



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

OCT 26 1978

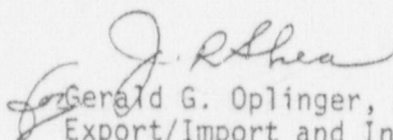
Mr. Dixon Hoyle, Director
Office of Program Implementation
Bureau of Oceans and International
Environmental and Scientific Affairs
U.S. Department of State
Washington, D.C. 20520

Dear Mr. Hoyle:

Enclosed please find an application from Mitsui and Company
for a license to export Zircaloy-2 tube shells to Japan.

Before taking action on this license application, we would appreciate
your views, in accordance with established procedures and from the
overall perspective of the Executive Branch, as to whether the
issuance of the requested license would be inimical to the interests
of the United States, including the common defense and security, and
whether the proposed export meets the applicable criteria in the Atomic
Energy Act as amended by the Nuclear Nonproliferation Act of 1978.

Sincerely,


Gerald G. Oplinger, Assistant Director
Export/Import and International
Safeguards
Office of International Programs

Enclosure:
Appl. dtd October 5, 1978
(XCOM0085)

cc w/enclosure:
Mr. Nelson F. Sievering, DOE
Mr. Richard L. Williamson, ACDA/NP/NX
Ms. Sheila Buckley, DOD
Dr. Donald M. Kerr, DOE
Mr. Rauer H. Meyer, DOC
Mr. Robin DeLaBarre, DOS

7810310351