



NATIONAL RESEARCH CORPORATION

70 MEMORIAL DRIVE

CAMBRIDGE 42, MASSACHUSETTS

CABLE ADDRESS - NARESCO

October 10, 1955

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Mr. H.L. Price, Director
Division of Civilian Applications
U.S. Atomic Energy Commission
1901 Constitution Avenue
Washington 25, D.C.

Dear Mr. Price:

We have been studying the production of thorium metal from thorium chemicals and are now in possession of AEC license No. C-3251, as amended and extended, covering thorium oxide Code 112 in amounts up to 1000 pounds.

In order to start commercial production of thorium metal, and possibly thorium chemicals, we would like further information from the Commission in regard to the control and licensing policy on relatively large quantities of this source material. We will require authorization to receive, store, and use thorium chemicals for experimental and commercial purposes. We will require authorization to manufacture, store and sell thorium metal. We would like authorization initially to handle thorium chemicals and the metal in quantities of 4000 pounds per month.

We would appreciate your advice as to whether additional authorization beyond a simple extension of our present license is required for our activities with thorium, and also what authorization our customers must have in order to buy thorium chemicals or metal from us.

Our existing license specifies Lindsay Chemical Company, West Chicago, Illinois as the proposed supplier of thorium oxide. In our commercial thorium operations we may have occasion to purchase thorium chemicals from one or more other firms besides Lindsay Chemical Company. At the present time we cannot specify these companies since we are still in process of negotiations with several about possible thorium chemical sources.

We would expect to sell thorium chemicals or metal to other private companies and/or government agencies for further processing, fabrication of fuel elements, or for other applications as a potential nuclear fuel. We would like to know what limitations the Commission will place upon the transfer of such material in commercial quantities and whether or not the buyers must be specified in advance of issuance the basic license for handling and processing the material.

It has been indicated that the Commission may issue general licenses authorizing delivery, processing and transfer of source material. We would like to know if such licenses are now in affect or contemplated.

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Mr. H.L. Price, Director

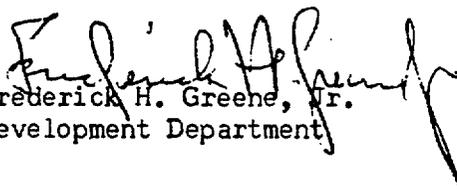
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Your attention to this matter will be greatly appreciated since we are reluctant to make commitments of a business nature on a long range basis without the best available information regarding the Commission's intention in this licensing area.

Very truly yours,

NATIONAL RESEARCH CORPORATION


Frederick H. Greene, Jr.
Development Department

FHG:ma

*Schwartz, Prod. advised no objection.
10/13/55*