conductivity (UMHOS)	Alkalinity (mg/L)
CM6-6	400	366	181	1950	297
Multiple	486	461	251	2412	370
Single	583	553	301	2894	444
CM6-7	401	373	181	1950	290
Multiple	476	444	234	2352	336
Single	572	533	281	2822	403
CM6-8	409	375	181	1960	290
Multiple	509	460	254	2436	371
Single	611	552	305	2923	445
CM6-9	407	366	185	1970	305
Multiple	485	450	238	2388	356
Single	582	540	285	2866	428
CM6-10	404	400	178	1980	280
Multiple	509	458	272	2460	358
Single	611	550	327	2952	429
CM7-1	392	399	166	1930	285
Multiple	440	402	199	2136	342
Single	528	482	239	2563	410
PR-8	382	285	136*	1840	400
Multiple	504	440	235	2388	403
Single	605	528	282	2866	484
PR-15	230	157	67*	1140*	280
Multiple	492	428	223	2327	370
Single	590	514	268	2792	444
IJ-13	498	473	205	2440	420
Multiple	492	442	232	2417	346
Single	590	530	278	2900	415

* - Denotes 5% change from previous sample.

Crow Butte Project
Monitor Well Laboratory Report

Page Number 2/2

Sample Date: 03-13-2003
Analysis Date: 03-14-2003

Analyst: LG/TD

Well Number	Sodium (mg/L)	Sulfate (mg/L)	Chloride (mg/L)	Conductivity (UMHOS)	Alkalinity (mg/L)
CM6-26	404	349	185	1930	310
Multiple	479	449	282	2460	373
Single	575	539	338	2952	448
CM6-28	386	335	181	1860	313
Multiple	475	416	256	2412	374
Single	570	500	307	2894	449
CM6-29	393	350	185	1900	295
Multiple	469	446	268	2520	373
Single	563	536	321	3024	448
CM6-30	394	326	178	1880	310
Multiple	467	415	274	2460	383
Single	560	498	328	2952	459
CM6-31	402	334	181	1880	315
Multiple	470	440	251	2376	386
Single	564	528	301	2851	464
CM6-32	403	355	183	1910	305
Multiple	476	439	244	2484	384
Single	572	527	292	2981	461
IJ-13	**490**	**457**	198	2380	**410**
Multiple	**492**	**442***	232	2417	**346***
Single	590	530	278	2900	415

* - Denotes 5% change from previous sample.

Crow Butte Project
Monitor Well Laboratory Report

Sample Date: 02-27-2003
Analysis Date: 02-28-2003
Analyst: lg-td

Well Number	Sodium (mg/L)	Sulfate (mg/L)	Chloride (mg/L)	Conductivity (UMHOS)	Alkalinity (mg/L)
CM6-26	404	349	185	1920	310
Multiple	479	449	282	2460	373
Single	575	539	338	2952	448
CM6-28	382	333	181	1860	310
Multiple	475	416	256	2412	374
Single	570	500	307	2894	449
CM6-29	394	341	185	1910	293
Multiple	469	446	268	2520	373
Single	563	536	321	3024	448
CM6-30	392	324	181	1880	310
Multiple	467	415	274	2460	383
Single	560	498	328	2952	459
CM6-31	397	339	181	1890	315
Multiple	470	440	251	2376	386
Single	564	528	301	2851	464
CM6-32	403	349	183	1910	305
Multiple	476	439	244	2484	384
Single	572	527	292	2981	461
IJ-13	488	465	197	2330	400
Multiple	492	442	232	2417	346
Single	590	530	278	2900	415

* - Denotes 5% change from previous sample.

Crow Butte Project
Monitor Well Laboratory Report

Page Number 2/2 Sample Date: 02-21-2003 Analyst: LG/TD
Analysis Date: 02-21-2003

Well Number	Sodium (mg/L)	Sulfate (mg/L)	Chloride (mg/L)	Conductivity (UMHOS)	Alkalinity (mg/L)
CM6-6	408	365	181	1960	300
Multiple	486	461	251	2412	370
Single	583	553	301	2894	444
CM6-7	402	380	181	1940	295
Multiple	476	444	234	2352	336
Single	572	533	281	2822	403
CM6-8	408	372	181	1960	290
Multiple	509	460	254	2436	371
Single	611	552	305	2923	445
CM6-9	411	363	183	1970	305
Multiple	485	450	238	2388	356
Single	582	540	285	2866	428
CM6-10	406	408	179	1990	280
Multiple	509	458	272	2460	358
Single	611	550	327	2952	429
CM7-1	394	394	166	1920	283
Multiple	440	402	199	2136	342
Single	528	482	239	2563	410
PR-8					
Multiple	504	440	235	2388	403
Single	605	528	282	2866	484
PR-15					
Multiple	492	428	223	2327	370
Single	590	514	268	2792	444
IJ-13					
Multiple	492	442	232	2417	346
Single	590	530	278	2900	415

* - Denotes 5% change from previous sample.

