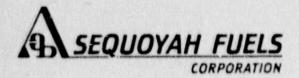
RE: 90193-N



November 29, 1990

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Certified Mail Return Receipt Requested

Mr. Robert D. Martin Regional Administrator U.S. NUCLEAR REGULATORY COMMISSION Region IV 611 Ryan Flaza Drive, Suite 1000 Arlington, Texas 76011

RE: Independent Oversight Program

Dear Mr. Martin:

This letter is to inform you that the Independent Oversight Program (IOP), which Sequoyah Fuels Corporation committed to in its November 20 response to NRC's Demand for Information, commenced at the sequoyah Facility today. Mr. Bill Gekler of Pickard, Lowe, and Garrick is onsite to start the program up IOP personnel will be preparing a charter to serve as a guidance document for IOP activities. Upon completion of the charter, anticipated to occur by December 10, it will be submitted to you for your review.

Should you have any questions or comments regarding this matter, please contact me at 918/489-3206, or Lee Lacey at 918/489-3207.

Sincerely,

Reau Graves, Jr. President

RG:nv

xc: Charles J. Haughney, NRC - NMSS Keith E. Asmussen, General Atomics PLG - IOP

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Facsimile (918) 489 5620