



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
WASHINGTON, D.C. 20555-0001

October 28, 2016

Mr. Tyson Smith, Winston & Strawn LLP
Counsel for Crow Butte Resources, Inc.
101 California Street
San Francisco, CA 94111

SUBJECT: FEE DISPUTE – INVOICE NO. LFB 16-4346, CROW BUTTE RESOURCES, INC.

Dear Mr. Smith:

I am responding to your letter dated August 16, 2016, in which you, on behalf of Crow Butte Resources, Inc. (CBR), disputed a portion of the invoice for the U.S. Nuclear Regulatory Commission's (NRC's) project management charges associated with the Marsland Expansion Area (MEA) license amendment request (Agencywide Documents Access and Management System (ADAMS) Accession No. ML16265A170). Specifically, you disputed some charges for project management-related work during the 3-month period from March 20 to June 25, 2016. You further requested in your letter that the NRC review its internal timekeeping records and provide CBR with any additional information to support the NRC's invoice charges.

Based on our review of the work performed by the MEA project manager (PM) during the 3-month period from March 20 to June 25, 2016, we confirmed that the hours charged are consistent with the work that was conducted during that period. The work performed by the MEA PM during the 3-month period included the following activities:

- managing and reviewing the NRC staff's requests for additional information (RAIs) related to CBR's revised MEA technical report (ADAMS Accession No. ML15328A363) and to CBR's unsatisfactory responses to previous RAIs
- managing and reviewing the NRC staff's work in drafting the MEA Safety Evaluation Report (SER)
- managing and reviewing the NRC staff's work in addressing MEA SER review comments from the NRC's Office of the General Counsel
- coordinating NRC's safety evaluation of the revised MEA technical report with NRC's environmental assessment for the MEA

Please note that this work was also coupled with the MEA PM's work to prepare, conduct, and document two NRC public meetings with CBR (ADAMS Accession Nos. ML16109A304, ML16176A198).

In your letter, you also indicated that it was not apparent why some of the PM time could not be redirected to resolve the NRC's review of CBR's financial surety estimate for CBR's Materials License (NRC License No. SUA-1534). For clarity, another PM was assigned the lead for the financial surety review, not the MEA PM. However, to provide you with a current status of this review, the NRC is in receipt of CBR's recent RAI response dated September 27, 2016 (ADAMS Accession No. ML16278A642). NRC will notify CBR of the results of its acceptance review for the RAI response when it is completed.

T. Smith

- 2 -

If you have any additional questions regarding the work performed by the NRC on the MEA license amendment request and associated charges, please contact Tom Lancaster at (301) 415-6563 or by e-mail at Thomas.Lancaster@nrc.gov.

Sincerely,

/RA/

Marc L. Dapas, Director
Office of Nuclear Material Safety
and Safeguards

Docket No. 040-08943
License No. SUA-1534

cc: Brent Berg, President, Cameco
Resources
Mike Thomas, Director – Safety, Health,
Environment, and Quality, Cameco Resources
Larry Teahon, Manager – Safety, Health,
Environment, and Quality, Crow Butte
Maureen Wylie, Office of the Chief
Financial Officer

T. Smith

- 2 -

If you have any additional questions regarding the work performed by the NRC on the MEA license amendment request and associated charges, please contact Tom Lancaster at (301) 415-6563 or by e-mail at Thomas.Lancaster@nrc.gov.

Sincerely,

/RA/

Marc L. Dapas, Director
Office of Nuclear Material Safety
and Safeguards

Docket No. 040-08943
License No. SUA-1534

cc: Brent Berg, President, Cameco
Resources
Mike Thomas, Director – Safety, Health,
Environment, and Quality, Cameco Resources
Larry Teahon, Manager – Safety, Health,
Environment, and Quality, Crow Butte
Maureen Wylie, Office of the Chief
Financial Officer

DISTRIBUTION:

CBarror RBurrows, NMSS AKock, NMSS MBlair, OCFO

ADAMS Accession No.: ML16264A066

OFFICE	NMSS/DUWP	NMSS/DUWP	NMSS/DUWP BC	OGC
NAME	TLancaster	SAchten (via email)	BVonTill	JSuttenberg (via email)
DATE	9/19/16	9/20/16	10/06/16	10/5/16
OFFICE	NMSS/DUWP:D	OCFO	Tech Editor	NMSS:OD
NAME	JTappert	DD'Abate (via email)	WMoore	MDapas
DATE	10/12/16	10/12/16	10/12/16	10/28/16

OFFICIAL RECORD COPY