

August 8, 2000

Mr. George Dawes, Sr., Scientist
Molycorp, Inc.
Molybdenum Group
300 Caldwell Avenue
Washington, PA 15301

SUBJECT: ISSUANCE OF AMENDMENT NO. 5 TO MATERIALS LICENSE NO. SMB-1393
FOR THE MOLYCORP, INC., WASHINGTON, PA, FACILITY (TAC L50037)

Dear Mr. Dawes:

The U.S. Nuclear Regulatory Commission (NRC) is issuing the enclosed Amendment No. 5 to Materials License No. SMB-1393 for the Molycorp, Inc., (the licensee) metal alloy processing facility in Washington, PA. This amendment is in response to the licensee's request to perform decommissioning operations as contained in its decommissioning plan (DP) entitled, "Decommissioning Plan for the Washington, PA, Facility," dated July 1995. This DP was supplemented with additional information on June 30, 1999, ("Washington, PA, Facility Decommissioning Plan Part 1 Revision"), and with the licensee's April 3, and May 16, 2000, responses to NRC's requests for additional information, dated October 19, 1999, and March 3, 2000.

License Condition 15 authorizes the remediation of the Washington facility. In addition, the following changes have been made:

- The license expiration date and possession limits have been revised.
- Several clauses of Condition 14 have been deleted because the actions required by these clauses have been completed.
- Condition 14.E has been deleted because the condition is now covered by the first sentence of Condition 15.

All other conditions of the license remain the same. The revised license, which incorporates Amendment No. 5, the related Safety Evaluation Report, and Environmental Assessment are enclosed.

G. Dawes

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If you have any questions or comments related to this amendment, please contact LeRoy Person of my staff at (301) 415-6701.

Sincerely,

/RA/

Larry W. Camper, Chief
Decommissioning Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

Docket No. 40-8778
License No. SMB-1393

Enclosures:

1. License Amendment No. 5
2. Safety Evaluation Report
3. Environmental Assessment

cc w/encl: Molycorp, Washington Dist. List

G. Dawes

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