



4200 SKYLINE DRIVE '85

PHONE: (505) 325-8531

FARMINGTON, NEW MEXICO 87401

8-8-85

United States Regulatory Commission
 Policy and program control branch
 Division of waste management
 Office of Nuclear material safety and safeguards
 1717 H street NW Washington, D.C. 20555
 Attn: Docking and Service Branch

WM Record File

402.6

PR-30,40etal
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WM Project

Docket No.

PDR

LPDR

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(Return to WM, G23-SS)

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Mr. Joseph O. Bunting Jr., Chief:

I would like to comment on (ANPRM) of June 20, 1985 in the Federal Register 10 CFR Parts 30,40,51,and 72. requiring adequate financial resources to pay for cleanup of accidental releases of radioactive material.

While I recognize the thinking behind this I cannot accept the idea of requiring every user to carry such a huge amount of insurance just to cover the remote possibility of a release of radioactive material. With the current cost of liability insurance this would put all small well logging companies out of business and two or three major logging companies are all that could afford the financial burden of remaining in business and they, by having a monopoly, could charge the industry abusive rates.

Secondly I feel the costs charged for cleanup are excessive. Either the requirements are unreasonable or the costs are too high because it is an emotional subject. The public thru the Media, is not aware of what is real danger and what is imagined. They do not understand half life or the distance time relationship to exposure. Nor do they understand the difference between exposure to radiation and ingestion of radioactive material. I believe one of the main functions of Nuclear Regulatory Agencies should be to educate the public to realistic use of radioactive material and it's benefit to the industry and mankind in the improvement of life. Also the loss of jobs and material such as oil and gas or medicine if it were regulated out of use.

In talking to Jim Taylor with four corners insurance company here in farmington he informed me as of January 1986 all insurance companies were going to exclude pollution from their coverage. No one is writing that type of coverage now. If they do take it up the cost would be prohibitive for a small business. We gross about \$ 175,000 per year and this would force me out of business and to lay off my employees.

I feel well loggers should be exempt from regulation. We use only sealed sources and there is very little chance of any rupture of a case.

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To answer your questions under Specific Considerations.

1. I am not sure insurance is available for cleanup. If it is the cost is prohibitive, and I cannot put up that amount of cash.
2.
 - a. half life of 5 years or less should be exempt along with encapsulated well logging sources, and amounts under 20 Curies per source.
 - b. my cost would be unknown for \$ 2 million dollars.
 - c. financial responsibility should be on a sliding scale to match risks and types of material. For instance Plutonium and cobalt should be a higher risk than Cesium or Americium.
 - d. answered as yes above.
 - e. Sounds like a good idea.
 - f. Don't know
 - g. dont know
 - h. answered above
 - i. answered above
 - j. don't know
 - k. don't know
 - l. no
 - m. would require too much paperwork for me.
 - n. yes
 - o. see if \$2 million is actually necessary. How much clean up is sufficient.

I hope these comments are useful to you in making your decision. I urge you not to apply such regulations. If I can be of further assistance call on me.

Sincerely:

A handwritten signature in cursive script that reads 'D.E. Pearson'.

D.E. Pearson - pres.
Southwest Surveys
4200 Skyline Drive
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