Crow Butte Project
Monitor Well Laboratory Report

Page Number 2/2 Sample Date: 02-13-2003 Analyst: SM/LG
Analysis Date: 02-14-2003

Well Number	Sodium (mg/L)	Sulfate (mg/L)	Chloride (mg/L)	Conductivity (UMHOS)	Alkalinity (mg/L)
CM6-26	400	343	185	1920	300
Multiple	479	449	282	2460	373
Single	575	539	338	2952	448
CM6-28	390	329	181	1860	310
Multiple	475	416	256	2412	374
Single	570	500	307	2894	449
CM6-29	390	346	185	1920	290
Multiple	469	446	268	2520	373
Single	563	536	321	3024	448
CM6-30	392	323	181	1880	310
Multiple	467	415	274	2460	383
Single	560	498	328	2952	459
CM6-31	396	338	181	1900	310
Multiple	470	440	251	2376	386
Single	564	528	301	2851	464
CM6-32	400	344	181	1920	302
Multiple	476	439	244	2484	384
Single	572	527	292	2981	461
IJ-13	492	465	200	2370	400
Multiple	492	442	232	2417	346
Single	590	530	278	2900	415

* - Denotes 5% change from previous sample.

Crow Butte Project
Monitor Well Laboratory Report

Sample Date: 02-06-2003
Analysis Date: 02-07-2003
Analyst: LG/TD

Well Number	Sodium (mg/L)	Sulfate (mg/L)	Chloride (mg/L)	Conductivity (UMHOS)	Alkalinity (mg/L)
CM6-6	408	369	181	1950	300
Multiple	486	461	251	2412	370
Single	583	553	301	2894	444
CM6-7	403	387	181	1950	295
Multiple	476	444	234	2352	336
Single	572	533	281	2822	403
CM6-8	408	377	181	1950	290
Multiple	509	460	254	2436	371
Single	611	552	305	2923	445
CM6-9	412	374	183	1970	310
Multiple	485	450	238	2388	356
Single	582	540	285	2866	428
CM6-10	412	400	179	1990	280
Multiple	509	458	272	2460	358
Single	611	550	327	2952	429
CM7-1	396	411*	166*	1930	280
Multiple	440	402	199	2136	342
Single	528	482	239	2563	410
PR-8	386	286	122	1780	380
Multiple	504	440	235	2388	403
Single	605	528	282	2866	484
PR-15	236*	167	64	1110*	300
Multiple	492	428	223	2327	370
Single	590	514	268	2792	444
IJ-13	489	448	197	2330	410
Multiple	492	442	232	2417	346
Single	590	530	278	2900	415

* - Denotes 5% change from previous sample.

Crow Butte Project
Monitor Well Laboratory Report

Sample Date: 01-30-2003
Analysis Date: 01-31-2003
Analyst: LG-TD

Well Number	Sodium (mg/L)	Sulfate (mg/L)	Chloride (mg/L)	Conductivity (UMHOS)	Alkalinity (mg/L)
CM6-26	407	348	187	1930	307
Multiple	479	449	282	2460	373
Single	575	539	338	2952	448
CM6-28	393	337	181	1860	310
Multiple	475	416	256	2412	374
Single	570	500	307	2894	449
CM6-29	403	359	183	1920	297
Multiple	469	446	268	2520	373
Single	563	536	321	3024	448
CM6-30	396	330	181	1890	310
Multiple	467	415	274	2460	383
Single	560	498	328	2952	459
CM6-31	400	348	181	1900	315
Multiple	470	440	251	2376	386
Single	564	528	301	2851	464
CM6-32	405	347	181	1920	310
Multiple	476	439	244	2484	384
Single	572	527	292	2981	461
IJ-13	503	459	203	2380	410
Multiple	492	442	232	2417	346
Single	590	530	278	2900	415

* - Denotes 5% change from previous sample.

