

GULF UNITED
NUCLEAR FUELS CORPORATION

October 29, 1971

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ROUTE 21-A
HEMATITE, MISSOURI 63047
314-296-5640

Encl Div of Compliance

NISM-71-80

Director, Division of Materials Licensing
U.S. Atomic Energy Commission
Washington, D. C., 20545

Attention: Mr. Donald A. Nussbaumer, Chief
Fuel Fabrication & Transportation Branch

References 1) Special Nuclear Materials License SNM-33, Docket 70-36
2) NISM-71-47, dated June 16, 1971

Gentlemen:

On June 16, 1971, we had indicated that a license amendment for modification of the Green Room at our plant at Hematite, Missouri would be submitted by November 1, 1971 based on poisoned and/or favorable geometry process vessels and equipment.

Recent changes in the Company's business posture at Hematite have resulted in an extensive reappraisal of plans for low enrichment scrap reprocessing. In order to determine the economic implications of these changes, several alternatives are being developed for corporate review. The cost of any of the alternatives far exceeds the original rough estimates and selection of an appropriate one has not yet been made.

As a result of these developments, it will not be possible to meet the original commitment date. We feel that a realistic date is now April 1, 1972. We recognize that a delay of this type is not very satisfactory from either your standpoint or ours. However, it is necessary and prudent.

Sincerely,

Peter Loysen
Peter Loysen, Manager
Nuclear & Industrial Safety

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