

FEB 15 1994

ALL AGREEMENT AND NON-AGREEMENT STATES

TRANSMITTAL OF STATE AGREEMENTS PROGRAM INFORMATION
(SP-94-021)

Your attention is invited to the attached correspondence which contains:

- INCIDENT AND EVENT INFORMATION.....XX Atlas Corporation
Moab Mill Site
- PROGRAM MANAGEMENT INFORMATION.....
- TRAINING COURSE INFORMATION.....
- TECHNICAL INFORMATION.....
- OTHER INFORMATION.....

Supplementary information: Enclosed is a report on the "Identification and Retrieval/Decontamination of Contaminated Material from the Atlas Corporation's Moab Mill."

If you have further questions regarding this correspondence, please contact the individual named below.

POINT OF CONTACT: Jim Myers
TELEPHONE: (301) 504-2328
FAX (301) 504-3502

/s/
Paul H. Lohaus
Office of State Programs

Enclosure:
As stated

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UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

February 15, 1994

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**ATLAS CORPORATION
(a/k/a ATLAS MINERALS)**

MOAB MILL

**IDENTIFICATION
AND
RETRIEVAL/DECONTAMINATION
OF
CONTAMINATED MATERIAL**

BACKGROUND

Atlas Corporation (Atlas) holds Source Material License SUA-917 as issued by the U.S. Nuclear Regulatory Commission (NRC). Atlas has an approved Decommissioning Plan which allows for the dismantling, decontamination and salvage of the Moab Mill. Any material salvaged from the mill must meet the NRC Standards for release for unrestricted use by the public. These standards are set forth in the document entitled, 'Guidelines for Decontamination of Facilities and Equipment Prior to Release for Unrestricted Use or Termination of License for Byproduct of Source Materials' dated September, 1984.

Atlas contracted with American Reclamation and Dismantling Inc. (ARD) for the decommissioning of the Moab Mill in August, 1992. ARD subsequently contracted H&W Enterprises to perform a major portion of the work. In October, 1993 Atlas learned that the owner of H&W Enterprises had been dismissed from the job due to problems arising from insolvency. Shortly thereafter Atlas learned that the owner, Mr. Bob Hopper, alleged that he had "smuggled" contaminated material off the site without the knowledge of Atlas' Radiation Control Coordinator. Due these allegations and the resulting media attention, NRC commenced a special investigation. Also, Atlas voluntarily suspended any release of material from the site. This action was affirmed by the NRC in a "Confirmatory Action Letter" dated November 22, 1993.

In order to provide assurance to the NRC and to the public that any further releases of material from the site would meet NRC's standards, and that any material already released from the site which may have been contaminated would be properly dealt with, Atlas proposed certain revisions to its procedures. The proposed changes are contained in

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Section 4.4 of Atlas' Radiation Safety Procedures Manual and include a new provision for the retrieval and/or decontamination of materials which may have been released from the Moab Mill. This document addresses the identification and retrieval/decontamination of contaminated materials which may have been released from the site. This document will be updated as information becomes available and will be provided to the NRC on a monthly frequency, provided there is updated information to report.

MATERIAL RELEASED

Approximately 120 truckloads of material have been released and shipped from the Moab Mill. This is approximately 4,500 to 5,000 tons of material, which includes equipment, supplies and scrap steel, stainless steel and copper. Approximately 3,500 tons of the material shipped was scrap steel. The work done to date to decommission the mill is approximately 65% complete.

COMPANIES RECEIVING MATERIALS

Those companies identified as receiving materials from ARD or H&W are shown on Table 1. This information was provided by ARD. Atlas does not have this information due the nature of its agreement with ARD. Atlas relinquished title or ownership to ARD via a Bill of Sale at the restricted area fence line.

MATERIALS IDENTIFIED AS CONTAMINATED

As a result of the investigation commenced by the NRC, several other states initiated their own investigation as well. To date, Atlas is aware that the following materials have been identified by the NRC or a state agency as being contaminated:

MATERIAL

LOCATION

ball mill

Atlas Mine and Mill Supply, Inc.
North 1115 Havana St.
Spokane, WA

stainless steel parts

Atlas Metal and Iron Corp.
318 Walnut St.
Denver, CO

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<u>MATERIAL</u>	<u>LOCATION</u>
roll crusher	Ute Light P.O. Box 387 Coalville, UT
conveyer belt, bag house	Western Clay P.O. Box 127 Aurora, UT

Additional items will be added as they are identified.

NOTIFICATION

All entities listed on Tables 1 and 2 received written notification that materials they received may have been contaminated and they were asked to provide responses to the following questions:

1. How much material did you receive?
2. Type of material received?
3. Type of monitoring conducted?
4. Any problems or concerns with monitoring reports?
5. Any material still on property that can be re-monitored?
6. If material is not on property, what was its disposition?

ARD sent this survey to all identified entities December 1, 1993. Only two written replies were received. They were from California Aggregate Machinery (CAM) and Hiuka America Corporation (Hiuka) (copies enclosed). CAM stated:

"We have not experienced any problems whatsoever and in fact one machine has been sold and shipped to Panama and the other to Toronto, Canada."

