

UNITED STATES NUCLEAR REGULATORY COMMISSION REGION I

631 PARK AVENUE KING OF PRUSSIA, PENNSYLVANIA 19406

13 MAR 1981

Docket No. 70-371

UNC Naval Products Division of United Nuclear Corporation A UNC RESOURCES Company ATTN: Mr. D. E. Ganley President and General Manager 67 Sandy Desert Road Uncasville, Connecticut 06382

Gentlemen:

Subject: Inspection No. 70-371/81-05

This refers to the routine inspection conducted by Mr. H. Zibulsky of this office on March 2 - 6, 1981 of activities authorized by NRC License No. SNM-368 and to the discussions of our findings held by Mr. Zibulsky with Mr. T. Collopy of your staff at the conclusion of the inspection.

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, measurements made by the inspector, 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 findings of your control and accounting procedures for safeguarding special nuclear materials and your facility security measures for physical protection are deemed to be commercial or financial information within the meaning of 10 CFR 9.5(a)(4) and shall be subject to disclosure only in accordance with the provisions of 10 CFR 9.12. Additionally, and in accordance with the Atomic Energy Act of 1954, Restricted Data which requires safeguarding in the interest of national defense shall not be disclosed to unauthorized persons; therefore, the enclosed inspection report will not be placed in the Public Document Room and will receive limited distribution.

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,

James H. Joyner, Chief, Technical Inspection Branch, Division of

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Engineering and Technical Inspection

Enclosure: Office of Inspection and Enforcement Inspection
Report Number 70-371/81-05 (contains Confidential
RD and 2.790(d) information)