

JAN 05 1994

Docket No. 040-08794

License No. SMB-1408

Molycorp, Inc.
ATTN: Robert Brown
Plant Manager
350 North Sherman Street
York, Pennsylvania 17403

Dear Mr. Brown:

SUBJECT: ROUTINE INSPECTION NO. 040-08794/93-001

On November 16, 1993, Duncan White of this office conducted a routine safety inspection at the above address of activities authorized by the above listed NRC license. The inspection was an examination of your licensed activities as they relate to radiation safety and to compliance with the Commission's regulations and the license conditions. The inspection consisted of observations by the inspector, interviews with personnel, and a selective examination of representative records. The findings of the inspection were discussed with you, J. Benfield and A. Eisenhart at the conclusion of the inspection. This also refers to the telephone conversation on December 8, 1993 between Hamid Arabzadeh and Duncan White.

A copy of the NRC inspection report is enclosed.

Within the scope of this inspection, no violations were identified.

We would like to bring to your attention two areas at your facility which may need further characterization for residual contamination. As discussed in Section 4 of the enclosed inspection report, it appears that confirmatory measurements were either not performed or not documented when the former surge pond located between the Moly and Waste Treatment Buildings was remediated in the 1980's. In addition, Section 9b. of the enclosed inspection report identifies an unrestricted area adjacent to your facility near Olive Street with Th-232 concentrations in soil higher than the NRC's Branch Technical Position "Disposal or Onsite Storage of Residual Thorium or Uranium from Past Operations" option for unrestricted use. It is our understanding that you are currently preparing for NRC review a site characterization and decommissioning plan for the York facility. Your plan should address the two areas discussed above. A copy of this letter and inspection report will be forwarded to the NRC Project Manager for this facility.

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Molycorp, Inc.

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In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter will be placed in the Public Document Room.

No reply to this letter is required.

Sincerely,

Original Signed By:
John D. Kinneman

John D. Kinneman, Chief
Site Decommissioning Section
Division of Radiation Safety
and Safeguards

Enclosure:

NRC Region I Inspection Report No. 040-08974/93-001

cc:

Public Document Room (PDR)
Nuclear Safety Information Center (NSIC)
C. Glenn, NMSS
Commonwealth of Pennsylvania

bcc:

Region I Docket Room (w/concurrences)

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DRSS:RI
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