



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064

JUN 29 1993

Docket: 40-8027
License: SUB-1010

Sequoyah Fuels Corporation
(Subsidiary of General Atomics)
ATTN: James J. Sheppard, President
P.O. Box 610
Gore, Oklahoma 74435

SUBJECT: NRC INSPECTION REPORT 40-8027/93-09

This refers to the special, announced inspection conducted by Mr. G. M. Vasquez of this office on June 7-10, 1993. The inspection included a review of activities authorized by Source Materials License No. SUB-1010. At the conclusion of the inspection, the findings were reviewed with those members of your staff identified in the enclosed report during an exit briefing conducted on June 10, 1993.

The inspection was conducted to observe Sequoyah Fuels Corporation's (SFC's) activities related to the operation of the depleted uranium tetrafluoride (DUF4) plant, as well as any ongoing cleanout activities at the uranium hexafluoride conversion plant. In addition, the inspection was conducted to review decommissioning records.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of a review of management controls, a selective review of procedures and representative records, interviews of personnel, and observation of activities in progress. No violations or deviations were identified.

Although no violations were identified regarding decommissioning records for the facility, as noted in the enclosed inspection report, minor discrepancies have persisted regarding record filing and accessibility of certain decommissioning records. These issues were also discussed with members of your staff during a team inspection conducted on October 13-23, 1992. Based on the findings of the current inspection, it is our understanding that efforts are underway to improve the data management system for such records. You are encouraged to correct the discrepancies discussed in the enclosed report in order to prevent information relevant to decommissioning from becoming misplaced or lost.

The inspector observed that activities in the depleted uranium tetrafluoride (DUF4) plant were limited and that planned cleanout activities in the uranium hexafluoride plant were almost complete. The last depleted uranium hexafluoride cylinder was expected to be fed into the DUF4 plant by June 25, barring equipment problems. After this, SFC expected to begin actions to place the DUF4 plant in a safe shutdown mode.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be placed in the NRC's Public Document Room.

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

L. J. Callan
for L. J. Callan, Director
Division of Radiation Safety
and Safeguards

Enclosure:
Appendix - NRC Inspection Report
40-8027/93-09

cc:
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bcc:

DMB - Original (IE-07)

JLMilhoan

LJCallan

DDChamberlain

MRodriguez, OC/LFDCB (4503)

*CLCain

*GMVasquez

*LLKasner

*MIS System

*RIV Files (1)

NMIS

MLHorn FCSS/NMSS (6 H3)

SiUttal, OGC (15 B)

JGilliland

JCShepherd LLWM/NMSS (5E2)

*W/IFS Form

RIV:NMIS*	C:NMIS <i>llc</i>	D:DRSS <i>llc</i>		
GMVasquez	CLCain	LJCallan <i>fn</i>		
06/ /93	06/28/93	06 <i>A</i> /93		

*previously concurred

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*previously concurred

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