CAM received the crushers which were in the crusher building. Contamination on this building was limited to ore dust and washed off readily with water. Hiuka received the bulk of the scrap steel shipped from the site, according to ARD. They responded with the following statement:

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"For your information, it is the standard practice of Hiuka America Corporation to monitor all scrap materials that are shipped to our facilities, for radioactivity, to standards below the NRC Safety Standards, and it has been found, in all cases of material shipped from that facility [Moab], to our account, that there was no concern about radioactivity, as the material passed through our monitors, without incident."

Additional responses received will be appended hereto.

Also, as indicated on Tables 1 and 2, ARD made verbal contact with many of the entities prompting them to complete the survey and to determine if there were any identified problems. In all cases the response was that there were no problems that they were aware of.

Atlas and ARD will continue to contact those who have not responded to seek additional information. Any additional information concerning contaminated materials will be included herein.

RETRIEVAL/DECONTAMINATION

Actions taken to date are limited to the return of the stainless steel parts from Atlas Metal and Iron and the coordinating efforts made to decontaminate the ball mill in Washington and the materials identified during the December 16, 1993 meeting with the NRC, by

Scott Hacking of the State of Utah.

The stainless steel was returned in a wooden packing crate and was received at the Moab Mill on December 6, 1993. It was opened on December 9, 1993 in the presence of Carl Dixon and Richard Blubaugh of Atlas and Joe Mitchell of ARD. Each piece was surveyed and the survey was documented. Several of the pieces exceeded the NRC standards. None of the individuals named above could identify any of the material as definitely coming from the Moab Mill. In fact, one piece of rubber-lined pipe was particularly in question since Mr. Mitchell could not recall Atlas using the type of pump associated with the piece of pipe in the product circuit. Mr. Mitchell was Atlas' Maintenance Supervisor for many years.

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With respect to the ball mill, R. Blubaugh has been in contact with Bob Clark of the State of Washington, who performed the inspection, to determine what requirements must be met for Washington. It appears that a permit/licensing process must be complete prior to dealing with the contamination. This process should be completed in January 1994.

The items found in Utah will be decontaminated as soon as arrangements can be made with the owners and the State of Utah.

TABLE 1

Entities or Individuals Receiving Material
from Moab, UT

Atlas Mill Site

	Notification	
	<u>Written</u>	<u>Verbal</u>
ADK Brokerage 1150 N. 530 West Pleasant Grove, UT 84062	X	
Atlas Metal & Iron Corp. 318 Walnut Street Denver, CO 80204	X	X
Atlas Mine & Mill Supply, Inc. North 1115 Havana Street Spokane, WA 99202	X	X
Book Cliff Energy P.O. Box 508 Green River, UT 84525	X	X
California Aggregate Machinery P.O. Box 25446 San Mateo, CA 94402	X	
Castle Valley Academy Castle Valley Star Route Box 1120 Moab, UT 84532	X	
CBA Supply 3758 So. 610 East Salt Lake City, UT 84106	X	
C & R Paint & Glass 1845 So. Hwy. 191 Moab, UT 84532	X	

	Notification	
	<u>Written</u>	<u>Verbal</u>
Excess Distributors, Inc. 918 W. Buchanan Phoenix, AZ 85007	X	
Glens Welding 976 So. Hwy. 191 Moab, UT 84532	X	
Golden Quest Mining NV	X	
Intermountain Steel 380 So. Orange Street Salt Lake City, UT 84104	X	X
J & J Chemical 275 Aspen Moab, UT 84532	X	
Don Kimball NM	X	
K & D Upholstering 1021 Mill Creek Drive Moab, UT 84532	X	
Denny Madigan CA	X	
Moab Ready Mix P.O. Box 569 Moab, UT 84532	X	
Nucor	X	X
Petroleum Processor P.O. Box 1016 American Fork, UT 84003	X	X

	Notification	
	<u>Written</u>	<u>Verbal</u>
Petro Source Refining Partners P.O. Box 27 Salt Lake City, UT 84110	X	
Sagauro Mining LaSal Junction, UT 84530	X	
Slickrock Campground 1301 1/2 N. Hwy. 191 Moab, UT 84532	X	
Thomas Electric Co. 549 West Second South Salt Lake City, UT 84101	X	X
Timber Products P.O. Box 46 LaSal, UT 84530	X	
Utelite P.O. Box 387 Coalville, UT 84017	X	X
Western Clay P.O. Box 127 Aurora, UT 84620	X	X

TABLE 2

American Reclamation & Dismantling
Scrap Brokers

for

Atlas Mill Site - Moab, UT

<u>Broker</u>	<u>State</u>	<u>Telephone No.</u>	<u>Period</u>
Intermountain Steel	UT	(801) 973-8787	11/92 - 06/93
Nucor	UT	(801) 458-2300	
Intermountain Pipe Plant	UT	(801) 373-6910	
Atlas Metal	CO	(303) 825-7165	06/93 - 07/93
Metro Steel	UT	(801) 328-2051	07/93 - 07/93
Hiuka American	CA	(216) 247-6044	07/93 - 10/93

