

CIMARRON CORPORATION

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S. JESS LARSEN
VICE PRESIDENT

January 23, 1998

Mr. Kenneth L. Kalman, Project Manager
Facilities Decommissioning Section
Low-Level Waste and Decommissioning Projects Branch
Division of Waste Management
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

**Re: Docket No. 70-925; License No. SNM-928
Cimarron Corporation
Proposed Amendment to the License No. SNM-928**

Dear Mr. Kalman:

As discussed previously in telephone conversations and our meeting of December 8, 1997, Cimarron requests an amendment to license number SNM-928 to incorporate changes to the Cimarron organizational structure, following the retirement of Mr. Joe Kegin as Site Manager. We further wish to eliminate a redundancy in the license concerning organization tie-down. We also propose revised wording of Section 3.9 of Annex A (incorporated in the license under condition 26) to simplify the process of making routine adjustments to the organization and the decommissioning work being performed in the future.

Cimarron Corporation previously notified you in a letter dated September 22, 1997, of organization changes precipitated by the retirement of Mr. Joe Kegin, Site Manager.

The current and proposed organizational structure is shown in the attached amended Figures 3-2 and 3-3 of Annex A (Radiation Protection Plan). Due to the far-advanced status of site decommissioning over a 22-year period, the change in structure is warranted. Consideration about any potential reduction of supervision by consolidating the Site Manager and Vice Presidential positions was addressed by including the Director of Regulatory Compliance (audit) function with its corporate dotted-line relationship into the organization structure. Further, the Assistant Site Manager function further augments the degree of supervision and accountability. Cimarron requests license amendment to incorporate these functional management changes to Annex A, as cited in license condition 26. These two attached figures will replace those with the same numbers in Section 3 of Annex A (Radiation Protection Plan).



A SUBSIDIARY OF KERR-McGEE CORPORATION

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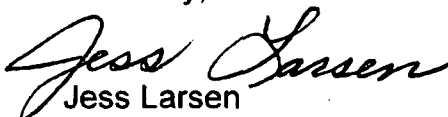
A license redundancy should be eliminated in this same amendment by deleting reference to the January 23, 1996, letter in the license condition 10 tie-downs. That letter also references an outdated organizational structure in duplication of Annex A.

Cimarron desires to have more flexibility without the rigors of formal license amendment regarding issues that do not directly or materially affect the safety of workers or general public, and which will not affect the quality of the decommissioning work. An example of such an issue is the incidental changes to the organizational structure or job titles as discussed above. We have identified language contained in 10 CFR 70.38(g)(1) that we believe is appropriate for this purpose. We therefore request that a modification be made to our license specifying that changes to the radiation protection program (Annex A) and/or Decommissioning Plan may be performed without license amendment provided that the provisions of 10 CFR 70.38 (g)(1)(i) through (iv) are met. If approved by the NRC, Cimarron will maintain written records of all evaluations and have them on file for inspection at the facility. Our review of the license indicates that this change could be incorporated into a new Section 3.9 of Annex A. Proposed wording for the new Section 3.9 of Annex A is provided as Attachment #1.

As we are seeking a license amendment, I would remind you that that a number of other outstanding issues regarding license amendment were previously requested by letter dated June 30, 1997. I would hope that the simple and straight-forward portions of that earlier request could be incorporated at this time also. We do not ask NRC to commit sizable resources to resolving major concern issues from the June 30 request at this time.

Thank you for your consideration, and please advise if Cimarron can answer any questions or clarify details.

