

ENCLOSURE 1

NOTICE OF VIOLATION

Crow Butte Resources, Inc.
Crawford, Nebraska

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

During an NRC inspection conducted on September 21-23, 1999, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600 the violation is listed below:

License Condition 9.6 states, in part, that written standard operating procedures (SOP) for all operational process activities shall enumerate pertinent radiation safety practices to be followed.

License Condition 10.8(A) states, in part, that if any yellowcake dryer emission control system fails to operate within the specifications set forth in the SOP:

- the drying and packing room shall be immediately closed-in as an airborne radiation area; and
- heating and operations shall be switched to cool down or operations shall be temporarily suspended.

Contrary to the above, on January 20, 1999, the licensee established and implemented SOP P-19, "Yellowcake Dryer Operations and Maintenance, Revision 7, without enumerating the pertinent radiation safety steps to be taken during a yellowcake dryer emission control system failure. Specifically, SOP P-19 did not state that:

- the drying and packing room shall be immediately closed-in as an airborne radiation area; and
- heating and operations shall be switched to cool down or operations shall be temporarily suspended.

Standard Operating Procedure 19 remained uncorrected until September 23, 1999, which was a period of 8 months.

This is a Severity Level IV violation, with no response required (Supplement VI).

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence and the date when full compliance will be achieved is already adequately addressed on the docket in Inspection Report No. 40-8943/99-02. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation," and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555 with a copy to the

Regional Administrator, Region IV, 611 Ryan Plaza Drive, Suite 400, Arlington, Texas 76011, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.790(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 17th day of November 1999

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

bcc w/enclosures to DCD (IE-07)

bcc e/enclosures distrib. by RIV:

EWMerschoff

JJSurmeier, NMSS/DWM/URB (T 7 J9)

WMFord, NMSS/DWM/URB (T 7 J9)

DDChamberlain

LLHowell

DBSpitzberg

LCCarson

FCDB

MIS System

RIV Materials Docket File (5th Floor)

DOCUMENT NAME: Draft: s:\dnms\fcdb\lcc\9X8943X2.LXX final: R:_DNMS\

To receive copy of document, indicate in box: "C" = Copy without enclosures "E" = Copy with enclosures "N" = No copy

RIV:DNMS:FCDB	<i>ll</i>	C:FCDB	D:DNMS <i>ll</i>
LCCarson:jak		DBSpitzberg <i>ll</i>	DDChamberlain
11/5/99		11/5/99	11/6/99

OFFICIAL RECORD COPY