

UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION II 101 MARIETTA ST., N.W., SUITE 3100 ATLANTA, GEORGIA 30333

JUN 22 1981

Babcock and Wilcox Company ATTN: T. C. Engelder, Director Lynchburg Research Center P.O. Box 1260 Lynchburg, VA 24505

Gentlemen:

Subject: Report No. 824/81-03



Thank you for your letter of June 15, 1981, informing us of steps you have taken to correct the violation concerning activities under NRC License No. SNM-778 brought to your attention in our letter of May 20, 1981. We will examine your corrective actions and plans during subsequent inspections.

We appreciate your cooperation with us.

Sincerely

Paul J. Keylogg, Acting Chief Reactor Projects Branch 2,

Division of Resident and Reactor

Project Inspection