

**CAMECO RESOURCES
CROW BUTTE OPERATION**



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

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

July 10, 2017

USPS PRIORITY MAIL
SIGNATURE CONFIRMATION

Attn: Document Control Desk, Director
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

MIT Failure at P232, Wellhouse 7, Mine Unit 3

Dear Director:

On June 30th, 2017, during routine 5-year Mechanical Integrity Testing (MIT), well number P232 in Mine Unit 3, Wellhouse 7 failed the MIT criteria at the Crow Butte Resources (CBR) mine site. Isolation procedures indicated a casing failure occurred between 720 and 725 foot-level. The well casing depth is 779 feet with a K-packer set at 742 feet. The static water level of the shallow monitor wells in this area is 44 to 78 feet deep. Kory Winters, of the NDEQ Chadron field office, and Ron Burrows, NRC Project Manager, were notified concerning this well on June 30, 2017.

Based upon a review of the geophysical log for P232, it appears that the failed casing is in the appetite zone of the Chadron Formation. Because P232 has been operated only as a production well, Mine Unit 3 has been in stability monitoring since June 20, 2013, successfully passed a MIT on July 19, 2012, and, it is unlikely that any contamination has occurred. Kory Winters, reviewed the information for this well and concurred that the likelihood for contamination was minimal. Crow Butte will abandon well P232 according to the approved procedure.

The nearest Shallow Monitor (SM) well downgradient to P232 is SM3-3. Enclosed are the latest results from SM3-3 for your review. The letter is submitted in compliance with License Condition 11.6 of Source Materials License SUA-1534.

AMSS20
NMSS

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Document Control Desk, Director
July 10, 2017
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If there are any further questions or concerns feel free to contact me at (308) 665-2215 ext. 114.

Sincerely,

A handwritten signature in cursive script that reads "Larry Teahon".

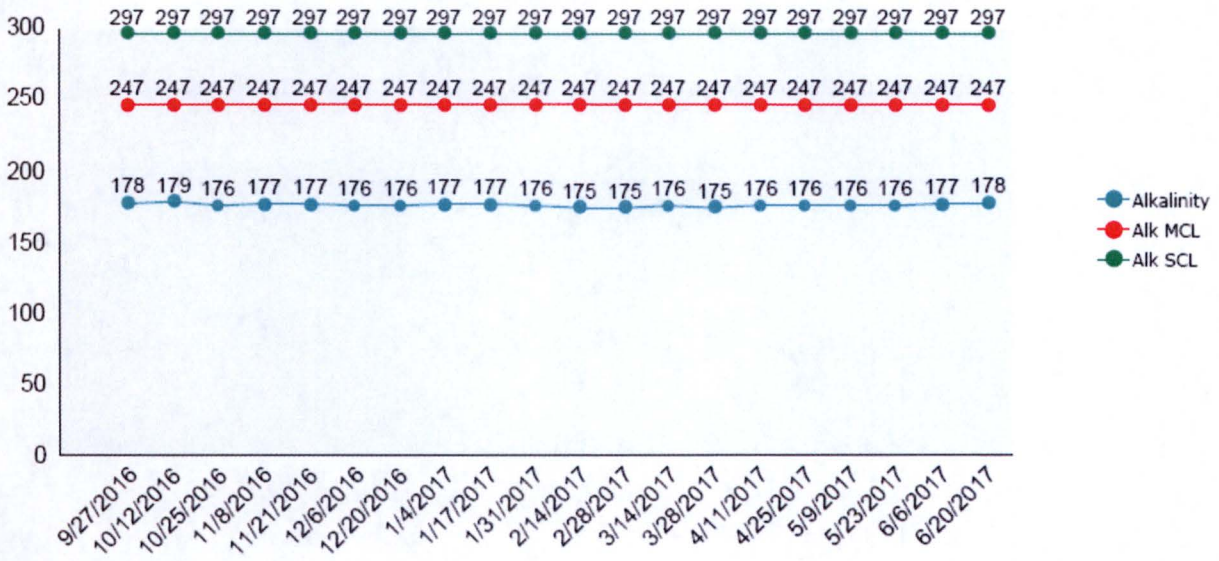
Larry Teahon
SHEQ Manager

cc: Deputy Director
Division of Decommissioning
Uranium Recovery and Waste Programs
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Mail Stop T-8F5
11545 Rockville Pike
Two White Flint North, Rockville, MD 20852-2738

