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UNOCAL ⁷⁶ MOLYCORP

Molycorp, Inc. 350 N. Sherman St. York, Pa. 17403 (717) 845-2624

March 7, 1994

Mr. Chad Glenn
USNRC
Mail Stop 5E4
Washington, DC 20555

Dear Mr. Glenn,

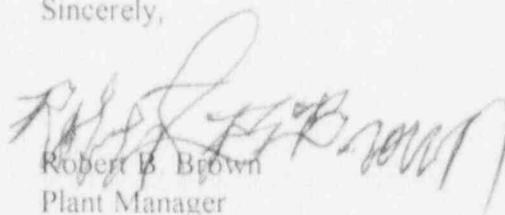
This letter is to confirm in writing the subjects which were discussed over the phone during our conversations of February 28, and March 1, 1994.

The remaining cerium fluoride product in inventory will continue to be sold if possible. To date, 28,000 pounds have been sold from the original 36,000 pounds which were produced. We anticipate that it will take two to three years to sell off the remaining inventory. Any material which cannot be sold prior to final decommissioning will be blended with other rare earth feedstocks and transferred to Molycorp's Mountain Pass plant for reprocessing or to a custom calciner. This subject will be addressed as part of the final Decommissioning Plan.

We continue to believe that the 16 drums of lead carbonate material constitute salable product. However, due to the lack of customer interest at this time, the 16 drums will be disposed of at Envirocare of Utah, Inc. We have contacted a Utah certified laboratory in Colorado. Composite samples have been sent out for radiological, TCLP (metals and organics), total metal concentrations, TOX, pH, and other analyses. Completion of these analyses is expected by March 9, 1994. These results will then be submitted to Envirocare and shipment of the material is anticipated shortly thereafter.

Thank you for your remarks on the Site Characterization Plan. We will address the subject of radionuclides in the groundwater in the final Decommissioning Plan.

Sincerely,


Robert B. Brown
Plant Manager

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