



RE: 0726-E

July 26, 2007

Certified Mail - Return Receipt Requested
Receipt No. 7006 0810 0004 5717 8644

Ms. Rita Ware
U.S. Environmental Protection Agency - Region 6
RCRA Enforcement Branch
Compliance Assurance and Enforcement Division (6EN)
1445 Ross Avenue
Dallas, TX 75202-2733

RE: Sequoyah Fuels Corporation
2007 2nd Quarter Financial Assurance Quarterly Report
RCRA § 3008(h) Administrative Order on Consent
U. S. EPA Docket No. VI-005-(h)93-H
EPA I. D. No. OKD051961183

Dear Ms. Ware:

Enclosed are four (4) copies of Sequoyah Fuels Corporation's (SFC) 2007 2nd Quarter Financial Assurance Quarterly Report and Financial Statements. The information is being submitted to fulfill obligations in the referenced order contained in Part XII.2(a) and in Part XII.2(b) and (c).

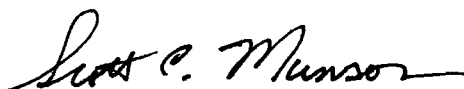
The list of recipients of copies of these reports will receive all information contained in this submittal.

July 26, 2007

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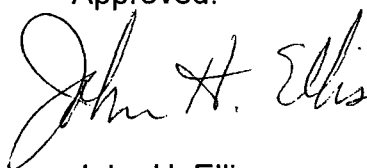
Should you have any questions regarding the enclosed information, please contact me at 918/489-5511, extension 20.

Sincerely,



Scott C. Munson
Project Coordinator

Approved:



John H. Ellis
President

JHE/SCM/bt

Enclosures as Stated

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U.S. Nuclear Regulatory Commission ✓
Myron Fliegel
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Rockville, MD 20852-2738

2007 2nd Quarter Financial Assurance Quarterly Report

SEQUOYAH FUELS CORPORATION

2ND QUARTER FINANCIAL ASSURANCE REPORT

Cost Center	2007 Annual	% Total	2nd Quarter	%	2nd Quarter	%	Year-To-Date	%
	Budget		Budget	Budget	Actual	Budget	Actual	Budget
EXPENSES								
Corrective Action								
SOW 1	\$915,900.00	35.4%	\$320,565.00	35%	\$319,129.00	35%	\$527,760.00	58%
DP/CMP/EIS								
SOW 2	\$233,650.00	9.0%	\$93,460.00	40%	\$67,042.00	29%	\$113,825.00	49%
ENV/CHAR. SAMPLG								
SOW 3	\$178,650.00	6.9%	\$62,527.50	35%	\$34,505.00	19%	\$62,051.00	35%
WASTE WATER TRT								
Sub Total	\$1,328,200.00	51.3%	\$ 476,552.50	26%	\$420,676.00	32%	\$ 703,636.00	53%
Administration								
Taxes & Depreciation	\$133,000.00	5.1%	\$13,300.00	10%	\$10,397.00	8%	\$20,729.00	16%
Utilities	\$74,900.00	2.9%	\$18,725.00	25%	\$16,199.00	22%	\$32,178.00	43%
Maintenance	\$10,000.00	0.4%	\$2,500.00	25%	\$11,900.00	119%	\$48,837.00	488%
Security	\$115,000.00	4.4%	\$28,750.00	25%	\$25,501.00	22%	\$47,297.00	41%
Executive	\$430,300.00	16.6%	\$107,575.00	25%	\$117,525.00	27%	\$209,658.00	49%
Legal	\$150,000.00	5.8%	\$37,500.00	25%	\$73,761.00	49%	\$113,479.00	76%
Human Resources	\$346,800.00	13.4%	\$86,700.00	25%	\$87,147.00	25%	\$179,767.00	52%
Sub-Total	\$1,260,000.00	48.7%	\$ 295,050.00	23%	\$342,430.00	27%	\$ 651,945.00	52%
TOTAL EXPENSES	\$2,588,200.00		\$ 771,602.50	30%	\$763,106.00	29%	\$ 1,355,581.00	52%
REVENUE								
ConverDyn Fees	\$0.00		\$ -	25%			\$0.00	
Interest Income	\$150,000.00	29.13%	\$ 37,500.00	25%	\$66,387.00	44%	\$129,942.00	87%
Rent, Other	\$365,000.00	70.87%	\$ 91,250.00	25%	\$122,812.00	34%	\$196,521.00	54%
TOTAL REVENUE	\$515,000.00		\$ 128,750.00	25%	\$189,199.00	37%	\$326,463.00	63%