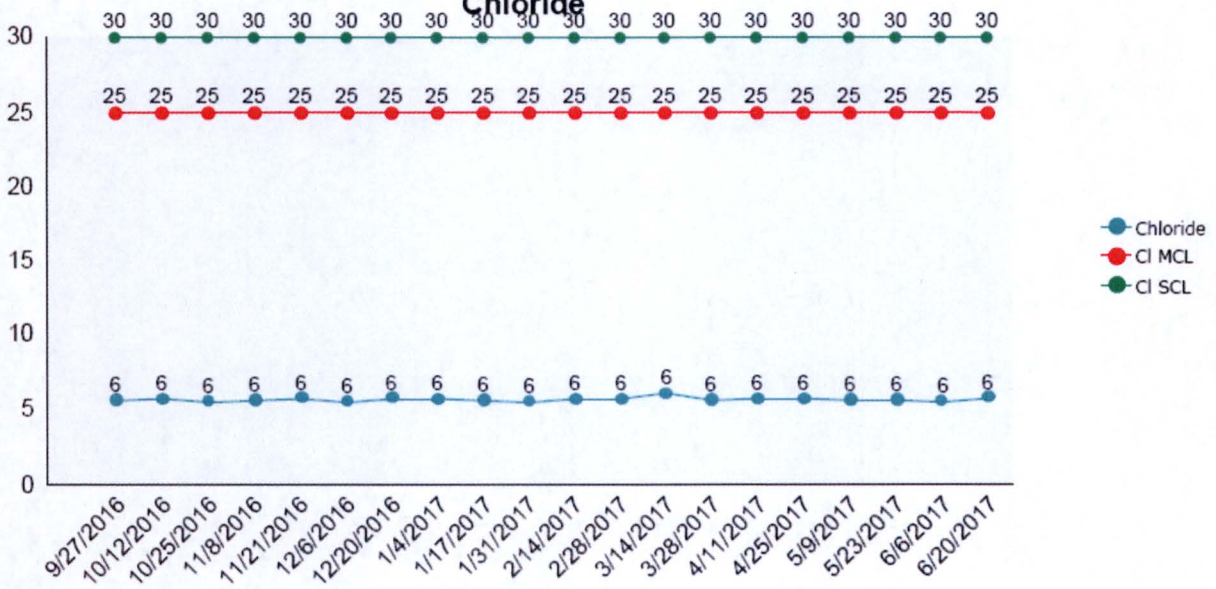
CBO- File

cc: CR – Electronic File

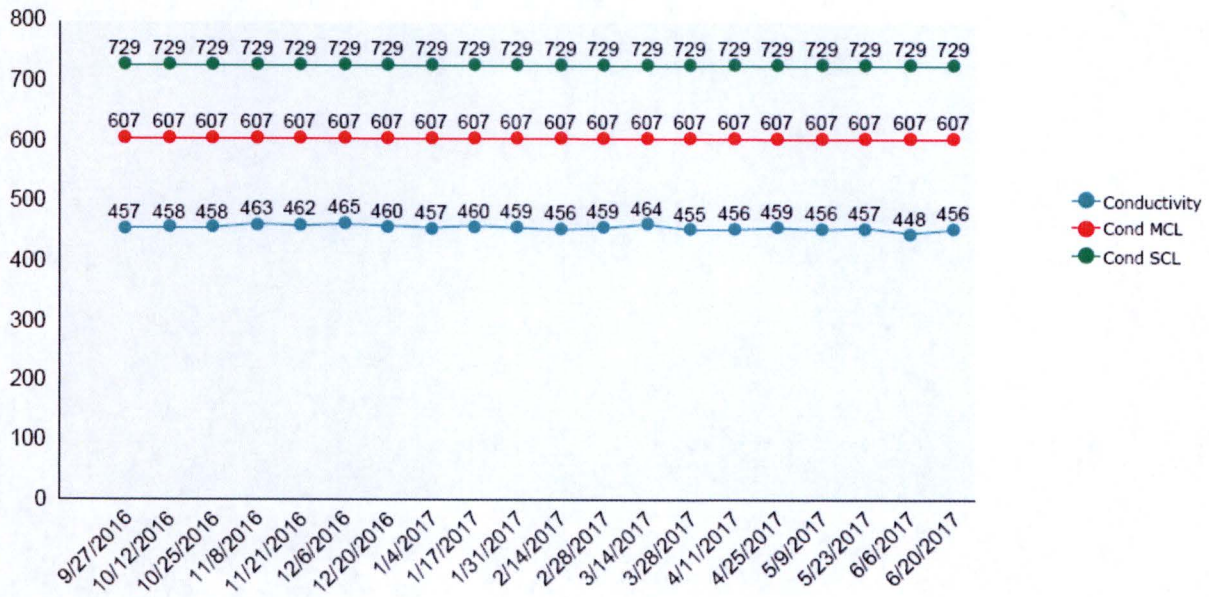
Alkalinity



Chloride



Conductivity



Water Level

