

**CAMECO RESOURCES
CROW BUTTE OPERATION**



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

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

October 19, 2009

Mr. Keith I. McConnell, Deputy Director
Decommissioning and Uranium Recovery Licensing Directorate
Division of Waste Management and Environmental Protection
Office of Federal and State Materials and Environmental Management Programs
U.S. Nuclear Regulatory Commission
Mail Stop T8-F5
Washington D.C. 20555-0001

Subject: Self reporting of license violation;
Failure to perform Mechanical Integrity Testing on workover wells
USNRS Source Materials License SUA-1534

Dear Mr. McConnell:

On April 21, 2009, rig workovers were performed on wells I-366 and I-367 in Wellhouse 8. The wells were placed back into service on May 27, 2009. On October 15, 2009, a Mechanical Integrity Test (MIT) technician was sent to perform an MIT on these wells. He discovered that the wells had been placed back into service following the workovers, but an MIT had not been performed. This constitutes a violation of USNRC Source Materials License SUA-1534, License Condition 10.2. This event was reported to Mr. Ronald Burrows via voice mail at 3:45 pm MDT on October 15, 2009.

Upon discovery of this error, an MIT was performed on I-366 and I-367. Both wells successfully passed the test. Copies of the MIT documentation are attached.

To ensure that a similar incident does not reoccur, the Senior Geologist will be responsible for ensuring that each well that requires an MIT is tagged-out with a "do not operate" tag. The Senior Geologist will also be responsible for verifying that each well has passed MIT testing before the tag is removed. Wells will not be placed into service until the tag has been removed.

Cameco Resources,
Crow Butte Operation



If you have any additional questions please feel free to contact me at (308) 665-2215 ext 117.

Sincerely,

A handwritten signature in black ink, appearing to read "Walter D. Nelson". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Walter D. Nelson
Environmental Leadership Coordinator
Cameco Resources, Crow Butte Operation

Cc: Tom Young
Ronald Burrows
CBO File



Nebraska Department of Environmental Quality

Casing Integrity Test Report

Company: CBR Permit No: NE0122611
 Project: Crowbutte Well No: 366
 Casing Type: yellowmine Diameter: 4 1/2"
 Hole Depth: 760 Casing Depth: 749'
 Screened Interval(s): 707' - 722'
 Depth to K-packer: 698' Depth to Test Packer(s) Top - Ground level
Bottom - 688"
 Comments: Workover

TIME	ELAPSED TIME (Min)	PRESSURE (PSIG)
1:35	0	125
1:40	5	123
1:45	10	120
1:50	15	117
1:55	20	114

Test Performed By: [Signature]
 Date: 10-15-09
 Calibration Performed By: [Signature]
 Date: 10-12-09

CERTIFICATION

I certify under penalty of law that I have personally examined and am familiar with the information submitted in this application and all attachments and that, based on inquiry of those individuals immediately responsible for obtaining information, I believe the information is true, accurate, and complete. Further, I certify awareness that there are significant penalties for submitting false information, including the possibility of a fine and imprisonment.

By Wade Beins Senior Geologist
 PRINTED NAME OF PERSON SIGNING TITLE
 By [Signature] 10-15-09
 SIGNATURE DATE



Nebraska Department
of Environmental Quality

Casing Integrity Test Report

Company: CBR Permit No: NE0122611
 Project: Crowbutte Well No: 367
 Casing Type: yellowline Diameter: 4 1/2"
 Hole Depth: 775' Casing Depth: 764'
 Screened Interval(s): 734' - 747'
 Depth to K-packer: 724' Depth to Test Packer(s) Top - Ground Level
Bottom - 713'

Comments:

Workover

TIME	ELAPSED TIME (Min)	PRESSURE (PSIG)
10:00	0	125
10:05	5	124
10:10	10	123
10:15	15	121
10:20	20	119

Test Performed By: Rich Dunn

Date: 10-15-09

Calibration Performed By: RD

Date: 10-12-09

CERTIFICATION

I certify under penalty of law that I have personally examined and am familiar with the information submitted in this application and all attachments and that, based on inquiry of those individuals immediately responsible for obtaining information, I believe the information is true, accurate, and complete. Further, I certify awareness that there are significant penalties for submitting false information, including the possibility of a fine and imprisonment.

By Wade Beins
PRINTED NAME OF PERSON SIGNING

Senior Geologist
TITLE

By Wade Beins
SIGNATURE

10-15-09
DATE