

October 30, 2006

Mr. Larry Teahon, Manager
Health, Safety, and Environmental Affairs
Crow Butte Resources, Inc.
86 Crow Butte Road
P.O. Box 169
Crawford, NE 69339-0169

SUBJECT: 2007 SURETY ESTIMATE ACCEPTANCE REVIEW, CROW BUTTE
RESOURCES, INC., SOURCE MATERIALS LICENSE SUA-1534
(TAC J00502)

Dear Mr. Teahon:

By letter dated September 29, 2006, Crow Butte Resources, Inc. (CBR) submitted to U.S. Nuclear Regulatory Commission (NRC) staff the 2007 surety estimate for its *in-situ* leach (ISL) mine near Crawford, Nebraska. The submittal included a summary of significant changes and spreadsheets to support the final estimate of \$22,883,722, which is an increase of \$3,084,433 over the 2006 amount. NRC staff has performed an acceptance review of this surety submittal and has determined that a further technical review is not feasible due to spreadsheet errors.

The types of errors identified include the following:

- Cost Element Summary - Costs presented on this page sum to \$17,416,260 instead of \$22,883,722.
- Rounding errors associated with the unit costs occur in the "GW REST," "WFRclamation," "WELL ABAN," "EQUIP," "BLDGS" spreadsheets.

Please correct these errors and resubmit the 2007 surety estimate within 30 days of receipt of this letter. If you have any questions, please contact me at: 301-415-7182 or by e-mail at: sjc7@nrc.gov.

L. Teahon

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In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at: <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

/RA/

Stephen J. Cohen, Project Manager
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 40-8943
License No.: SUA-1534

cc: S. Fischbein, NDEQ

L. Teahon

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cc: S. Fischbein, NDEQ

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