Ext. 384

CO:I:EJV

30 JUN 1965

Shieldalloy Corporation
West Boulevard
Newfield, New Jersey 08344

Attention: Mr. W. B. Clymer, Assistant to the President

Gentlemen:

This letter relates to the discussion Mr. Vinciguerra of this office held with Mr. Clymer following the inspection conducted on May 26, 1965 of the activities authorized under AEC Source Material License No. SMB-743.

As noted during the discussion, it appears that certain of your activities were not conducted in full compliance with AEC requirements and with conditions of the license. The items and references to the pertinent requirements are listed in Item 5 of the attached Form AEC-592.

The purpose of this letter is to give you an opportunity to advise us in writing of your position concerning these items, of any corrective steps you have taken or plan to take with respect to them, and the date all corrective action was or will be completed. Your reply should be sent to us within 20 days of the date of this letter to ensure that it will receive proper attention in our further evaluation of this matter.

Should you have any question concerning this matter, you may communicate directly with this office.

Very truly yours,

Robert W. Kirkman, Director
Region I, Division of Compliance

Enclosure:
AEC-592

OFFICE ▶	bcc: CO:HQ SLR, w/back-up notes		COMPLIANCE			
SURNAME ▶			Vinciguerra:cb	Cleveland	Kirkman	
DATE ▶			6-30-65			

Form AEC-318 (Rev. 9-53)

U. S. GOVERNMENT PRINTING OFFICE 16—62761-3

Form AEC-592
(6-63)

UNITED STATES ATOMIC ENERGY COMMISSION
DIVISION OF COMPLIANCE

II-B

1. LICENSEE	2. REGIONAL OFFICE
SHIELDALLOY CORPORATION West Boulevard Newfield, New Jersey	U. S. Atomic Energy Commission Region I, Division of Compliance 376 Hudson Street New York, New York 10014
3. LICENSE NUMBER	**4. DATE(S) OF INSPECTION**
SMB-743	May 26, 1965 (Initial Announced)

5. The following activities under your license (identified in Item No. 3 above) appear to be in noncompliance with AEC regulations or license requirements, as indicated.

(a) Contrary to 10 CFR 40.3, "License Requirements", source material was possessed and used in the form of Norwegian and Nigerian ore without authorization in License Conditions 7 and 8.

(b) On May 26, 1965 your source material inventory included 38,000 pounds of Baddeleyite ore, contrary to License Condition 7.

(c) Storage drums for slag from Brazilian pyrochlore utilization located in the outdoor storage area were not labeled as required by 10 CFR 20.203 (f)(2) and (f)(4).

Supplementary page None attached.

Eugene J. Vinciguerra
AEC Compliance Inspector

6/30/65
Date

ORIGINAL: LICENSEE. COPIES: ☐ CO REGION ☐ CO HEADQUARTERS ☐ L&R HEADQUARTERS.

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