SECURITY-RELATED INFORMATION ENCLOSURE(S) ONLY CONTAINS(S 10 CFR 2.790(d) INFORMATION

OCT 2 0 1980

SGDB:RLJ 70-371

UNC Naval Products Division of UNC Resources, Inc. ATTN: Mr. R. B. Andrews President 67 Sandy Desert Road Uncasville, Connecticut 06382

Dear Mr. Andrews:

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ADDCK 07000371

PNU

PDR

SUBJECT: INSPECTION NO. 70-371/89-204

This refers to the Nuclear Regulatory Commission's (NRC) nuclear material control and accounting inspection conducted by R. L. Jackson of this office on September 11-15, 1989. The inspection included a review of activities authorized for your Uncasville facility. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed Inspection Report Details (Enclosure 2).

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observation of activities in progress.

The inspection indicated that certain activities appeared to violate NRC requirements. The violation, references to pertinent requirements, and elements to be included in your response are described in the Notice of Violation (Enclosure 3).

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, documentation of the findings of your control and accounting procedures for the safeguarding of special nuclear material are exempt from public disclosure; therefore, the enclosed inspection report details and notice of violation will <u>not</u> be placed in the Public Document Room.

The responses directed by this letter and its enclosures are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, P. L. No. 96-511.

SECURITY-RELATED INFORMATION ENCLOSURE(S) ONLY CONTAINS(S 10 CFR 2.750(d) INFORMATION OFOS

Mr. R.B. Andrews

Should you have any questions concerning this letter, please contact us.

Sincerely,

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Donald J. Kasun, Acting Chief Domestic Safeguards and Regional Oversight Branch Division of Safeguards and Transportation, NMSS

Enclosures: Inspection Report No. 70-371/89-204, Summary 1. Inspection Report No. 70-371/89-204, Report Details 2. Notice of Violation 3. cc: w/o Enclosures 2 and 3 State of Connecticut DISTRIBUTION: NRC File Center Docket File 70-371 PDR, w/o encls 2 & 3 NSIC, w/o encls 2 & 3 Case File SGDB r/f, w/o encls 2 & 3 RJackson ESuarez WFloyd LRuuse RFBurnett DWeiss, LFMB, w/o encls 2 & 3 RKeimig, RI ADella Ratta, RI MWilliams. CGaskin