Mentifectumen MOLYBOENUM LINANILIM 1805 SOUTH BANNOCK ST. RACE 2-2849 DENVER 23, COLO. May 12, 1964 United States Atomic Energy Commission Washington 25, D.C. Attention: J. C. Delaney, Chief Nuclear Materials Section Licensing Branch Division of Licensing & Regulation Re: Our AEC License SMB-479, as Amended Expiration date 3/31/65 Dear Mr. Delaney: During a recent inspection tour of our operations by a Member of the Atomic Energy Commission, it was suggested that we were not in compliance with AEC requirements, since we did not have conspicuously labeled each drum of a quantity of 750 drums of depleted Uranium scrap metal which is stored outside but adjacent to our uranium processing building. According to our present license, we are exempt from the requirements of Sections 20,203 Paragraphs e,2 and f,2, Title 10, Code of Federal Regulations, Part 20, for areas and containers in the plant; provided that all entrances to the mill shall be conspicuously posted with signs bearing the radiation symbol and the words "Caution - Radioactive Materials". This was interpreted by the inspector as not including drums stored within the plant boundaries but outside the uranium processing building (mill). We, therefore, would appreciate and hereby request that our exemption be amended to exclude the requirement that we label each container stored compactly in a definite storage area adjacent to our processing building; provided that we define

this area by barricades or rope boundaries, and that we post all accessible sides of the area conspicuously with signs bearing the radiation symbol and the words "Caution - Radioactive Materials".

Thank you for your attention to this matter.

Very truly yours,

. W. SHATTUCK CHEMICAL CO.

Tom A. Millensifer Vice President

TAM: LGB 5/18/64-890

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