



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV

611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064

DEC 18 1992

Docket: 40-8027
License: SUB-1010

Sequoyah Fuels Corporation
(Subsidiary of General Atomics)
ATTN: James J. Sheppard, President
P.O. Box 610
Gore, Oklahoma 74435

Gentlemen:

SUBJECT: NRC INSPECTION REPORT NO. 40-8027/92-30

On November 17, 1992, an NRC Augmented Inspection Team (AIT) was dispatched from NRC Region IV to the Sequoyah Fuels Corporation (SFC) facility to review an event that had involved a release of nitrogen dioxide, a toxic gas, earlier that day. The subsequent AIT inspection on November 17-21, 24, and 25, 1992, considered the nature of the event, its cause and effects, and the actions of SFC personnel in responding to it.

The enclosed inspection report describes the tasks assigned to the AIT, the areas examined during the inspection, and the AIT's findings and conclusions.

On November 18, 1992, the AIT briefed the media on what was known about the event. On November 20, 1992, the AIT met publicly with SFC management to discuss the status of the inspection and to answer questions from the licensee and the public. Upon concluding the AIT inspection on November 25, 1992, the inspection findings were presented to SFC management during a public exit meeting.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be placed in the NRC's Public Document Room.

We will be pleased to discuss any questions you have concerning this inspection.

Sincerely,

James L. Milhoan
James L. Milhoan
Regional Administrator

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PDR ADOCK 04008027
C PDR

Enclosure:
Appendix - NRC Inspection Report
40-8027/92-30 w/attachments

DEC 18 1992

Sequoyah Fuels Corporation

-2-

cc:

Oklahoma Radiation Control Program Director

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bcc:

DMB - Original (IE-07)
 JLMilhoan
 JMMontgomery
 RMBernero, NMSS (6 E6)
 HRDenton, OIP (17 F2)
 LJCallan
 RECunningham, NMSS (6 H3)
 JPJaudon
 *WLFisher
 *CLCain
 *GMVasquez
 *LLKasner
 *CHRobinson, NMSS (6 H3)
 JGilliland
 GFSanborn
 *NMLS

JTGreeves, NMSS (6 H3)
 JWNHickey, NMSS (6 H3)
 MTokar, NMSS (6 H3)
 MLHorn, NMSS (6 H3)
 SLuttal, OGC (15 B18)
 JGoldberg, OGC (15 B18)
 GMLongo, OGC (15 B18)
 TRCombs, OCA (17 A3)
 JLieberman, OE (7 H5)
 WMTroskoski, OE (7 H5)
 MRodriguez, OC/LFDCB (4503)
 *NMIS
 *MIS System
 *RIV Files (1)
 *REHall, URFO

*W/IFS Form

RIV:NMIS	NMIS	NMSS/IMSB	C:NMLS	D:DRSS
GMVasquez	LLKasner	CHRobinson	WLFisher	LJCallan
12/18/92	12/18/92	12/18/92	12/18/92	12/18/92

DRA	RA			
JMMontgomery	JLMilhoan			
12/17/92	12/18/92			

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JMMontgomery	JLMilhoan			
12/17/92	12/18/92			