



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION IV

611 RYAN PLAZA DRIVE, SUITE 400  
ARLINGTON, TEXAS 76011-8064

November 16, 1999

Mr. Steve Collings, President  
Crow Butte Resources, Inc.  
1670 Broadway, Suite 3450  
Denver, Colorado 80202

SUBJECT: NRC INSPECTION REPORT 40-8943/99-02 AND NOTICE OF VIOLATION

Dear Mr. Collings:

On September 21-23, 1999, the NRC conducted a routine inspection of your in-situ uranium processing facility near Crawford, Nebraska. The enclosed report presents the results of that inspection. The inspection determined that, overall, you have operated the uranium production facility in a safe and effective manner. However, during the inspection, the NRC determined that a violation of NRC requirements occurred. The violation is cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding it are described in detail in the subject inspection report. The violation involved your failure to incorporate pertinent radiation safety steps from License Condition 10.8(A) into your Standard Operating Procedure (SOP) for yellowcake dryer operations. This violation is of concern to the NRC because the yellowcake dryer SOP did not contain the specified steps to be taken to mitigate a potential failure of the dryer emission control system.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response, if any, will be placed in the NRC Public Document Room (PDR).

Should you have any questions concerning this inspection, please contact Mr. Louis C. Carson II at (817) 860-8221 or Dr. D. Blair Spitzberg at (817) 860-8191.

Sincerely,

A handwritten signature in cursive script that reads "Dwight D. Chamberlain".

Dwight D. Chamberlain, Director  
Division of Nuclear Materials Safety

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

Enclosures: (See next page)

EN 35888

PDR ADOCK.

Enclosures:

1. Notice of Violation
2. NRC Inspection Report  
40-8943/99-02

cc w/enclosures:

Mr. Mike Griffin  
Crow Butte Resources, Inc.  
P.O. Box 169  
Crawford, Nebraska 69339-0169

Public Document Room  
Upper Niobrara-White Natural Resources District  
805 East Third  
Chadron, Nebraska 69337

Nebraska Dept. of Environmental Control  
Box 94877 Statehouse Station  
301 Centennial Mall South  
Lincoln, Nebraska 68509

Mr. Pat Mackin, Assistant Director  
Systems Engineering & Integration  
Center for Nuclear Waste Regulatory Analyses  
6220 Culebra Road  
San Antonio, Texas 78238-5166

Nebraska Radiation Control Program Director

E-Mail report w/enclosures to Document Control Desk (DOCDESK)

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