

**CAMECO RESOURCES
CROW BUTTE OPERATION**



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

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

August 21, 2015

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Marty Link, Acting Water Quality Division Administrator
Nebraska Department of Environmental Quality
PO Box 98922
Lincoln, Nebraska 68509-8922

Dear Ms. Link:

On August 17, 2015, during routine 5-year Mechanical Integrity Testing (MIT), well number I-2430 in Mine Unit 7, Wellhouse 31 failed the MIT criteria at the Crow Butte Resources (CBR) mine site. Isolation procedures indicated that the failure was the casing joint at the 20-foot level. Shar Sapp, of the NDEQ Chadron field office, and Ron Burrows, NRC Project Manager, were notified concerning this well on August 17, 2015.

This well was last successfully mechanically integrity tested in September 2010. On July 27, 2011 this well was turned off and taken out of service. The well casing depth is 769 feet with a K-packer set at 738 feet. The static water level of the shallow monitor wells in this area is 100 to 130 feet deep.

Upon review of this data with Nancy Harris, of the NDEQ Lincoln office, it was determined that once a drill rig has been brought back to the site (estimated time - 2 to 3 months) the well will be repaired by installing a sleeve to cover the failed joint. The well will then be re-MIT'd to ensure that the repair is sufficient. If CBR is unable to repair the well, then it will be abandoned according to approved procedure. Due to the shallow depth of the failed joint (20 feet), no other testing will be conducted.

A graph of the sampling results for the nearest Shallow Monitor Well, SM 7-15, is included for your review. This well is located 285 feet northwest of I-2430.

If you have any questions or concerns on this matter, please do not hesitate to call me at 308-665-2215 ext. 122.

CROW BUTTE RESOURCES, INC.



Sincerely,

A handwritten signature in black ink, appearing to read 'Bob Tiensvold'. The signature is fluid and cursive, with a large, sweeping 'B' and a distinct 'T'.

Bob Tiensvold
Mine Manager

Enclosure

cc: Ron Burrows - NRC
CBO - File

ec: Shar Sapp - NDEQ
CR - Casper

SM7-15
8-18-15



