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RE: 92342-N

December 23, 1992

**AIRBORNE EXPRESS**

Mr. James L. Milhoan  
Regional Administrator  
U.S. NUCLEAR REGULATORY COMMISSION  
Region IV  
611 Ryan Plaza Drive, Suite 1000  
Arlington, Texas 76011

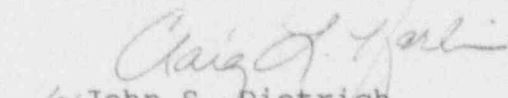
RE: License No. SUB-1010; Docket No. 40-8027  
Report Pursuant to Order Modifying License,  
dated March 13, 1992

Dear Mr. Milhoan:

Pursuant to the requirements of the March 13, 1992 Order Modifying License, attached is the Sequoyah Fuels Corporation (SFC) written report of incidents or events specified by the Order. This report includes events identified since SFC's report of December 18, 1992. This report is consistent with the April 3, 1992 Confirmatory Order which altered the March 13, 1992 Order Modifying License.

If there are any questions regarding this report, please contact me at 918/489-3207.

Sincerely,

  
John S. Dietrich  
Vice President  
Regulatory Affairs

JSD:lh

Attachment

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Sequoyah Fuels Corporation

Reportable Events Pursuant to  
March 13, 1992 Order Modifying License

Report No. OM- 92-40

Period Ending December 23, 1992

- A. Failure to follow procedures or other requirements where there are indications that the cause was a deliberate failure to meet requirements. A deliberate failure is a failure caused by deliberate misconduct as defined in 10 CFR 40.10(c).

None for this report.

- B. Spills or other unusual occurrences involving the spread of contamination in and around the SFC's facility, equipment, or site, subject to 10 CFR 40.36(f)(1).

None for this report.

- C. Any occurrence which leads to 1) offsite release or contamination in unrestricted areas in excess of SFC's administrative limits; 2) any contamination in restricted areas that requires activities in an area to be suspended for more than 8 hours pending decontamination; or 3) any personnel contamination in excess of SFC's administrative limits which within one hour of detection is not reduced to within limits.

C-1

On Friday, December 18, 1992, SFC was notified by the Oklahoma State Department of Health that the Department of Health had received a report that SFC may have shipped radioactive materials to its waste oil disposal contractor in Haskell, Oklahoma.

SFC dispatched a team of Health and Safety personnel and took direct readings and smears of the drums and samples of the contents of the drums.

The maximum identified fixed contamination levels of the 7 drums was 100,000 dpm/100cm<sup>2</sup> beta/gamma with the maximum removable contamination being 3,000 dpm/100cm<sup>2</sup> beta/gamma with no fixed or removable alpha contamination identified above SFC administrative limits. Sample results identified a maximum uranium concentration of 11.6 grams/liter (Drum #162).

The drums were returned to the SFC facility and placed in the restricted area. Condition Report 92-12-19 has been initiated

to track the completion of the SFC root cause analysis and the resulting corrective actions to preclude recurrence of this event.

The Health and Safety staff has evaluated this event and concluded that the release of the drums did not contribute any meaningful exposure to personnel or the public.

C-2 and C-3: None for this report.

- D. Employee concerns or allegations that any of the above failures may have occurred unless it is determined within the above five working days that the concern or allegation is not valid.

None for this report.

- E. Any other matter that the president, SFC, believes rises to a regulatory or safety concern that warrants NRC notification.

None for this report.