Crow Butte Project
Monitor Well Laboratory Report

Page Number 2/2 Sample Date: 01-23-2003 Analyst: LG/TD
Analysis Date: 01-24-2003

Well Number	Sodium (mg/L)	Sulfate (mg/L)	Chloride (mg/L)	Conductivity (UMHOS)	Alkalinity (mg/L)
CM6-6	406	371	181	1950	300
Multiple	486	461	251	2412	370
Single	583	553	301	2894	444
CM6-7	403	384	181	1940	295
Multiple	476	444	234	2352	336
Single	572	533	281	2822	403
CM6-8	402	378	181	1960	290
Multiple	509	460	254	2436	371
Single	611	552	305	2923	445
CM6-9	413	376	181	1950	310
Multiple	485	450	238	2388	356
Single	582	540	285	2866	428
CM6-10	406	402	181	1970	280
Multiple	509	458	272	2460	358
Single	611	550	327	2952	429
CM7-1	401	454*	153*	1950	280
Multiple	440	402	199	2136	342
Single	528	482	239	2563	410
PR-8	375	280	118	1710	380
Multiple	504	440	235	2388	403
Single	605	528	282	2866	484
PR-15	252	174	67	1170	300
Multiple	492	428	223	2327	370
Single	590	514	268	2792	444
IJ-13	504	476*	200*	2370	410
Multiple	492	442	232	2417	346
Single	590	530	278	2900	415

* - Denotes 5% change from previous sample.

Crow Butte Project
Monitor Well Laboratory Report

Page Number 2/2 Sample Date: 01-16-2003 Analyst: LG/TD
Analysis Date: 01-17-2003

Well Number	Sodium (mg/L)	Sulfate (mg/L)	Chloride (mg/L)	Conductivity (UMHOS)	Alkalinity (mg/L)
CM6-26	409	355	189	1920	305
Multiple	479	449	282	2460	373
Single	575	539	338	2952	448
CM6-28	391	339	183	1870	310
Multiple	475	416	256	2412	374
Single	570	500	307	2894	449
CM6-29	402	358	184	1920	295
Multiple	469	446	268	2520	373
Single	563	536	321	3024	448
CM6-30	395	326	181	1890	310
Multiple	467	415	274	2460	383
Single	560	498	328	2952	459
CM6-31	399	346	181	1900	315
Multiple	470	440	251	2376	386
Single	564	528	301	2851	464
CM6-32	402	349	183	1910	310
Multiple	476	439	244	2484	384
Single	572	527	292	2981	461
IJ-13	482	451	189	2310	405
Multiple	492	442	232	2417	346
Single	590	530	278	2900	415

* - Denotes 5% change from previous sample.

Crow Butte Project
Monitor Well Laboratory Report

Sample Date: 01-09-2003
Analysis Date: 01-10-2003
Analyst: lg-td

Well Number	Sodium (mg/L)	Sulfate (mg/L)	Chloride (mg/L)	Conductivity (UMHOS)	Alkalinity (mg/L)
CM6-6	408	382	181	1960	300
Multiple	486	461	251	2412	370
Single	583	553	301	2894	444
CM6-7	402	386	179	1940	290
Multiple	476	444	234	2352	336
Single	572	533	281	2822	403
CM6-8	406	372	181	1960	290
Multiple	509	460	254	2436	371
Single	611	552	305	2923	445
CM6-9	414	376	182	1970	310
Multiple	485	450	238	2388	356
Single	582	540	285	2866	428
CM6-10	409	382	181	1980	280
Multiple	509	458	272	2460	358
Single	611	550	327	2952	429
CM7-1	398	420*	171	1950	280
Multiple	440	402	199	2136	342
Single	528	482	239	2563	410
PR-8	372	284	120	1710	390*
Multiple	504	440	235	2388	403
Single	605	528	282	2866	484
PR-15	251*	179*	69*	1190*	310
Multiple	492	428	223	2327	370
Single	590	514	268	2792	444
IJ-13	486	434*	185*	2270	395
Multiple	492	442	232	2417	346
Single	590	530	278	2900	415

