EXHIBIT 2

UNITED STATES
ATOMIC ENERGY COMMISSION
WASHINGTON, D.C. 20545

IN REPLY REFER TO
Docket No. 50-108

SEP 2 9 1966

Allis-Chalmers Manufacturing Company
P. O. Box 512
Milwaukee, Wisconsin 53201

Attention: T. D. Lyons
Vice President

Gentlemen:

This is in reply to your letter of September 16, 1966, in which you requested termination of your Facility License CX-15. Termination of your license must be in accordance with the requirements of 10 CFR Part 50.82 of the Commission's Regulations. Accordingly, as discussed with Mr. H. A. Bartling on September 26, 1966, you should submit the following information:

1. A statement of the reasons why surrender of the license and dismantling and disposal of the component parts of the facility are proposed.

2. The procedures for disposal of radioactive material and decontamination of the site. Your letter describes the disposal of the fuel and some other components of your facility. You should include, in addition, a description of your plans for ultimate disposal of all of the component parts of your facility. You should also provide a more detailed plan for an appropriate radiological survey, and a description of your plans for decontamination to meet the limits set forth in the "Radiation Contamination Limits for Abandonment of Facilities and Equipment," copy of which is attached.

If our review of the requested information permits us to make the findings required by the regulations, we would issue an order authorizing dismantling and disposing of your facility. Your license would be terminated upon completion of the dismantling and disposal, and upon inspection by the Division of Compliance to assure that the proposed operations had been completed as described.

If these matters require further clarification, we shall be glad to be of assistance. A copy of 10 CFR Part 50 is enclosed for your reference.

Sincerely yours,

Roger S. Boyd, Chief
Research & Power Reactor Safety Branch
Division of Reactor Licensing

Enclosures:
1. List (Radioactivity Contamination Limits)
2. 10 CFR Part 50

RADIOACTIVITY CONTAMINATION LIMITS FOR

ABANDONMENT OF FACILITIES AND EQUIPMENT

1. The maximum amount of fixed alpha radioactivity in disintegrations per minute per 100 square centimeters on buildings or equipment should not exceed 25,000.

2. The average amount of fixed alpha radioactivity in disintegrations per minute per 100 square centimeters on buildings or equipment should not exceed 5,000.

3. The maximum amount of removable (capable of being removed by wiping the surface with a filter paper or soft absorbent paper) alpha radioactivity in disintegrations per minute per 100 square centimeters on buildings or equipment should not exceed 1,000.

4. (a) The maximum level at one centimeter from the most highly contaminated surface of a building or piece of equipment measured with an open-window beta-gamma survey meter through a tissue equivalent absorber of not more than seven milligrams per square centimeter should not exceed one millirad per hour.

   (b) The average radiation level at one centimeter from the contaminated surface of the building or equipment measured in the same manner should not exceed 0.2 millirad per hour.

5. The contamination limits for abandonment of facilities involving U-233 or plutonium should not exceed 1/10 of the limits in items 1, 2 and 3 above.