Sincerely,



Jess Larsen
Vice President
Attachments

Figure 3-2
Kerr-McGee Corporation
Safety and Environmental Affairs Division
Assessment & Remediation

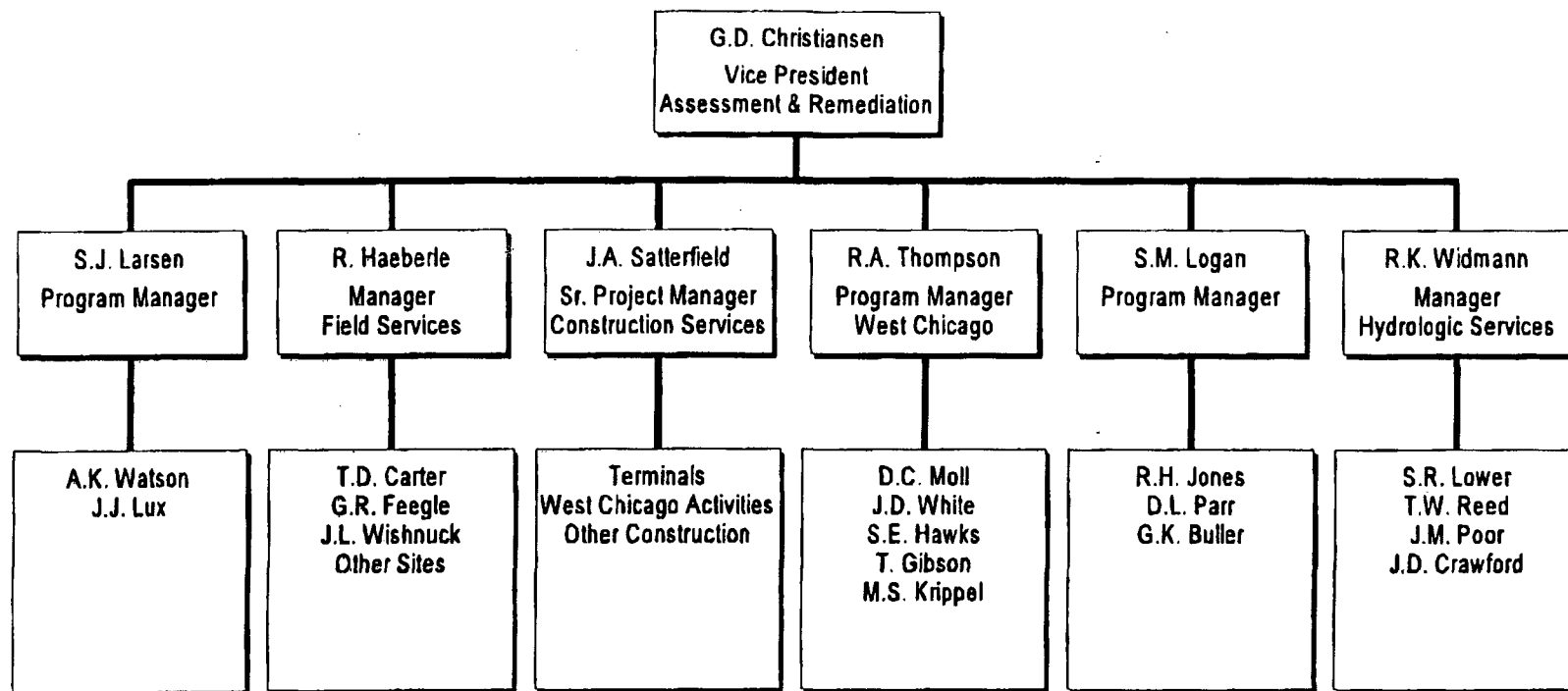
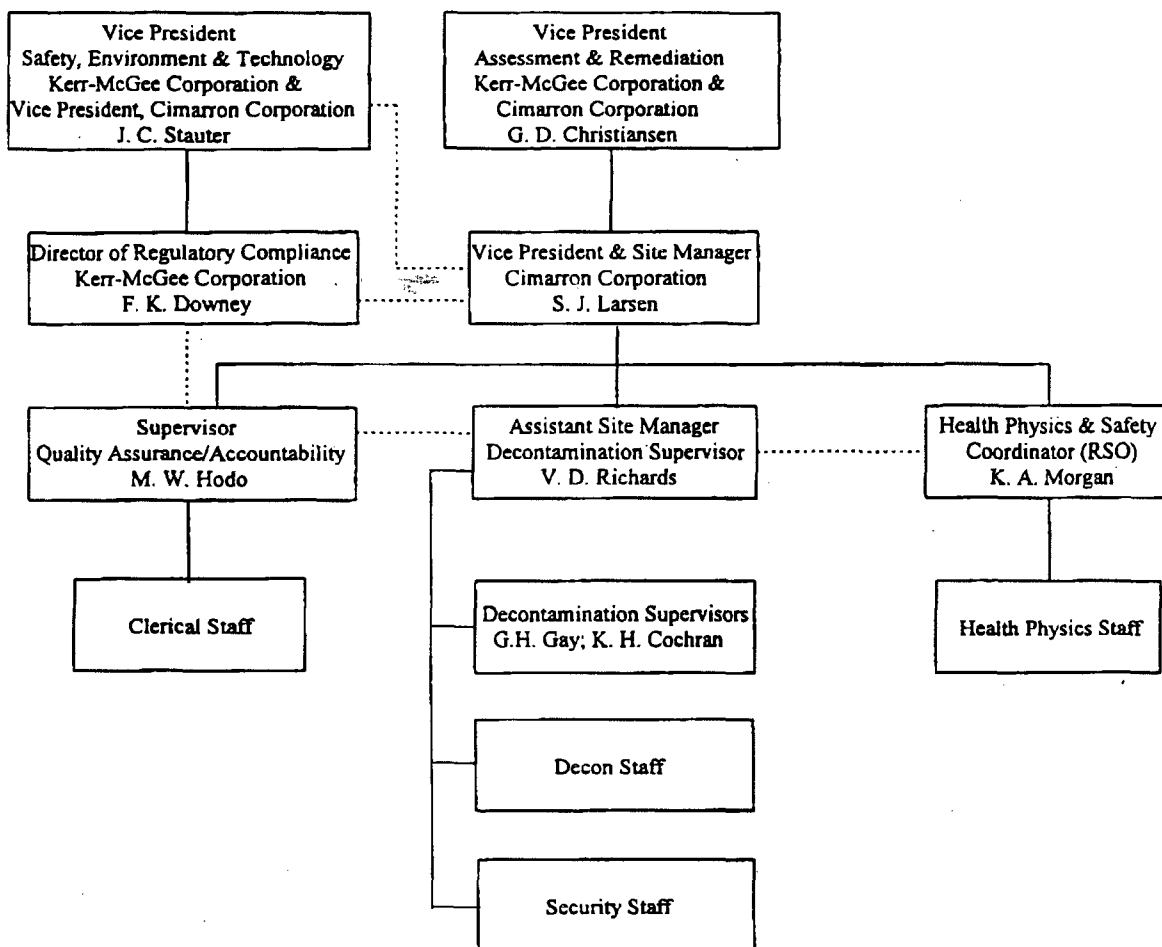


Figure 3-3

**Kerr McGee Corporation
Safety & Environmental Affairs Division
Assessment & Remediation Department
(Cimarron)**



Attachment #1

PROPOSED NEW SECTION 3.9 OF CIMARRON ANNEX A

3.9 Changes to the Radiation Protection Program

Changes to the Radiation Protection Program and Decommissioning Plan may be made without formal NRC approval provided that the proposed changes will not increase potential health and safety impacts to workers and the public. Changes such as the following would require specific NRC advance approval:

- 1) The change could involve techniques not applied routinely during cleanup or maintenance operations;
- 2) The change could result in workers entering areas not normally occupied where surface contamination and radiation levels are significantly higher than routinely encountered during decommissioning activities;
- 3) The change could result in significantly greater airborne concentrations of radioactive materials than are present during normal decommissioning activities;
- 4) The change could result in significantly greater releases of radioactive material to the environment than those associated with decommissioning activities.

A written evaluation addressing all of the above considerations for each change shall be performed and approved by the Radiation Safety Officer and the Site Manager. The written evaluation and justification for the change shall be maintained on file at the facility and be available for review by NRC inspectors or representatives.