



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
2443 WARRENVILLE ROAD
LISLE, ILLINOIS 60532-4352

JUN 08 2007

Peter J. Auksel
Radiation Safety Officer
U.S. Steel Corporation
Gary Works
1 North Broadway MS 91E-2
Gary, IN 46402

Dear Mr. Auksel:

This letter is concerning your amendment request to consolidate four NRC licenses into one. Please be aware that the requested possession limits described in your letter dated March 1, 2007, will require you to implement the requirements in the Security Order for Increased Controls (Order) as indicated on the NRC web site at the following location, <http://www.nrc.gov/reading-rm/doc-collections/enforcement/security/index.html>. When authorized to possess americium-241 you will be required to comply with the requirements for Increased Controls on or before the date that you possess the material or provide sufficient information to show that Am-241 will not be co-located. I have enclosed for your review a portion of "Supplemental Questions and Answers Regarding Increased Controls and Implementation for Licensees That Possess Radioactive Material Quantities of Concern". Please see S3 for co-location information.

Please submit your schedule for implementing the Increased Controls and provide confirmation that you will not take possession of the additional radioactive materials in quantities that equal or exceed the Table values until you are in full compliance with the Increased Controls. If you have any question about the Order at the link provided above, please contact Toye Simmons at 630-9842.

Sincerely,

A handwritten signature in cursive script that reads "Toye L. Simmons".

Toye L. Simmons
Materials Licensing Branch

License No. 13-26104-03
Docket No. 030-36022

Enclosure: as stated