



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
631 PARK AVENUE
KING OF PRUSSIA, PENNSYLVANIA 19406

14 NOV 1979

Docket No. 70-371

United Nuclear Corporation
UNC Naval Products
ATTN: Mr. D. E. Ganley
President
67 Sandy Desert Road
Uncasville, Connecticut 06382

Gentlemen:

Subject: Inspection 70-371/79-15

This refers to the inspection conducted by Mr. W. Madden of this office on August 14-17, 1979 at United Nuclear Corporation Naval Products, of activities authorized by NRC License No. SNM-368 and to the discussions of our findings held by Mr. Madden with yourself at the conclusion of the inspection, and to a subsequent telephone discussion between Mr. Madden and Mr. Gustafson on August 20, 1979.

Areas examined during this inspection are described in the Office of Inspection and Enforcement Inspection Report which is enclosed with this letter. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

Within the scope of this inspection, no items of noncompliance were observed.

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, documentation of your control and accounting procedures for safeguarding special nuclear materials and your facility security procedures are exempt from disclosure; therefore, the enclosed inspection report will not be placed in the Public Document Room and will receive limited distribution. In addition, the enclosed Inspection Report contains CONFIDENTIAL - NATIONAL SECURITY INFORMATION pursuant to Executive Order 12035 and therefore the release of such information to other than properly authorized individuals is prohibited.

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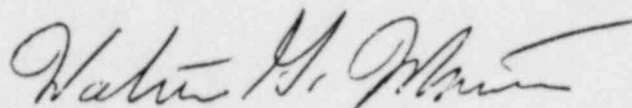
United Nuclear Corporation

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No reply to this letter is required; however, should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,



Walter G. Martin, Chief
Safeguards Branch

Enclosure: Office of Inspection and Enforcement Inspection
Report Number 70-371/79-15 (Contains CONFIDENTIAL - NATIONAL
SECURITY INFORMATION and 2.790 Information)