

CROW BUTTE RESOURCES, INC.

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



(308) 665-2215
(308) 665-2341 - FAX

June 25, 2003

40-8943

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

Subject: UIC Permit NE0122611
Evaporation Pond 1 Liner Leak

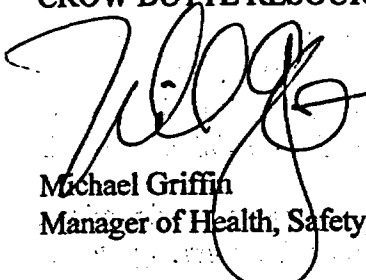
Dear Mr. Linder:

On June 4, 2003 Crow Butte Resources, Inc. (CBR) submitted a 30-Day report of actions taken to identify and repair a leak in the liner on Evaporation Pond 1. In that report, CBR noted that a hole in the liner on the north bank of the northwest quadrant had been located and plugged with a temporary repair. Conductivity results monitored during an underdrain-flushing program indicated that the temporary patch had successfully stopped the leak in the liner.

On June 12, 2003, CBR performed permanent repairs on the Pond 1 liner with an extrusion welder. Daily underdrain level measurements and weekly analysis of the northwest underdrain contents were continued until final repairs of the liner were completed. This monitoring confirms that the source of the leak in the northwest underdrain has been corrected. By this report, CBR will return the northwest underdrain in Pond 1 to normal monitoring status and discontinue daily underdrain level measurement and weekly analysis of the underdrain.

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

Sincerely,
CROW BUTTE RESOURCES, INC.

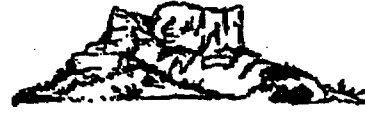


Michael Griffin
Manager of Health, Safety, and Environmental Affairs

Enclosures: As Stated

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CROW BUTTE RESOURCES, INC.



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cc: Mr. Steve Collings
Crow Butte Resources, Inc.
Denver, Colorado

Mr. Dave Carlson
Nebraska Department of Environmental Quality
Northwest Field Office
Chadron, Nebraska

Mr. John Lusher
Project Manager
Nuclear Regulatory Commission
Washington, DC
