



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION V
1990 N. CALIFORNIA BOULEVARD
SUITE 202, WALNUT CREEK PLAZA
WALNUT CREEK, CALIFORNIA 94596

P&R

JUL 6 1979

Docket No. 70-1257

Exxon Nuclear Company, Inc.
2955 George Washington Way
Richland, Washington 99352

Attention: Dr. R. Nilson
Manager, Licensing

Gentlemen:

Subject: NRC Inspection

This refers to the inspection conducted by Messrs. G. Hamada, B. Brock, Y. Kobori and A. Wieder of this office on April 30-May 4, 1979, of activities authorized under NRC License No. SNM-1227. It also refers to the discussion of our inspection findings with Messrs. R. Schneider, B. Stevenson and other members of management and staff at the conclusion of the inspection.

The areas examined during the inspection included your program for controlling and accounting for special nuclear material pursuant to applicable provisions of Part 70, Title 10, Code of Federal Regulations, and specific requirements of NRC License No. SNM-1227. Within these areas, the inspection consisted of selective examinations of procedures and records, interviews with plant personnel and observations by the inspectors.

Based on the results of this inspection, it appears that one of your activities was not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation enclosed herewith as Appendix A. The item of noncompliance is categorized into the level as described in our correspondence to you dated December 31, 1974.

This notice is sent to you pursuant to the provisions of Section 2.201, "Notice of Violation," of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. You are hereby required to submit to this office within twenty (20) days of your receipt of this notice, a written statement or explanation in reply including: (1) corrective steps which have been taken by you, and the results achieved; (2) corrective steps which will be taken to avoid further items of noncompliance, and (3) the date when full compliance will be achieved.

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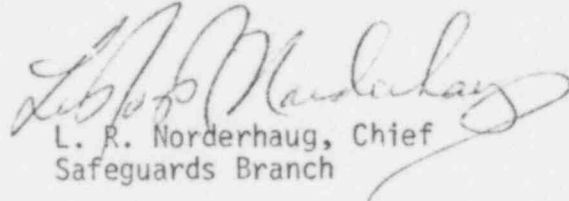
Exxon Nuclear Company, Inc.

-2-

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, documentation of findings of your control and accounting procedures for safeguarding special nuclear materials are exempt from disclosure; therefore, the enclosure to this letter, the inspection report, and your response to the items listed in the enclosure to this letter will not be placed in the Public Document Room and will receive limited distribution.

Should you have any questions concerning this letter, we will be glad to discuss them with you.

Sincerely,



L. R. Norderhaug, Chief
Safeguards Branch

Enclosures:

1. Appendix A - Notice of Violation
2. IE Inspection Report No.
70-1257/79-05 (IE-V-306)

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