

Union Carbide Corp.
Union Carbide Center, P.O. Box 54945
Los Angeles, California 90054

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U.S. NRC

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UNION MOLYCORP

EXPORT/IMPORT
AND
INTERNAT'L SFGRDS

November 17, 1982

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

Dear Miss Hemby:

Thank you for your telephone call last Friday. Molycorp is in agreement with the alternative export license proposal that we discussed. This letter is a formal request to amend NRC License No. XT08552 and to issue a second general export license in accordance with the following points:

1. Amend NRC License No. XT08552 to expand the list of authorized countries to include all countries except embargoed destinations. Presently, these embargoed destinations listed in Part 110 are Cuba, Kampuchea, North Korea and Vietnam. This would be the second amendment to this license. Amendment No. 1 was issued to add Mexico and Spain to the list of authorized countries. The authorized limit of 9,500 kilograms of natural thorium would remain unchanged.
2. Issue a new general license authorizing Molycorp, Inc. to export up to 100,000 kilograms of natural thorium contained as an impurity in rare earth products in concentrations ranging from 0.05 percent to 1.0 percent. This license would also expire December 31, 1992. The authorized destinations for this second general license would be the following countries only: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Greece, Ireland, Italy, Japan, Luxembourg, Mexico, Netherlands, Norway, Spain, Sweden, Switzerland, United Kingdom and West Germany. This is the same list

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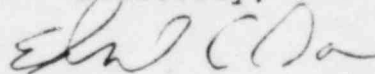
of countries included in NRC License No. XT08552, Amendment No. 1.

3. Molycorp, Inc. would then use both of these general licenses up to December 31, 1992. Upon issuing of the second license, Molycorp will use the amended broader license XT08552 when exporting to countries not authorized in the second license. Molycorp should not be unduely limited and this will satisfy the U.S. State Department restrictions. Molycorp will use the second license for our other export shipments. Most of our export business is conducted in the countries that would be authorized in this second general license.

Since the issuance of NRC License No. XT08552, we have implemented a cummulative record-keeping procedure at our manufacturing plants. We are using average thorium values based on periodic analysis. Two of our freight forwarders that we use for export shipments have asked several nervous questions regarding our products when they found out we needed an NRC export license. However, they have cooperated after we explained the situation. The U.S. Customs officials have not yet questioned our license. I have told our freight forwarders to ask the customs personnel to call either me or you if they have any questions.

Thank you again for your help in shepherding our request through the State Department. We have appreciated your efforts to take the time to understand our rare earth products and business and to find a solution that does not hinder our marketing efforts.

Sincerely,



Edmund C. Barnum

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

ECB:js