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UNITED STATES OF AMERICAN NUCLEAR REGULATORY COMMISSION

BEFORE THE COMMISSION

OFFICE OF SECRETARY THICKS I HE A TRIVILLE

IN THE MATTER OF

KERR-McGEE CHEMICAL CORPORATION

(West Chicago Rare Earths Facility))

Docket No. 40-2061-ML

STATUS REPORT AND MOTION TO CONTINUE TO HOLD PROCEEDING IN ABEYANCE

In this proceeding, Kerr-McGee Chemical Corporation ("Kerr-McGee") seeks Commission review of the Appeal Board's decision in Kerr-McGee Chemical Corporation (West Chicago Rare Earths Facility), ALAB-944, 33 NRC 81 (1991). Since July 3, 1991, these proceedings have been held in abeyance in order to allow settlement negotiations among the State of Illinois ("State"), the City of West Chicago ("City"), and Kerr-McGee.

In light of the continuing negotiations, on June 3, 1993, Kerr-McGee and the State requested that Commission action in this proceeding be stayed for an additional period of 60 days. The Commission, by order issued on June 8, 1993, granted the request, but ordered the filing of a status report at the end of the sixty day period. This status report is

submitted by Kerr-McGee and the State in fulfillment of the Commission's order.

The parties are continuing their efforts to resolve this matter through negotiation and have agreed to engage in further discussions. Although some difficult issues remain to be resolved, the parties are vigorously endeavoring to reach a settlement. Kerr-McGee and the State remain hopeful that their efforts will prove successful.

Accordingly, Kerr-McGee and the State request that the Commission continue to hold the proceeding in abeyance for an additional 60-day period. Kerr-McGee will report to the Commission at the end of the 60-day period, if not before, on the progress in the negotiations.

Counsel for the Nuclear Regulatory Commission has no objection to this motion.

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Dated: August 5, 1993

CERTIFICATE OF SERVICE

I hereby certify that on this 5th day of Apgust, -6 P1:18

1993, I caused the foregoing "Status Report and Motion to

Continue to Hold Proceeding in Abeyance" to be served on

counsel for all parties by placing a copy in first-class mail,

postage prepaid, as follows:

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