



THE DOW CHEMICAL COMPANY

MIDLAND, MICHIGAN 48640

February 22, 1971

Docket No. 40-17

Reference to Docket
Nos. 40-462 and
40-8062

For Div. of Compliance

Mr. Robert L. Layfield
Materials Branch
Division of Materials Licensing
U. S. Atomic Energy Commission
Washington, D. C. 20545

Dear Mr. Layfield:

I was very surprised to get three invoices of \$800 each for A.E.C. source material license fees. These invoices were laid on my desk by someone out in our plant who happened to receive them. They were not addressed to me but to The Dow Chemical Company, Midland, Michigan. I did not receive your notice of August 4, 1970, to A.E.C. licensees on license fees, your January 19, 1971, letter or even a copy of the Federal Register of January 6, 1971; so you can see that this office was totally in the dark as to this new A.E.C. licensing fee setup.

I have been studying our three A.E.C. Licenses of Source Material (STB-527, SMB-111 and STB-1055) with the idea of simplifying and cutting down the paper work between A.E.C. and Dow. The amount of source material used on our Licenses #SMB-111 and #STB-1055 is so small that I should like to incorporate them with our License #STB-527. Only 859 pounds of thorium nitrate was used during 1970 on License #STB-1055 which contained about 40% thorium.

On A.E.C. License #SMB-111 I have only 12 pounds of actual uranium and 34 pounds of actual thorium as of December 31, 1970. Less than one pound of thorium and less than three pounds of uranium was used in research work during the last year. I should like to transfer the inventory on our Licenses Nos. STB-1055 and SMB-111 to our License No. STB-527 on your Docket 40-17. This material would be used only in research and small pilot research operations with strict adherence to its use described on your Docket #40-462 and #40-8062.

If this request meets with your approval, I should like to cancel our two source material licenses #SMB-111 and #STB-1055.

Sincerely yours,

W. Otis Heath
Corporate Statistician

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