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JCLEAR REGULATORY COMMISSION

REGION V

SUITE 202, WALNUT CREEK PLAZA 1990 N. CALIFORNIA BOULEVARD WALNUT CREEK, CALIFORNIA 94596

Docket No. 70-25

11/12/75

Atomics International Division Rockwell International 8900 DeSoto Avenue Canoga Park, California 91304

Attention: Mr. R. G. Jones Vice President and Controller

Gentlemen:

This refers to the inspection conducted by Messrs. B. Brock, G. Hamada, Y. Kobori, and L. Norderhaug of this office on October 20-24, 1975 of activities authorized under NRC License No. SNM-21. It also refers to the discussion of our inspection findings with you, Dr. M. Remley and Mr. V. Schaubert at the conclusion of the inspection.

The areas examined during the inspection included your program for controlling and accounting for special nuclear material pursuant to applicable provisions of Part 70, Title 10, Code of Federal Regulations and specific requirements of NRC License No. SNM-21. Within these areas, the inspection consisted of selective examinations of procedures and records, interviews with plant personnel and observations by the inspectors.

Based on the results of this inspection, it appears that certain of your activities were not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation enclosed herewith as Appendix A. The items of noncompliance have been categorized at the levels described in our correspondence to you dated December 31, 1974. This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within twenty (20) days of your receipt of this notice, a written statement of explanation in reply including: (1) corrective steps which have been taken by you and the results achieved; (2) corrective steps which will be taken to avoid a further violation; and (3) the date when full compliance will be achieved.

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



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special nuclear materials are exempt from disclosure; therefore, the enclosure to this letter, the inspection report, and your response to the items listed in the enclosure to this letter will not be placed in the Public Document Room and will receive limited distribution.

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Should you have any questions concerning this letter, we will be glad to discuss them with you.

Sincerely,

Rothingelse

R. H. Engelken Director

Enclosure: Notice of Violation

bcc w/encl: IE Chief, FC&EB IE Chief, M&PP IE:HQ (4) SG RL IE Files NRC Central Files