

**UNITED NUCLEAR  
CORPORATION**

DAVID F. SHAW  
PRESIDENT

GRASSLANDS ROAD  
ELMSFORD, N. Y. 10523  
(914) 592-9000

June 29, 1971

Mr. Richard F. Cunningham, Acting Director  
Division of Materials Licensing  
U. S. ATOMIC ENERGY COMMISSION  
Washington, D. C. 20545

Dear Mr. Cunningham:

Transfer and Amendment of Licenses  
SNM-33, Docket 70-36,  
SNM-777, Docket 70-820,  
SNM-871, Docket 70-903,  
SNB-293, Docket 40-6524,  
24,12988-01

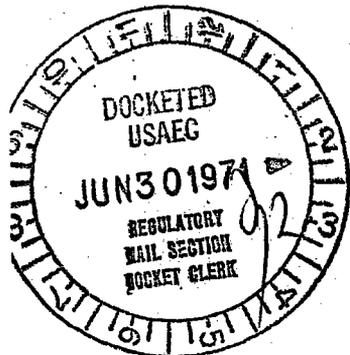
United Nuclear Corporation (UNC) and Gulf Oil Corporation will form a joint venture corporation commencing business on July 1, 1971 and to be known as Gulf United Nuclear Fuels Corporation. With the exception of Recovery Operations at Wood River Junction, Rhode Island, all of the activities presently conducted by UNC under the subject licenses will be conducted by GUNFC. It is requested that appropriate action be taken on the following items:

1. Transfer the subject licenses (except SNM-777) to GUNFC.
2. Transfer the portions of SNM-777 pertaining to Fabrication Operations at New Haven, Connecticut to GUNFC and incorporate these portions into SNM-33.
3. Amend SMB-293 to include activities conducted with source materials at Fabrication Operations.
4. Amend 24-12988-01 to delete authorization to possess and use by-product material at Recovery Operations and add authorization to possess and use Co-60 only at Fabrication Operations. Mr. R. A. Nelson should be deleted as an authorized user.

U.S. ATOMIC ENERGY COMMISSION  
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Supporting information regarding these requests follows. On July 1, 1971 UNC will formally ask that the licenses be transferred and amended, and GUNFC will formally assert its desire to accept the licenses and agree with the statements and representations in this letter.

Information about GUNFC, its officers and financial condition is provided in an attachment to this letter. All obligations and commitments of UNC under the licenses and pending applications will be obligations and commitments of GUNFC, except those under SNM-777 (amended as requested herein) which remain UNC's.

Operation of the Wood River Junction facility under SNM-777 will continue as it has in the past with the following exceptions:

1. The Plant Manager, Mr. W. G. Ruff, will report to the Vice President of Manufacturing, Mr. J. A. Lindberg, instead of the General Manager of Commercial Products Division, Mr. F. G. Stengel.
2. Nuclear and Industrial Safety (NIS) and Nuclear Materials Management (NMM) services will be provided by GUNFC in the same way that they have been provided by UNC's Commercial Products Division. The joint venture agreement between UNC and Gulf provides for continuation of these services until such time when they can be provided by UNC and appropriate license amendments obtained.

Mr. Lindberg will have responsibility for NIS and NMM as well as operations at the Wood River Junction facility. He will abide by decisions and recommendations of GUNFC-NIS and NMM as if they were made by UNC-NIS and NMM. Qualifications for GUNFC-NIS and NMM personnel and administrative procedures will be the same as stated in SNM-777. A partial organization chart of UNC is attached showing the relationship of GUNFC-NIS and NMM to UNC.

Portions of SNM-777 covering Fabrication Operations to be transferred to GUNFC and incorporated into SNM-33 include the following:

1. Description of operations as set forth during the formation of Commercial Products Division (Amendment 43 dated 6/17/68).
2. Organization changes (Amendment 46 dated 10/9/68).
3. Fabrication of U-A1 cermet cores (Amendment 47 dated 1/22/69).
4. Receipt and storage of PUO<sub>2</sub>-UO<sub>2</sub> fuel assemblies (Amendment 48 dated 1/31/69).
5. Receipt and use of PUO<sub>2</sub>-UO<sub>2</sub> fuel assemblies (Amendment 51 dated 2/24/69).
6. U-A1 plate and element storage racks (Amendment 53 dated 11/20/69).
7. Provisions and conditions applicable to the NMM program (Amendment SG-2 dated 6/10/70) for Fabrication Operations.