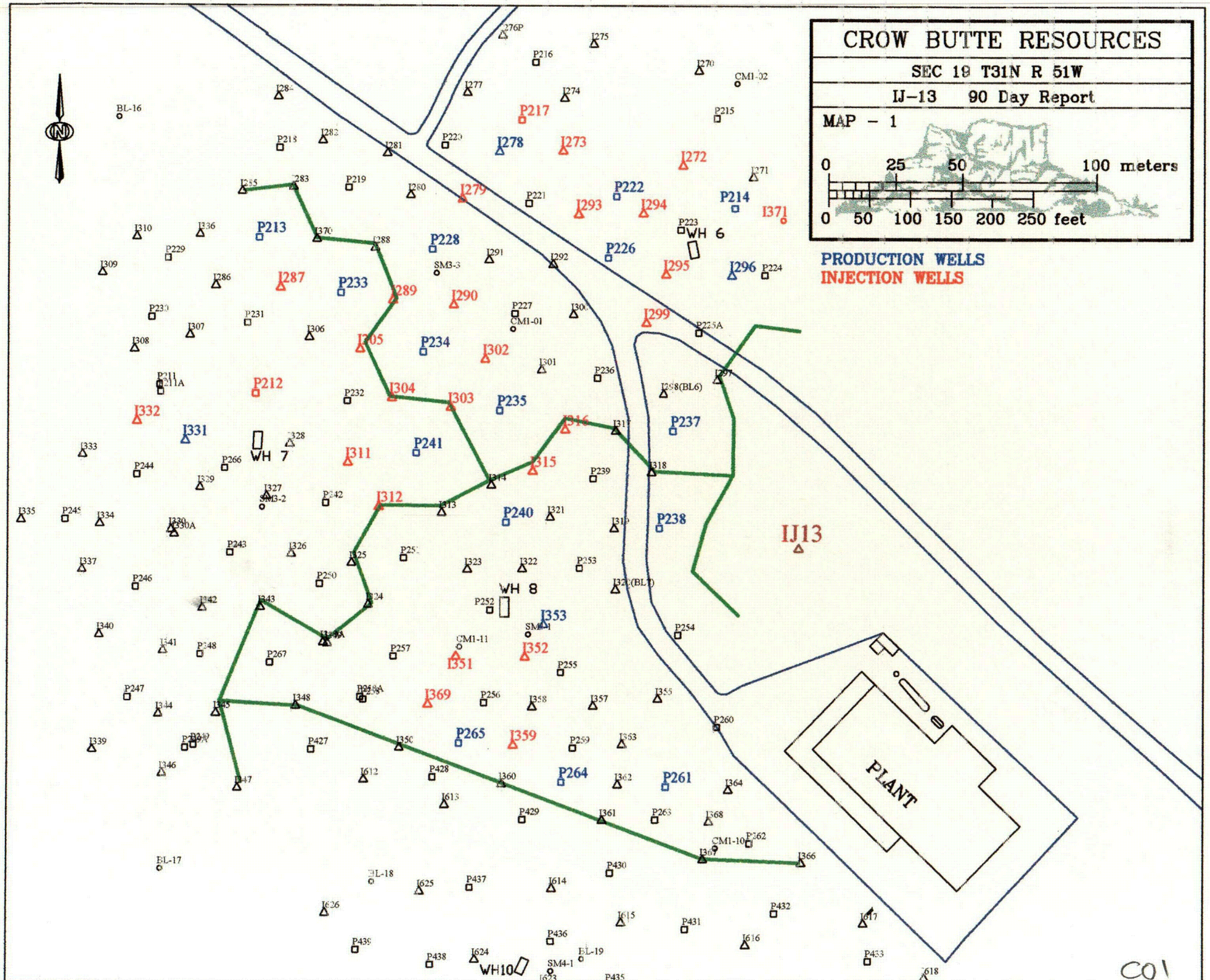
* - Denotes 5% change from previous sample.

Crow Butte Project
Monitor Well Laboratory Report

Page Number 2/2 Sample Date: 01-02-2003 Analyst: LG/TD
Analysis Date: 01-03-2003

Well Number	Sodium (mg/L)	Sulfate (mg/L)	Chloride (mg/L)	Conductivity (UMHOS)	Alkalinity (mg/L)
CM6-26	395	353*	189	1920	305
Multiple	479	449	282	2460	373
Single	575	539	338	2952	448
CM6-28	388	340	183	1870	310
Multiple	475	416	256	2412	374
Single	570	500	307	2894	449
CM6-29	402	361	185	1920	295
Multiple	469	446	268	2520	373
Single	563	536	321	3024	448
CM6-30	393	329	181	1890	310
Multiple	467	415	274	2460	383
Single	560	498	328	2952	459
CM6-31	397	343	181	1900	310
Multiple	470	440	251	2376	386
Single	564	528	301	2851	464
CM6-32	401	350	181	1920	310
Multiple	476	439	244	2484	384
Single	572	527	292	2981	461
IJ-13	494	474*	197*	2370	410
Multiple	492	442	232	2417	346
Single	590	530	278	2900	415

* - Denotes 5% change from previous sample.


CROW BUTTE RESOURCES
SEC 19 T31N R 51W
IJ-13 90 Day Report
MAP - 1
0 25 50 100 meters
0 50 100 150 200 250 feet
PRODUCTION WELLS
INJECTION WELLS
N
WH 6
WH 7
WH 8
WH10
IJ13
PLANT
P213
P214
P217
P222
P226
P228
P233
P234
P235
P237
P238
P240
P241
P261
P264
P265
I273
I278
I279
I287
I289
I290
I293
I294
I295
I296
I299
I302
I303
I304
I305
I311
I312
I315
I316
I331
I332
I351
I352
I353
I359
I369
I371
BL-16
BL-17
BL-18
BL-19
CM1-01
CM1-10
CM1-11
SM3-2
SM3-3
SM4-1

C01