



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

JAN 11 1994

Docket No. 40-07580  
License No. SMB-911

Fansteel, Inc.  
ATTN: Mr. John J. Hunter  
Corporate Manager  
Process Engineering and  
Facilities Construction  
Number Ten Tantalum Place  
Muskogee, Oklahoma 74401

Dear Mr. Hunter:

SUBJECT: LICENSE EXTENSION DURING DECOMMISSIONING UNDER 10 CFR 40.42

During the Nuclear Regulatory Commission's recent site visit to Fansteel's Muskogee, Oklahoma location on November 18-19, 1993, you asked Harvey Spiro, the Project Manager for the Fansteel site, how to renew or extend Fansteel's license for the remaining decommissioning period. The current expiration date on Fansteel's license No. SMB-911 is July 31, 1994. Fansteel submitted a revised application for license renewal November 3, 1987, and has been in timely renewal since that submittal. Mr. Spiro said that he would check the procedures and respond to you.

NRC's regulations on expiration and termination of source material licenses are codified in 10 CFR 40.42. Per §40.42(b), "Each licensee shall notify the Commission promptly, in writing under §40.5, and request termination of the license when the licensee decides to terminate all activities involving materials authorized under the license."

On January 16, 1990, Fansteel met with NRC staff and discussed Fansteel's plan to discontinue operations with NRC-licensed materials and its plans for decommissioning of the Muskogee site. In letters from Fansteel's President C. V. Emory, dated January 24, 1990, and June 26, 1990 to the NRC, Fansteel discussed its plans for decommissioning of the Muskogee site, and the fact that future operations at that site would not include source or by-product materials.

Fansteel has, therefore, been in *de facto* decommissioning status since 1990. However, to meet the formal requirements of §40.42(b), we ask that Fansteel submit a brief written statement from its President to the NRC Director, Office of Nuclear Material Safety and Safeguards. The statement should "notify" the NRC that Fansteel is terminating licensed activities, and should request "license termination under §40.42."

Once Fansteel requests license termination under §40.42, Fansteel's license will remain in effect beyond the expiration date, through the course of decommissioning (under §40.42(e)), until the site is decommissioned and the license is terminated by the NRC. Thereafter, if Fansteel continues to decommission its site according to the license conditions, no additional

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request or form for license renewal will be needed by the NRC. However, if Fansteel resumes operations on the site, or if Fansteel desires to change the nature of site operations significantly, Fansteel will need to apply for an amendment to license SMB-911 or may need to revise and resubmit its renewal request of 1987, as NRC previously informed you in a letter dated February 10, 1993.

If you have any questions about this letter, please contact me at (301) 504-2560, or Nick Orlando at (301) 504-2566.

Sincerely,

John H. Austin  
 Chief, Decommissioning and Regulatory  
 Issues Branch  
 Division of Low-Level Waste Management  
 and Decommissioning  
 Office of Nuclear Material Safety  
 and Safeguards

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*\* concurrence via email 12/23/93*

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DATE	1/4/94		1/5/94				12/23/93						

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Sincerely,

*[Signature]*

John H. Austin, Chief  
Decommissioning and Regulatory  
Issues Branch  
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and Decommissioning  
Office of Nuclear Material Safety  
and Safeguards

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- cc: Allyn Davis, U.S. Environmental  
Protection Agency, Region VI
- Lloyd Kirk, Oklahoma State  
Department of Environmental Quality
- H. A. Caves, Oklahoma State  
Department of Environmental Quality
- L. Hughes, Native Americans  
for a Clean Environment

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*Original Signed By*

John H. Austin, Chief  
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Division of Low-Level Waste Management  
and Decommissioning  
Office of Nuclear Material Safety  
and Safeguards

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