

Molycorp, Inc.
Union Oil Center, P.O. Box 54945*
Los Angeles, California 90054

RECEIVED
U.S. NRC

Union ⁷⁶

MOLYCORP

1982 SEP 20 PM 3 17

EXPORT/IMPORT
AND
INTERNAT'L SAFEGUARDS

September 16, 1982

Miss Elaine Hemby
Licensing Officer
Export/Import and International Safeguards
Office of International Programs
United States Nuclear Regulating Commission
Washington, D.C. 20555

Dear Miss Hemby:

Attached is Molycorp's request for a general license authorizing export of rare earth products containing up to 1.0% weight thorium (and/or uranium). The application has been filed on NRC Form 7 in accordance with Part 110 of Title 10, Chapter 1, Code of Federal Regulations.

The following is additional information that may be of assistance to you:

Molycorp, Inc. is a wholly-owned subsidiary of Union Oil Company of California, headquartered in Los Angeles, California. Our Mountain Pass, California deposit of bastnasite is the only commercially significant rare earths deposit in the United States, currently supplying half the world's demand for rare earths. Molycorp has rare earth chemical processing plants in Mountain Pass, Louviers, Colorado and York, Pennsylvania.

Bastnasite is a rare earth fluorocarbonate mineral. The Mountain Pass deposit also contains small quantities of monazite, a rare earth thorium phosphate. The predominant rare earths are cerium, lanthanum, neodymium and praseodymium.

Molycorp manufactures and sells a wide variety of individual and mixed rare earths including oxides, carbonates, chlorides, hydrates, nitrates, oxalates and fluorides. All of Molycorp's customers consider thorium to be an impurity. However, various process separation steps concentrate the thorium in several products. Economics necessitate not removing the thorium from some of our rare earth products. There are over 150 applications of rare earths, many requiring low-cost materials. Molycorp is not aware of any of its customers removing the thorium.

B210080327 B20916
PDR XPORT
XT-8552 PDR

September 16, 1982

Molycorp believes that Part 10 CFR 40.13 (c) exempts "rare earth metals and compounds, mixtures, and products containing not more than 0.25 percent by weight thorium, uranium, or any combination of these" from licensing requirements including a need for an export license. Currently, only our York facility is producing rare earth products with more than 0.25% thorium. Molycorp was granted for the York plant, NRC Source Materials License No. SMB-1408. This license was granted February 23, 1982 and expires February 28, 1987.

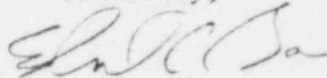
The export application is for both uranium and thorium. However, the amount of uranium is very small and is measured in parts per million.

Molycorp is requesting an export license for a maximum of 9,500 kilograms of contained thorium up to 1.0 weight percent in non-exempt rare earth products. This material does not represent an economical recoverable source of thorium. Large deposits of monazite containing 6-8% thorium are currently being mined in Australia, India and Brazil.

Tom Wilson, Tom Hairston and I enjoyed yours and Mr. Neal Moore's excellent cooperation in our meeting on September 9. If I can be of further assistance to expedite this request, please telephone me in Los Angeles (213-977-5166).

Thank you again for your assistance.

Sincerely,



Edmund C. Barnum

ECB:js

cc: T. A. Wilson
T. F. Hairston