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TELEPHONE INQUIRY CONCERNING STATUS OF APPLICATION FOR SOURCE MATERIAL LICENSE, KERR-McGEE CORPORATION, SEQUOYAH, OKLAHOMA

On January 28, 1970, I received a telephone call from Mr. George Wuller, Kerr-McGee Corporation (KMG), Oklahoma City, Oklahoma, who inquired about the status of KMG's application for a source material license to authorize conversion of yellowcake concentrate of UF_6 at KMG's new Sequoyah, Oklahoma facility.

Specifically, Mr. Wuller asked if we had received his supplemental application dated January 14, 1970, which was submitted in response to our letter of December 9, 1969. I advised Mr. Wuller that we had received the application and that, with the exception of a minor problem with KMG's proposed environmental airborne survey program, the January 14, 1970, response appeared satisfactory to me. KMG's environmental airborne program provides for (1) continuous sampling at two locations on the restricted area perimeter and (2) intermittent sampling at selected sites downwind in the event of an accidental release of uranium. Continuous sampling at two locations on the restricted area perimeter would not determine compliance with Section 20.106 of 10 CFR 20 since it is unlikely that points located on the boundary perimeter would represent proper sampling locations. In order to satisfactorily comply with Section 20.106 of 10 CFR 20, one would need to undertake diffusion calculations in conjunction with selecting proper locations for obtaining environmental samples. I also advised in this regard that I felt an acceptable license condition or specification could be developed to resolve this problem.

Mr. Wuller then asked if we had received Dr. Pittman's letter to Dr. McBride of January 23, 1970, and whether the information contained therein adequately reflected Dr. McBride's request for information. I advised that we had just received the information (on January 28, 1970) but had not yet had time to thoroughly review the material. I further replied that I was not aware of the specific information Dr. McBride requested of Dr. Pittman, so I was unable to state if the information satisfied the request. I did point out that the information provided in Dr. Pittman's letter appeared to consist only of raw data, completely devoid of any geological or radiological safety assessment by Kerr-McGee of the proposed waste disposal scheme at Sequoyah.

Mr. Wuller then asked if I could advise him as to when we might issue a

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license to authorize processing at Sequoyah. I advised that, in my opinion, some resolution concerning the deep well waste disposal request would probably have to be reached prior to the issuance of the license. I also advised that consideration was being given to a pre-licensing visit to the plant. I then asked Mr. Wuller about the status of the plant. He advised that it was his understanding that the plant was nearly complete, but that a few areas in the plant were not 100% operational. He explained that the main difficulty facing KMG at this time is in their marketing program. Until such time as a license is obtained, they do not wish to make long-term commitments and production schedules. Mr. Wuller also advised that 3 or 4 months would be required before plant startup if evaporation-seepage ponds had to be constructed in lieu of the proposed well.



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cc: Donald A. Nussbaumer