l	J.S. NUCLEAR REGULATORY COMMISSION	DATE:	1/25/2001	
TELEPHONE OR VERBAL CONVERSATION RECORD		TIME:	1:30 - 2:30 PM	
PARTICIPANTS:	ORGANIZATION:	PHONE NUMBER:		
John Herman Chris Whittaker Ray Woods David Walter Betsy Ullrich Kathy Modes	- Lawyer with PADEP - PADEP - PADEP - State of Alabama - NRC - NRC			
LICENSE NO.	DOCKET NO.	MAIL CO	NTROL NO.	
SUBJECT: PA offering assistance to State of Alabama RE: Design Fuels				

SUMMARY:

David Walter and myself gave a brief account of what happened, how the first gauge was found, and what little information we have about the missing 2 curie gauge. We gave an overview of the actions we have taken so far and that we are awaiting information back from Design Fuels. We answered PA's questions - mostly regarding the whereabouts of the second gauge. PA is concerned that the gauge is still here in PA. PA provided insights of their visits to the Nemacolin mining site. There is an active reclamation project going on and the State of PA has toured the site with a person from LTV Steel Company who is in charge of the reclamation project. There is a fear that equipment has been buried because that has been past practices in companies like these.

David Walter and myself brought up the January 21, 2001 letter from Design Fuels to K-Lee Processing that states the 2 gauges are in Alabama. PA asked us to fax them a copy of this letter. We did.

PADEP is willing to issue a search warrant to Design Fuels. They are also willing to assist Alabama with seizure of PA assets. PADEP will also check with their mining department to see if they have any information on this matter. PADEP also found out that Design Fuels did not inform the State that they were in business.

Based on all the information shared during this telephone conference call and where we are to date, PA decided to forgo an interview with Design Fuels at this time and give Design Fuels time to respond to Alabama's NOV. Once the response is received we will all talk again (probably mid to late February). Another option is to inspect Design Fuels - go and dig thru records at Karsnak's home. If and when we exercise this option, PADEP would like to accompany the NRC on this inspection.

PERSON DOCUMENTING CONVERSATION	Kathy Modes	DATE:	1/25/2001
ACTION TAKEN: Faxed January 21, 1992 letter to PA.		Completed By:	
		K. Modes	
		DATE:	1/25/2001 @ 2:53PM