

September 13, 2010

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

SUBJECT: LICENSE CONDITION 9.7 TO SOURCE MATERIAL LICENSE SUA-1534 –
11e.(2) BYPRODUCT MATERIAL DISPOSAL AGREEMENT

Dear Mr. Teahon:

By letters dated June 24, 2010 and July 12, 2010, Crow Butte Resources, Inc. (CBR), doing business as Cameco Resources, submitted a new 11e.(2) byproduct material disposal agreement for the Crow Butte Operation. CBR submitted the new agreement as required by License Condition (LC) 9.7 of Source Material License SUA-1534. This condition reads as follows:

The licensee shall dispose of 11e.(2) byproduct material from the Crow Butte Facility at a site licensed by NRC or an NRC Agreement State to receive 11e.(2) byproduct material. The licensee's approved waste disposal agreement must be maintained on-site. In the event the agreement expires or is terminated, the licensee shall notify NRC in writing, in accordance with License Condition 9.2, within 7 days after the date of expiration or termination. A new agreement shall be submitted for NRC approval within 90 days after expiration or termination unless further delay is justified, or the licensee will be prohibited from further lixiviant injection.

The NRC staff reviewed the new 11e.(2) byproduct material disposal agreement for compliance with LC 9.7 using the acceptance criteria contained in Sections 4.2.3 and 6.2.3 of NUREG-1569, Standard Review Plan for In Situ Leach Uranium Extraction License Applications (NRC, 2003). During the review, the staff noted the following:

- The previous 11e.(2) byproduct material disposal agreement expired on July 31, 2010.
- The new 11e.(2) byproduct material disposal agreement is in effect until June 30, 2011, with the option for automatic renewals.
- The new agreement is with a site licensed by the NRC or an Agreement State.

The NRC staff has determined that the new 11e.(2) byproduct material disposal agreement is consistent with the acceptance criteria in NUREG-1569 and meets the requirements of LC 9.7 outlined above. Therefore, the NRC staff approves the new 11e.(2) byproduct material disposal agreement. Note that LC 9.7 requires that a copy of the approved waste disposal agreement be maintained on site and that no changes have been made to this LC based on this review and approval.

L. Teahon

2

If you have any questions regarding this correspondence, please contact me at 301-415-6443, or by e-mail, at ronald.burrows@nrc.gov.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders," 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/

Ronald A. Burrows
Uranium Recovery Licensing Branch
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: Paul Goranson, Cameco Resources
Michael Linder, NDE

L. Teahon

2

If you have any questions regarding this correspondence, please contact me at 301-415-6443, or by e-mail, at ronald.burrows@nrc.gov.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders," 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,

Ronald A. Burrows
Uranium Recovery Licensing Branch
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: Paul Goranson, Cameco Resources
Michael Linder, NDE

DISTRIBUTION :

DOOrlando JWhitten/RIV LGersey/RIV

ML102510131

OFC	URLB	URLB	URLB	URLB
NAME	RBurrows	BGarrett	BVonTill	RBurrows
DATE	09/8/10	09/9/10	09/13/10	09/13/10

OFFICIAL RECORD COPY