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In view of the very short time prior to the commencement of business by GUNFC, we would appreciate your prompt attention to the requested license transfers and amendments.

Very truly yours,



David F. Shaw

DFS/PL/hmt  
Attachments (2)

INFORMATION ABOUT GULF UNITED NUCLEAR FUELS CORPORATION

Gulf United Nuclear Fuels Corporation will commence business on July 1, 1971 as a Delaware corporation. Its principal offices will be in Elmsford, New York. Its officers will be:

President	Arnold R. Fritsch	[ ]
Executive Vice President	William F. Roche	[ ]
Vice President, Engineering	John D. O'Toole	[ ]
Vice President, Manufacturing	Fred G. Stengel	[ ]
Vice President, Marketing	Leo Macklin	[ ]
Vice President, Treasurer & Secretary	Kenneth L. Wiley	[ ]

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All of the officers are United States citizens. There will be no known control or ownership exercised over Gulf United Nuclear Fuels Corporation by any alien, foreign corporation or foreign government.

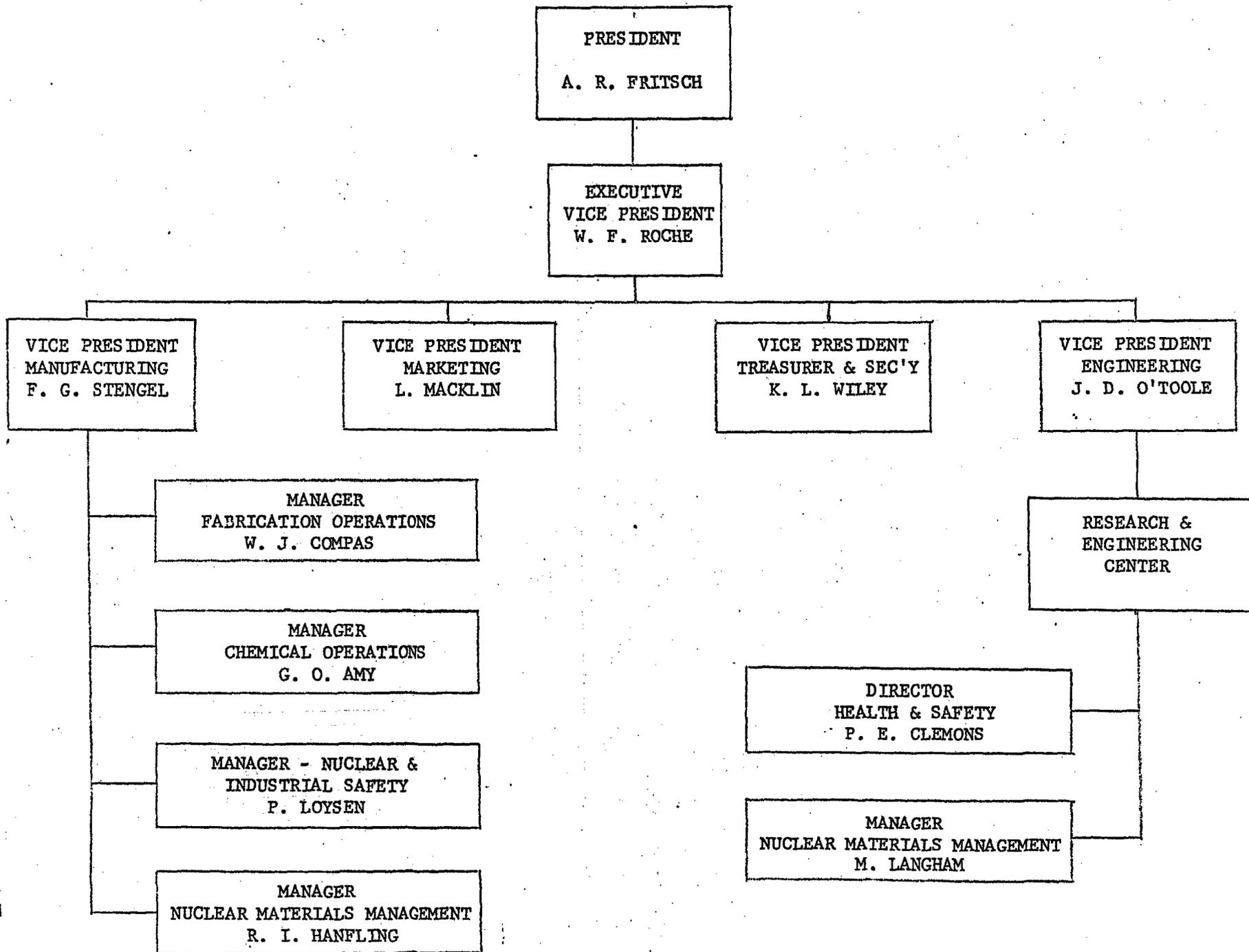
A partial organization chart, which includes the nuclear and industrial safety and nuclear materials management functions, is shown in Attachment A. Resumes of all key personnel have been submitted previously under one or more of the UNC licenses, except for Dr. Fritsch and Mr. Wiley. Their resumes are included as Attachments B and C.

