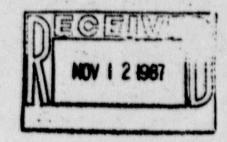




JOHN W. CHISHOLM PRESIDENT

November 11, 1987

Jack Whitten
Region IV
Nuclear Regulatory Commission
611 Ryan Plaza Drive, Suite 1000
Arlington, Texas 76011



Dear Jack:

After our phone conversation today, this is our preliminary discussion on the flowback of radioactive material in the Cook Inlet of Alaska. We will follow up with a more detailed discussion when our engineer returns and is able to provide us with exact information.

Briefly our interpretation of 10CFR20.106 was that we could dispose of the radioactive material into an unrestricted environment provided the MPC was below 4 x 10 5 mc/ml for Sc-46. We accomplished this by diluting the 10,000 gallons of fluid that contained 7 mCi of Sc-46 by introducing 60,000 gallons of fresh water and flowing into the sea. This was 50% more fluid than was necessary to achieve dilution.

Our decision was made in conjunction with Safety Specialists of California who are our international safety consultants and guided us in our interpretations of 10CFR 20.106 and 10CFR 20.302 for this project.

As always our intent was to be totally legal, in complete compliance and to keep you informed from the outset. We will provide you with the following:

- A complete description and timing of the sequence of events and actions taken.
- 2) An ammendment request for you to send up to Washington for consideration for waste disposal at these sites.

Respectfully submitted

John W. Chisholm

JWC/1b

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cc: Beth Ringler/N.R.C. Region 5