



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20585-0001

August 09, 1999

Mr. Michael L. Griffin
Manager of Environmental and Regulatory Affairs
Crow Butte Resources, Inc.
86 Crow Butte Road
P.O. Box 169
Crawford, NE 69339-0169

SUBJECT: TERMINATION OF SPILL CLEANUP EFFORTS SOURCE MATERIAL LICENSE
SUA-1534 (DOCKET NUMBER 40-8943) CROW BUTTE URANIUM PROJECT,
NEBRASKA

Dear Mr. Griffin:

The U.S. Nuclear Regulatory Commission (NRC) staff has completed its review of the September 22, 1998, letter from Crow Butte Resources, Inc. titled "Final Report of Solution Spill (August 7, 1998)." This letter and its enclosure describe the successful cleanup of an August 7, 1998, spill of lixiviant from a pipe coupling at well I-710. This failure allowed barren lixiviant to leak from the wellhead and ultimately reached Squaw Creek, which is an intermittent drainage.

This report and a report dated August 14, 1998, were submitted in compliance with License Condition 12.4 which requires a report to be submitted to the NRC that details the conditions leading to the spill, corrective actions taken, and results achieved. The nearest impoundment is located on Squaw Creek 2.25 miles downstream from the spill. This impoundment is used for watering of live stock. Surface water samples of radium and uranium concentrations demonstrate that this impoundment was not impacted by the spill. The data also indicated that NRC effluent limits for radium and uranium in 10 CFR 20, Appendix B, Table 2, and the U.S. Environmental Protection Agency maximum contaminant level for radium were not exceeded within Squaw Creek. Surface gamma-ray surveys confirmed that soil cleanup criteria were not exceeded.

Corrective actions have been taken to reduce the potential for future pipe coupling failures to occur. Improved pipe installation procedures are being implemented and explored. In addition, improved pipe failure alarms are being investigated.

Based on its review, the NRC staff has concluded that for the August 7, 1998, spill, the licensee has complied adequately with License Condition 12.4. The licensee is reminded that License Condition 12.4 also requires that, "until license termination, the licensee shall maintain documentation on all spills of source or 11e(2) byproduct materials and all spills of process chemicals".

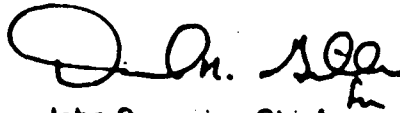
9909150087 990809
PDR ADOCK 04008943
C PDR

M. Griffin

-2-

If you have any questions concerning this decision, please contact the NRC Project Manager,
Mr. William Ford, at (301) 415-6630.

Sincerely,

A handwritten signature in black ink, appearing to read "John Surmeier". The signature is written in a cursive style with a large initial "J" and "S".

John Surmeier, Chief
Uranium Recovery and
Low-Level Waste Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

Docket No. 40-8934
License No. SUA-1534

Enclosure: As stated

cc: H. Borchert, RCPD, NE
NDEQ
PDR, NE

September 13, 1999

Note To: Susan Fridely

From: William Ford

William Ford

SUBJECT: PLACEMENT OF AUGUST 09, 1999, LETTER IN PDR .

Please place the attached letter titled "*Termination of Spill Cleanup Efforts Source Material License SUA-1534 (Docket Number 40-8943) Crow Butte Uranium Project, Nebraska*", in the public document room. The letter was sent to the licensee on August 09, 1999. We have since lost the concurrence copy and only have a copy of the original letter.

cc: Case Closed: L51747

DISTRIBUTION w/encl
CNWRA
w/o Encl.:
JSurmeier

FILE CENTER
BSpitzberg/RIV
J.Kennedy
DGillen

NMSS r/f
ACNW
ANorris

URLL r/f
ARamirez
Jholonich

11