Gulf United Nuclear Fuels Corporation will be a jointly owned company of Gulf Oil Corporation and United Nuclear Corporation for the purpose of designing, manufacturing and selling nuclear fuel for light water nuclear power reactors. UNC will provide the new company with personnel and facilities for commercial fuel at Hematite, Missouri; Elmsford and Pawling, New York; and New Haven, Connecticut. Equipment, buildings and property at Pawling will be leased to GUNFC; buildings and property at Elmsford will be leased to GUNFC; and all of the Hematite and New Haven Commercial Operations will be transferred to GUNFC except for office facilities in New Haven which will be leased. These contributions by UNC will provide for eventual ownership by UNC of 43% of the new company. Gulf will contribute the remainder, primarily in the form of cash and equipment at its

reactor component manufacturing facilities at San Diego, California and Tijuana, Mexico. Total assets of GUNFC will be about \$18,000,000 with firm arrangements for future financing if necessary.

United Nuclear Corporation will continue to pursue its activities in the mining and milling of uranium and manufacture of fuel cores for the U. S. Navy independently of the joint venture. Gulf Oil Corporation will continue to carry on its other nuclear activities through Gulf General Atomic, including the supply of High Temperature Gas-Cooled Reactors (HTGR), the development of Gas Cooled Fast Reactors (GCFR) and thermionic reactors, and research in controlled thermo nuclear fusion.

PARTIAL ORGANIZATION CHART - GULF UNITED NUCLEAR FUELS CORPORATION



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ATTACHMENT A

GULF UNITED NUCLEAR FUELS CORPORATION

POSITION                      President

PERSON                         Arnold R. Fritsch

EXPERIENCE

Dr. Fritsch has over fifteen years experience throughout the nuclear industry. Assignments have included policy formulation and consultation to the Chairman of the U.S. Atomic Energy Commission; coordination of all fuel reprocessing and materials control and management; and establishing, staffing and planning of a spent fuel reprocessing company. He has also had extensive experience in long range studies of reactor programs.

FORMER POSITIONS

1970 - 1971            Coordinator - Allied Gulf Nuclear Services, Gulf Energy and Environmental Systems, LaJolla, California

1968 - 1970            Manager, Program Evaluation and Sr. Advisor to Group Vice Presidents, Gulf Energy and Environmental Systems, LaJolla, California

1961 - 1968            Technical Assistant and Special Assistant to the Chairman, U.S. Atomic Energy Commission, Washington, D. C.

1959 - 1961            Division of International Affairs, U.S. Atomic Energy Commission, Washington, D. C.

1956 - 1959            Senior Engineer, Nuclear Physics, Westinghouse Atomic Power Division, Pittsburgh, Pennsylvania

EDUCATION

B.S., Physical Chemistry, University of Rochester, [ ]

Ph.D., Physical Chemistry, University of California at Berkeley, 1956

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GULF UNITED NUCLEAR FUELS CORPORATION

POSITION Vice President, Finance and Administration

PERSON Kenneth L. Wiley

EXPERIENCE

Mr. Wiley has over twenty-two years experience in a variety of administrative positions throughout a major energy company. Assignments have included all levels of accounting and financial control for production and mining operations. He also has had extensive administrative and managerial experience within various operating divisions.

