pivision of compliance Memo Route Slip

R. W. Kirkman Region I	
G. A. Blanc Region II	
R. C. Hageman Region III	
D. I. Walker Region IV	
R. W. Smith Region V	
John Davis Region III	х

RE: YOUR MEMO CONCERNING AMERICAN POTASH AND CHEMICAL CORP., LINDSAY CHEMICAL DIVISION, WEST CHICAGO, ILLINOIS; LICENSE NO. R-234

With respect to your recommended citation against 10 CFR 20.301, we realize that disposal via a tailings pond retention system is not specifically referred to in 10 CFR 20 and that such a method does not appear to conform to any of the disposal procedures outlined in 10 CFR 20. However, L&R was aware of the existence of a tailings pond when the license was issued; thus tacit approval of this method of disposal appears to have been granted. In view of the above and the fact that L&R is currently considering all aspects of the licensee's tailings pond retention system with respect to renewal of License No. R-234, and that the description of the system will be incorporated into the license, we cannot see anything to be gained by citing the licensee at this time.

Concerning the recommended citation against 10 CFR 20.305 with respect to the incineration of bags contaminated with monazite sands, we have discussed this item with LSR and have come to the conclusion that raw ore is exempt under 40.13(b) until it enters the process. We do not feel that the emptying of the bags can be construed as part of the processing.

With respect to the last paragraph on Page 2 of the referenced memo, it should be pointed out that if employees who receive exposures from licensed materials also receive exposures from the non-licensed material (raw ore), the licensee is required to make appropriate surveys to determine exposure to personnel from all sources whether licensed or not.

In other words, the raw ore would be exempt from requirements of 10 CFR 20 only under the situation where the licensee chose to restrict the storage and handling of the raw ore to employees who were not involved in the handling of licensed material.

The foregoing items have been discussed in detail with LER and represent the consensus of our opinions concerning these items.

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