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DEC 7 1962

LR:EJR
70-36

United Nuclear Corporation
3600 North Second Street
St. Louis 7, Missouri

Attention: Dr. Charles D. Harrington
Vice President

Gentlemen:

Thank you for your letter of November 7, 1962, informing us of the steps taken by you to correct these deficiencies in your AEC licensed program which we brought to your attention in our notice dated October 8, 1962.

With respect to Items 2 and 3 of our notice, until such time that Commission authorization is granted, uranium enriched in the isotope uranium 235 is not to be stored on the floor in the operating areas of the blending facility or on the floor in the pelletizing area. In connection with Mr. Swallow's letter of September 20, the application requested approval to store low enrichment fuel in areas located within Buildings 255-1, 255-2, 240-3, 240-4, and certain areas outdoors. This latter application did not request approval to store low enrichment fuel in the operating area of the blending facility, Building 250-3, and the pelletizing area, Building 250-2.

Very truly yours,

I
dec

Director
Division of Licensing
and Regulation

bcc: Compliance Div., HQ)
Compliance Div., III) w/cpy ltr 11/7/62
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12-6-62

Did not concur - see my memo 12/12/62

B-117