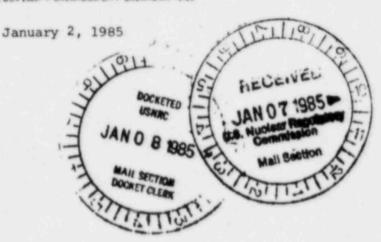
SEQUOYAH FUELS CORPORATION TO URFO - DENVER, POR

Mr. Ed Hawkins, Chief Licensing Branch 1 Uranium Recovery Field Office Nuclear Regulatory Commission P. O. Box 25325 Denver, Colorado 80225(0325)

ATTN: Paul Hildenbrand



RE: Docket 40-8768 (SUA-1387) Evaporation Pond Leak Notification Follow-up Report

Dear Mr. Hawkins:

Per License Condition 44 of License SUA-1387, Mr. Paul Hildenbrand of the Denver NRC office was notified on December 26, 1984 that a leak was indicated by the leak detection system in the west cell of the evaporation pond. A preliminary analyses indicated a chloride level of 1250 mg/l about the same concentration as water in the west cell. On December 27 and 28 the water was pumped out of the west cell and the leak to sump appears to have stopped on December 31, 1984, as there was no change in the fluid level in the sump between January 1, 1985 and January 2, 1985. The total volume of the leak as indicated by the water collected in the sump by the leak detection system was about 700 gallons.

Repairs to the liner will be delayed due to ice and snow in the west cell of the evaporation pond. This cell will not be used for waste water until after the leak has been located and repaired. A water sample from the sump has been sent to a laboratory for the required analyses; however, the results are not available. A final report or a follow-up report on the status of the repairs will be submitted within thirty (30) days of this letter.

-Sincerely,

Please call me if there are any questions on this matter (405/270-2972).

8501250543 850102 PDR

MDF/jlm

xc: J. C. Stauter

E. G. Orrell/C. D. Fletcher

R. Spears - Wyoming DEQ

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Cortified By may C. Hard

reema Marvin D. Freeman, Director Chemical Mining Department

A SUBSIDIARY OF KERR MEGEE CORPORATION