ATTACHMENT

RESPONSE TO NOTICE OF VIOLATION

FEBRUARY 20, 1981

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Kerr-McGee Nuclear Corporation responds to the Notice of Violation in regard to Licenses SNM-928 and SNM-1174 determined as a result of an inspection conducted by USNRC, Region III on January 26-29, 1981.

 Contrary to 10 CFR 70.3 and Section 6 of License No. SNM-928, uranium containing 93 percent U²³⁵ was in the possession of Kerr-McGee on August 15.

As the uranium fuel plant (SNM-928) is decontaminated, the employees have located small quantities on occasions (in this instance 5.8 grams of 93 percent U^{235} in the form of $U_3 O_8$ powder) of enriched uranium in locations not previously inspected. It is our normal practice that the enriched material is immediately blended to a lower enrichment level within authorized license limits.

2) License Condition 4.2 of Amendment MPP-3, License No. SNM-1174 requires a minimum of two (2) measurements per week of representative standards during any week that SNM measurements are being made.

Kerr-McGee Nuclear employees failed to measure plutonium standards during a recent NDA measurement period.



Attachment March 26, 1981 Page Two

Kerr-McGee has responded by reviewing again with NDA measurement personnel the requirements for standarizing measuring instruments on representative standards at least twice during the week that NDA measurements are made.

3) 10 CFR 70.51 and Procedure KM-NM-1516 require that an internal transfer form be used to record the transfer of SNM materials between material balanced areas.

Contrary to these requirements, the internal transfer form (KM-2459-3) did not properly record transfers from MBA 50 to MBA 12 for packaging prior to transfer to MBA 121.

Kerr-McGee employees responsible for this record have been reminded again of the necessity of completing an internal transfer form on each transfer between recognized material balanced areas.

4) License Condition 7.4 of Amendment MPP-3, License No. SNM-1174 requires that tamper safing seals acceptable to the NRC must be the only type of tamper safing seals used by the licensee.

Contrary to the above, thirteen (13) containers were tamper safed with a type of seal not approved by the NRC. Personnel responsible



Attachment March 26, 1981 Page Three

for the use of these seals have been reinstructed to use the correct approved seal.

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Docket No. 70-925 Docket No. 70-1193

Kerr-McGee Nuclear Corporation ATTN: Mr. W. J. Shelley Vice President Nuclear Licensing and

Regulation Kerr-McGee Center Oklahoma City, OK 73102

Gentlemen:

Thank you for your letter dated March 26, 1981, informing us of the steps you have taken to correct the noncompliance which we brought to your attention in our letter dated February 20, 1981. We will examine these matters during a future inspection.

This response was not submitted within the requested twenty-five day interval as noted in your letter of March 26, 1981. We appreciate the fact that you have taken steps to ensure that such an oversight does not occur in the future.

Your cooperation with us is appreciated.

Sincerely,

C. E. Norelius, Acting Director Division of Engineering and Technical Inspection

cc: B. E. Brown, General
Manager, Manufacturing

cc w/lt dtd 3/26/81, w/Part 2.790(d) Information attach: Central Files Reproduction Unit NRC 20b

cc w/ltr dtd 3/26/81 w/o Part 2.790(d) Information attach:

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Docket No. 70-925 Docket No. 70-1193

Kerr-McGee Nuclear Corporation ATTN: Mr. W. J. Shelley Vice President Licensing and Regulations Kerr-McGee Center Oklahoma City, OK 73102

Gentlemen:

This refers to the routine safety and physical protection inspection conducted by Mr. C. C. Peck of this office on May 5-8, 1981, of activities at the Cimarron Facility authorized by NRC Special Nuclear Material Licenses No. SNM-928 and No. SNM-1174 and to the discussion of our findings with Mr. A. W. Norwood and members of his staff at the conclusion of the inspection.

The enclosed copy of our inspection report identifies areas examined during the inspection. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observations, and interviews with personnel.

No items of noncompliance with NRC requirements were identified during the course of this inspection.

Certain areas examined during this inspection concern a subject matter which is exempt from disclosure according to Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10 Code of Federal Regulations. Consequently the Attachment to our report of this inspection will not be placed in the Public Document Room. A copy of this letter and the enclosed inspection report, without the Attachment, will be placed in the NRC's Public Document Room.

Attachment Contains Part 2.790(d) Information

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If this report contains any information that you or your contractors believe to be exempt from disclosure under 10 CFR 9.5(a)(4), it is necessary that you (a) notify this office by telephone within seven (7) days from the date of this letter of your intention to file a request for withholding; and (b) submit within twenty-five (25) days from the date of this letter a written application to this office to withhold such information. Section 2.790(b)(1) requires that any such application must be accompanied by an affidavit executed by the owner of the information which identifies the document or part sought to be withheld, and which contains a full statement of the reasons on the basis which it is claimed that the information should be withheld from public disclosure. This section further requires the statement to address with specificity the considerations listed in 10 CFR 2.790(b)(4). The information sought to be withheld shall be incorporated as far as possible into a separate part of the affidavit. If we do not hear from you in this regard within the specified periods noted above, a copy of this letter and the enclosed inspection report, without the Attachment, will be placed in the Public Document Room.

We will gladly discuss any questions you have concerning this inspection.

Sincerely,

C. E. Norelius, Acting Director Division of Engineering and Technical

Enclosures: IE Inspection Reports No. 70-925/81-02 and No. 70-1193/81-02 (w/Part 2.790(d) Information Attachment)

cc w/encl: B. E. Brown, General Manager, Manufacturing DMB/Document Control Desk (RIDS)

> Attachment Contains Part 2.790(d) Information

6/5/81