

Fuller, Karla

From: Leonardi, Richard
Sent: Thursday, December 17, 2009 8:40 AM
To: Fuller, Karla
Cc: Leonardi, Richard
Subject: RE: Sensitive Information for Oklahoma DEQ

Karla,

As discussed earlier this week, I wish to provide some additional information to Oklahoma DEQ relative to the rod rack cut-up project on Halliburton's North-40 property.

I have two related pieces of information I wish to communicate.

First, I wish to correct some information that I provided to DEQ during our December 8 conference call. On December 8, I initially indicated to DEQ that Halliburton did not remove any items from the LSA disposal transport containers, and that all the non-rod rack generated combustible waste (contaminated clothing, booties, and gloves) went into the LSA disposal containers along with the cut-up rod racks.

This weekend, while reflecting on my time with Halliburton during the rod rack project, I remembered that I became aware (I believe thru conversations with Halliburton HSI personnel) that Halliburton did in fact remove all the combustible waste (described above) from the LSA containers, and burned this waste in the two rocket Propellant burn pits. I only found out about this practice after all the waste was burned.

So yes, fission product contaminated waste was burned in the two burn pits. I was told that Halliburton determined toward the near conclusion of the rod rack project, that the available LSA containers were filling up quickly, and that something had to be done, or order additional LSA containers.

I was told that Halliburton decided to remove all of the combustible waste from the LSA containers to free-up available disposal volume in the containers.

The exact volume of combustible waste that was burned in the two burn pits was not communicated to me, nor did I determine who with Halliburton authorized the burning of the combustible waste in the burn pits.

Secondly, I have a concern regarding a potential Oklahoma DEQ conflict of interest that may surface during DEQ's future actions with Halliburton relative to Halliburton's proposed clean-up of the North-40 property. I provide this information with the hope that the information will benefit DEQ during their contact with Halliburton, and I have no other agenda other than to provide DEQ background information that might come up during decommissioning negotiations with Halliburton. I realize the sensitivity of this information, but believe DEQ has a need to know, and I feel an obligation to share it with DEQ.

My concern involves a previous DEQ inspector (Coleman Smith), that was the investigator, in the late 1980s, that conducted a follow-up investigation of at least two formal complaints (allegations) against Halliburton (Halliburton Industrial Services, Inc.)(HSI) for the release of heavy clouds of particulate (burn-pit debris) that the southerly wind carried over personal property of individuals that lived on the north side of the Halliburton fence on the North-40 property. Mr. Smith made several trips to Duncan to investigate the two allegations (may have been more-not sure), but as far as I recall, Halliburton did not discontinue its burning of the two pits, and to my knowledge, Halliburton was not fined for the releases, nor did Halliburton change its policies or practices to lessen the impact of the debris clouds floating onto the personal property of those individuals who lived on the other side of Halliburton's north fence line.

The apparent conflict involves the fact that Mr. Smith, while investigating the public allegations, was actively seeking employment with Halliburton. I personally had spoken with Mr. Smith regarding his desire to go to

work for Halliburton, and my boss at that time (Ron Bechtel) also mentioned to me that Mr. Smith was pursuing a job with Halliburton. During the same time frame, Mr. Smith was internally investigating the allegations against Halliburton.

This information is not intended to be an allegation, but is provided strictly for DEQ's review. I am reluctant to make these comments, knowing Mr. Smith is not alive to defend himself, but believe DEQ should be aware of this potential conflict going into the decontamination process with Halliburton.

Please contact me if you need additional information or clarification.

Richard