

OCT 21 1988

MEETING/TRIP REPORT

DOCKET NO: 40-8027
LICENSE NO: SUB-1010
LICENSEE: Sequoyah Fuels Corporation
DATE: May 16-17, 1988
PLACE: Gore, Oklahoma

ATTENDEES:	<u>NRC</u>	<u>SFC</u>	<u>GA Technologies</u>
	J. Swift	B. Utnage	R. Graves
	R. Provencher	E. Still	
	H. Pettengill, RIV/URFO	J. Stauter	
	P. Garcia, RIV/URFO	J. Mestepey	
	G. Konwinski, RIV/URFO	C. Couch	

PURPOSE: SITE VISIT TO SEQUOYAH FUELS CORPORATION TO DISCUSS
GROUNDWATER CIRCUMSTANCES IN POND AREA

MEETING SUMMARY:

On May 16 and 17, 1988, staff from NMSS's Fuel Cycle Safety Branch and Region IV's Uranium Recovery Field Office (URFO) met with representatives of Sequoyah Fuels Corporation at the Sequoyah Facility in Gore, Oklahoma. The main topic of discussion was the geohydrologic setting in the area of the ammonium nitrate solution storage ponds. In the transmittal letter to the report dated November 23, 1988, the licensee requested a meeting following NRC review of the report. By letter dated January 20, 1988, NMSS requested the URFO staff to review SFC's report. URFO prepared several comments and submitted a report to Headquarters on March 18, 1988.

During the meeting, URFO staff indicated that they were concerned with the origin of anomalous nitrate concentrations in three of the area monitoring wells and that they were not unequivocally convinced that past ammonium nitrate solution application and use of ammonium nitrate explosives in the area were the source. Accordingly, URFO staff suggested that the licensee develop and conduct an experiment to pump out the three monitoring wells and sample the wells over a period of time (approximately 1 month) to better understand the origin of the anomalous nitrate concentrations. The licensee agreed to immediately pursue development of such an experiment and keep the NRC informed of the progress and results.

In addition, NMSS staff indicated to the licensee that the leakage detection systems for the nitrate solution storage ponds, and more importantly for the raffinate sludge storage ponds, should be used as the primary system to control pond leakage rather than relying on the ground water monitoring system to detect seepage. Accordingly, staff requested that the licensee consider setting a leak rate action level which, if exceeded, would require the affected pond to be drained and repaired. The development of an action level was discussed; however, the matter was not resolved.

NMSS staff also held a conversation with Mr. J. H. Mestepey and Mr. M. H. Chilton of SFC on the UF_6 Reduction process (UF_6 to UF_4) and reviewed operations and maintenance procedures as part of the safety evaluation of the licensee's amendment request to process natural UF_6 , as well as depleted UF_6 , at the UF_6 Reduction facility.

A representative of General Atomics (GA), Mr. R. Graves, also attended the meeting. Mr. Graves briefly discussed future plans pending the proposed purchase of SFC by GA and indicated that he intends to become the Chief Executive Officer of SFC.

URFO staff also took the opportunity to become acquainted with the facility process areas since they have recently acquired the NRC inspection responsibilities for Sequoyah Fuels Corporation. This transfer was made official in a letter from NRC Region IV to SFC on May 6, 1988.

Original Signed By:

Richard B. Provencher
Uranium Fuel Section
Fuel Cycle Safety Branch
Division of Industrial and
Medical Nuclear Safety, NMSS

cc: Dr. John C. Stauter
Director, Nuclear Licensing
Kerr-McGee Center
Oklahoma City, OK 73125

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