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was issued on September 5, 1968. The license was issued for unrestricted use of the areas for unrestricted use. The license was issued pursuant to Section 20.302 of Part 20.

Note to: Richard E. Cunningham, Assistant Director for Plans & Technical Programs, DML. The license was issued to STEPAN CHEMICAL COMPANY, DOCKET 40-1947.

The radioactive material for which Stepan Chemical is licensed to possess and store (underground) was originally generated by the Maywood Chemical Works under a license initially issued November 19, 1956. This license authorized the processing of unlimited quantities of thorium-bearing ores and tailings for extraction of thorium and rare earths. License No. STC-130 was issued to Stepan Chemical on March 7, 1961. This license authorized possession of the tailings and the opportunity to sell the thorium and rare earths which were presently on hand. No processing was authorized.

In the application for renewal in 1964, Stepan estimated that the quantity of tailings on hand was 2,160,000 pounds or 2000 cubic yards with a 1.5% thorium concentration. It was indicated at this time that Stepan was decommissioning its thorium processing capabilities and cleaning up for purposes of processing non-thorium-bearing ore. On January 15, 1968, in confirmation of a telephone conversation, Don Harmon informed Stepan of the procedures for releasing a portion of its property for unrestricted use. He also informed Stepan of the requirements for disposal of radioactive material by burial pursuant to Section 20.302 of Part 20.

In an application dated February 28, 1968, Stepan outlined a plan for underground storage of tailings, Stepan indicated at this time that about 3000 cubic yards of material was to be buried and that the thorium content was about 0.25%. On March 19, 1968, such burial was authorized and requirements for decontamination to authorize unrestricted use was again specified. In an application dated August 15, 1968, Stepan identified three areas where waste material was buried. The total amount of material buried was estimated at about 19,000 cubic yards. The license also identified two areas which were formally used for above ground storage and represented that such areas had been decontaminated to within AEC limits for unrestricted use. After confirmation of the limits by Compliance, Stepan was

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authorized on September 6, 1968 to release the former above ground storage areas for unrestricted use. Stepan never submitted any information pursuant to Section 20.302 for disposal by burial in excess of Part 20.

No correspondence was received from Stepan until February 8, 1971, when Stepan returned our license fee invoices, and informed us that they no longer processed source material or had knowledge of the use of byproduct material. The forty (40) dollar fee for the byproduct material license was subsequently paid. The application dated February 8, 1971 has been considered as a timely request for termination and will remain pending until final determination is made. (Note: We have written numerous licensees explaining what they must do regarding disposal of licensed material in order to terminate their license. The regulation does not provide any time limit. It should be further noted that Stepan was billed for \$800 rather than \$40 as they should have been.) During telephone conversations with E. A. Swanson of Stepan, it became apparent that Stepan was of the opinion that License No. STC-130 had been terminated by our amendment dated September 6, 1968. This is confirmed by Stepan's letter dated April 22, 1971.

In view of the wording in 10 CFR 170 it appears to me that we must give Stepan the choice of either divesting themselves of the licensed material or payment of the license fee. It further appears that Stepan is not going to dig up the waste material, therefore the only way out is to file a report pursuant to Section 20.302 and make provisions for long term control over the possibility of unrecognized excavation (e.g. insert a notice in the land deed). Stepan should also be informed that they were erroneously billed for 800 dollars. Maybe they will pay this much to get rid of the problem.

Stepan indicated at this time that the total amount of material was to be buried and that the concentration was about 0.25%. On May 13, 1971, Stepan identified the requirements for documentation. Robert L. Layfield, Materials Branch, Division of Materials Licensing, identified the areas which were used for above ground storage and recommended that the areas be restricted to the limits for unrestricted use.

FI
 S Chemical Company
 Maywood, New Jersey 07607
 Mr. E.A. Swanson

DATE OF DOCUMENT: 4-22-71		DATE RECEIVED 4-27-71		NO.: 2048	
LTR. X		MEMO:		REPORT:	
ORIG.: 1		CC:		OTHER:	
ACTION NECESSARY <input type="checkbox"/>		CONCURRENCE <input type="checkbox"/>		DATE ANSWERED:	
NO ACTION NECESSARY <input type="checkbox"/>		COMMENT <input type="checkbox"/>		BY:	
CLASSIF: U		POST OFFICE REG. NO:		FILE CODE: 40-1947	
DESCRIPTION: (Must Be Unclassified) Ltr forwarding add'l info in regard to application for termination of Source Material License STC-130.....		REFERRED TO	DATE	RECEIVED BY	DATE
		Layfield W/file cy (folder out to Layfield)	6/27		
ENCLOSURES:		Distribution:			
		1-Compliance (Region)			
		1-PDR			
REMARKS:		DO NOT REMOVE			
		ACKNOWLEDGED			
				2048	JP

U.S. ATOMIC ENERGY COMMISSION

MAIL CONTROL FORM FORM AEC-326 (2-60)