

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

July 15, 2003
DOCKETED
USNRC

July 22, 2003 (3:10PM)

BEFORE THE PRESIDING OFFICER

OFFICE OF SECRETARY
RULEMAKINGS AND
ADJUDICATIONS STAFF

In the Matter of:

Fansteel Inc.

(Muskogee, Oklahoma Facility)

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Docket No. 40-7580-MLA-2

ASLBP No. 03-813-04-MLA

NOTIFICATION OF FANSTEEL INC. IN CONNECTION WITH SHOW CAUSE ORDER

On June 16, 2003, the State of Oklahoma ("State") filed a request for hearing in connection with Fansteel Inc.'s ("Fansteel") January 14, 2003, Decommissioning Plan ("DP").¹ Thereafter, on June 26, 2003, Fansteel withdrew the DP.² On July 9, 2003, a Presiding Officer was designated to rule on, *inter alia*, petitions for leave to intervene and/or requests for hearing in this proceeding.³ Also on July 9, the Presiding Officer issued an Order directing the State of Oklahoma to show cause, in light of Fansteel's withdrawal of its DP, why this proceeding should not be dismissed.⁴ For the reasons set forth below, Fansteel requests that the Presiding Officer hold this proceeding in abeyance pending further notification by Fansteel of its planned actions with respect to the DP.

¹ See "State of Oklahoma's Request for Hearing," dated June 16, 2003 ("Request").

² See Letter, G.L. Tessitore, Fansteel, to J.C. Shepherd, NRC, "Fansteel Inc., License No. SMB-911, Docket No. 40-7580," dated June 26, 2003.

³ See Fansteel Inc.; Designation of Presiding Officer, 68 Fed. Reg. 41,851 (July 15, 2003).

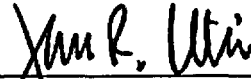
⁴ See *Fansteel Inc. (Muskogee, Oklahoma Facility), Show Cause Order (Dismissal of Proceeding)*, slip op. July 9, 2003.

As the Presiding Officer may be aware, Fansteel filed for bankruptcy protection under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware on January 15, 2002. Subsequent thereto, Fansteel and its affiliated debtors have undertaken extensive comprehensive settlement negotiations among several parties, including the Nuclear Regulatory Commission ("NRC"), Environmental Protection Agency, Department of the Navy, Pension Benefit Guaranty Corporation, the State, and the Official Creditors Committee. In light of certain developments in the bankruptcy negotiations with respect to the DP, Fansteel is currently considering its near-term actions with respect to the resolution of issues connected with the DP. Such actions may include, but are not limited to, resubmission of a DP for NRC consideration, or liquidation of the company without seeking approval of a DP.

Fansteel will notify the Presiding Officer, the State, and the NRC Staff no later than Friday, July 25, 2003, as to its decision whether to resubmit the DP for NRC Staff consideration. Because such a decision will have a direct effect on the posture of this proceeding, Fansteel requests that the Presiding Officer suspend the current schedule for

responses to the July 9, 2003, Show Cause Order pending Fansteel's notification on or before
July 25, 2003.

Respectfully submitted,



James R. Curtiss, Esq.
Brooke D. Poole, Esq.
WINSTON & STRAWN
1400 L Street, NW
Washington, D.C. 20005-3502
(202) 371-5700

ATTORNEYS FOR FANSTEEL INC.

Dated in Washington, D.C.
this 15th day of July 2003

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE COMMISSION

In the Matter of:

Fansteel Inc.

(License No. SMB-911)

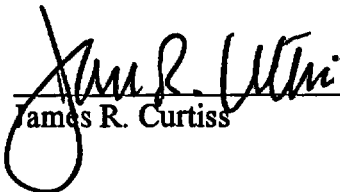
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Docket No. 40-7580

NOTICE OF APPEARANCE

Notice is hereby given that the undersigned attorney herewith enters an appearance in the captioned matter. In accordance with 10 C.F.R. § 2.713(b), the following information is provided:

Name:	James R. Curtiss
Address:	Winston & Strawn 1400 L Street, N.W. Washington, DC 20005
E-Mail:	jcurtiss@winston.com
Telephone Number:	(202) 371-5751
Facsimile Number:	(202) 371-5950
Admissions:	District of Columbia Court of Appeals
Name of Party:	Fansteel Inc.


James R. Curtiss

Dated at Washington, District of Columbia
this 26th day of June, 2003

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE COMMISSION

In the Matter of:)

Fansteel Inc.)

(License No. SMB-911))

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Docket No. 40-7580

NOTICE OF APPEARANCE

Notice is hereby given that the undersigned attorney herewith enters an appearance in the captioned matter. In accordance with 10 C.F.R. § 2.713(b), the following information is provided:

Name: Mark J. Wetterhahn
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Admissions: District of Columbia Court of Appeals
Court of Appeals of Maryland
Name of Party: Fansteel Inc.


Mark J. Wetterhahn

Dated at Washington, District of Columbia
this 26th day of June, 2003

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE COMMISSION

In the Matter of:

Fansteel Inc.

(License No. SMB-911

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Docket No. 40-7580

NOTICE OF APPEARANCE

Notice is hereby given that the undersigned attorney herewith enters an appearance in the captioned matter. In accordance with 10 C.F.R. § 2.713(b), the following information is provided:

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Admissions: District of Columbia Court of Appeals
Court of Appeals of Maryland
Name of Party: Fansteel Inc.


Brooke D. Poole

Dated at Washington, District of Columbia
this 26th day of June, 2003

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE PRESIDING OFFICER

In the Matter of:)

Fansteel Inc.)

(Muskogee, Oklahoma Facility))

) Docket No. 40-7580

) ASLBP No. 03-813-04-MLA
)

CERTIFICATE OF SERVICE

I hereby certify that copies of the "NOTIFICATION OF FANSTEEL INC. IN CONNECTION WITH SHOW CAUSE ORDER," as well as notices of appearance for James R. Curtiss, Mark J. Wetterhahn, and Brooke D. Poole have been served as shown below by deposit in the U.S. mail, first class, this 15th day of July 2003. Additional service has also been made this same day by electronic mail, as shown by an asterisk (*) below.

G. Paul Bollwerk, III, Presiding Officer*
Atomic Safety and Licensing Board Panel
U.S. Nuclear Regulatory Commission
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Washington, DC 20555-0001
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Office of Commission Appellate Adjudication
U.S. Nuclear Regulatory Commission
Mail Stop O-16C1
Washington, DC 20555-0001

Office of the Secretary*
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001
Attn: Rulemakings and Adjudications Staff
(original + two copies)
e-mail: HEARINGDOCKET@nrc.gov

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James R. Curtiss
Counsel for Fansteel Inc.