FORMER POSITIONS

1969 - 1971      Manager, Finance and Services, Gulf Mineral Resources Division,  
Gulf Oil Corporation

1967 - 1969      Division Accountant, Gulf Mineral Resources Division,  
Gulf Oil Corporation

1964 - 1967      Area Accounting Supervisor, Gulf Oil Corporation

1961 - 1967      Senior Unit Accounting Supervisor, Gulf Oil Corporation

1956 - 1960      Unit Accounting Supervisor, Gulf Oil Corporation

1954 - 1956      Group Accounting Supervisor, Gulf Oil Corporation

1953 - 1954      Assistant Area Accounting Supervisor, Gulf Oil Corporation

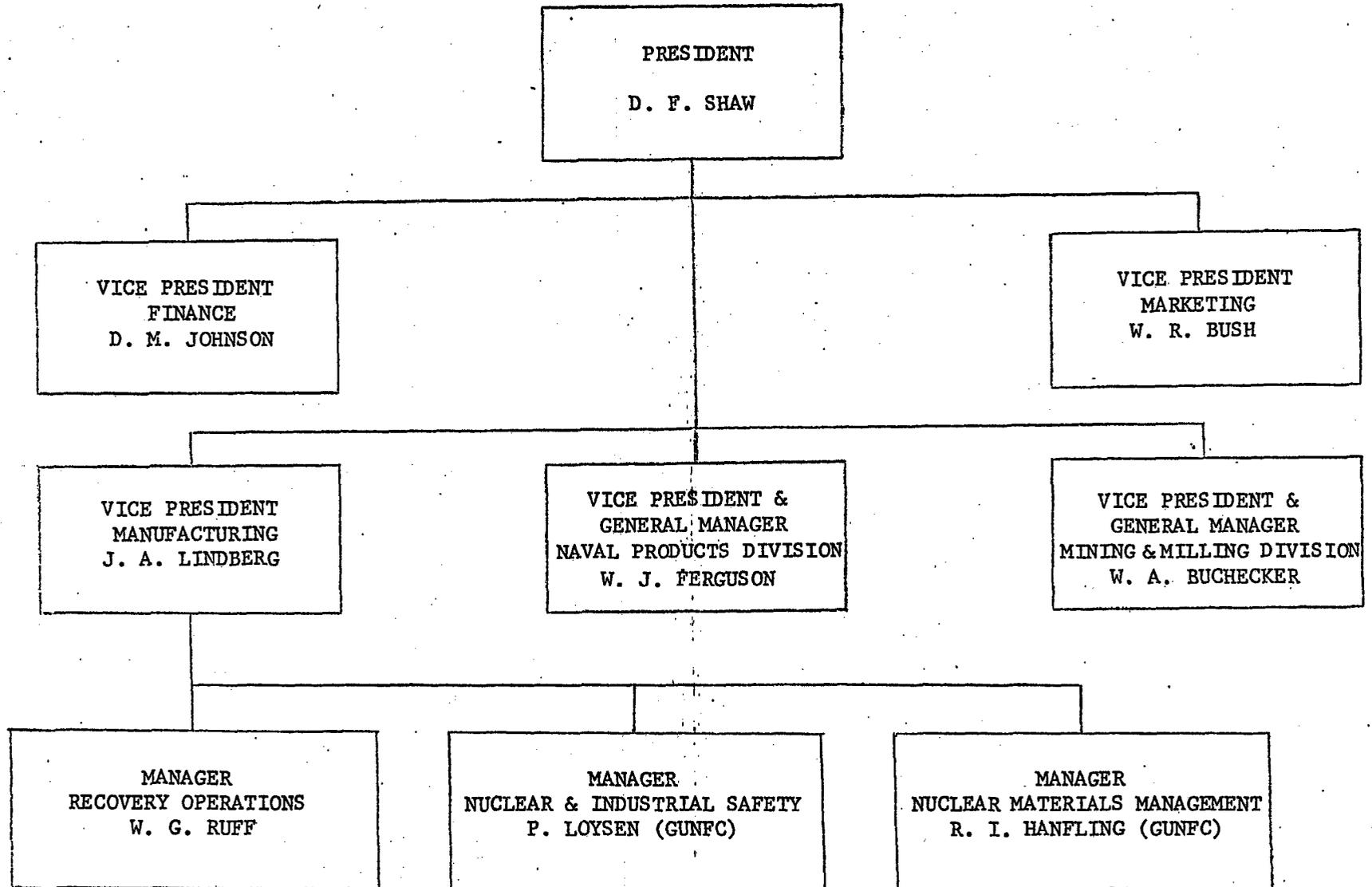
1948 - 1953      Various Accounting Positions, Gulf Oil Corporation

EDUCATION

B.S., Business Management, Oklahoma State University, [ ]  
Graduate Studies Leading to MBA, Finance, University of Colorado

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PARTIAL ORGANIZATION CHART - UNITED NUCLEAR CORPORATION



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