AMERICAN

RECLAMATION & DISMANTLING

P.O. BOX 8848

STATELINE, NEVADA 89448

(702) 886-1488

December 01, 1993

Subject: Materials/Equipment Received From Atlas Mineral Mine, Moab, Utah

To Whom It May Concern:

In accordance with a requirement from the Nuclear Regulatory Commission, it is necessary for us to obtain the following information:

1. How much material did you receive:
2. Type of material received:
3. Type of monitoring conducted (Beta or Alpha):
4. Any problems or concerns with monitoring reports:
5. Any material still on property that can be remonitored:
6. If material is not on property, what was its disposition:

We realize that this is an imposition, but it is necessary for us to have this information to address the NRC's concerns. A self-addressed, stamped envelope is enclosed for your convenience. Thank you for your cooperation.

Robert E. Pori
President

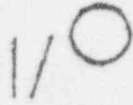
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DENNY MADIGAN

723 P02

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California Aggregate Machinery



Jaw
Crusher



Cone
Crusher



V.S.I.



Impactor



Roll
Crusher



Gyratory



Conveyors



Screens

December 14, 1993

Mr. Robert Mori - President
American Reclamation & Dismantling
P.O.Box 5846
Stateline, Nevada 89449

Dear Mr. Mori,

This letter is to confirm our conversation regarding the machinery we purchased from you at the Moab, Utah mill site of Atlas Minerals.

We have not experienced any problems what so ever and in fact one machine has been sold and shipped to Panama and the other to Toronto, Canada.

If I can be of any further help please do not hesitate to contact me.

Thank you again for your assistance on the purchase of these machines.

Best regards,

Denny Madigan

DEC-15-'93 16:07 ID:G VARNUM

TEL NO:256 247 2878

#304 P01



HIUKA AMERICA CORPORATION

539 EAST WASHINGTON STREET
 CINCINNATI FALLS, OHIO 44022

TELEPHONE: 216-247-6044 TELEFAX: 216-247-2878

FROM: C.F. VARNUM DATE: DECEMBER 15, 1993

TO: MR. ROBERT MORI

TELEPHONE: _____ TELEFAX: 702-588-1798

REFERENCE: POSSIBLE CONTAMINATED SHIPMENTS FROM MDAB, UTAH, TO OUR ACCOUNT

PAGE 1 OF 2

THANK YOU FOR YOUR NOTICE, TODAY, REGARDING THE SUBJECT OF POSSIBLE CONTAMINATED SHIPMENTS FROM MDAB, UTAH.

ALSO, THANK YOU FOR THE NEWS RELEASE FROM ATLAS CORPORATION.

FOR YOUR INFORMATION, IT IS THE STANDARD PRACTICE OF HIUKA AMERICA CORPORATION TO MONITOR ALL SCRAP MATERIALS THAT ARE SHIPPED TO OUR FACILITIES, FOR RADIOACTIVITY, TO STANDARDS BELOW THE NRC SAFETY STANDARDS, AND IT HAS BEEN FOUND, IN ALL CASES OF MATERIAL SHIPPED FROM THAT FACILITY, TO OUR ACCOUNT, THAT THERE WAS NO CONCERN ABOUT RADIOACTIVITY, AS THE MATERIAL PASSED THROUGH OUR MONITORS, WITHOUT INCIDENT.

I APPRECIATE YOUR EXPRESSION OF CONCERN, AND THANK YOU FOR CALLING OUR ATTENTION TO THIS MATTER.

FURTHER, FOR YOUR INFORMATION, I BELIEVE THAT IT IS A COMMON/STANDARD PRACTICE IN OUR INDUSTRY, TO MONITOR ALL RECEIPTS OF MATERIAL TO STANDARDS BELOW NRC REGULATIONS. ALSO, I BELIEVE IT IS THE COMMON PRACTICE OF STEEL MILLS, WHO ULTIMATELY CONSUME OUR SCRAP PRODUCTS, TO MONITOR THEIR INBOUND MATERIALS, SO THERE ARE GENERALLY, SECONDARY AND TERTIARY LEVELS OF MONITORING IN OUR INDUSTRY, IN YOUR INTEREST.

I, TOO, BELIEVE THAT THESE ALLEGATIONS ARE WITHOUT MERIT, HAVING BEEN MADE BY A DISGRUNTLED EX-EMPLOYER/CONTRACTOR. I, PERSONALLY, THINK IT IS A TRAVESTY THAT THIS INCIDENT HAS CAUSED THE INCONVENIENCE TO YOU, AND YOUR ASSOCIATES, THAT IT HAS; IN MY OPINION, OUR NEWS MEDIA, CONSISTANT WITH THEIR PAST PERFORMANCE, HAS "PERSUED ANOTHER POSSIBLE STORY" WITHOUT UNDERTAKING RESPONSIBLE, REQUIRED RESARCH. THEY SHOULD BE HELD ACCOUNTABLE, ALONG WITH MR. HOPPLER.

BEST REGARDS,