## OCT 1 4 1988

Marion Steel Company AFTN: Mr. James R. Conway President 912 Cheney Avenue Marion, OH 43302

License no. 34-21123-01

Gentlemen:

Thank you for your letter dated September 1, 1988, informing us of the steps you have taken to correct the violations identified in our letter dated July 7, 1988. While your letter states that you will be filing an application for an appropriate amendment to achieve corrective action for Violation No. 1, it should be understood that no activity is in accord with NRC regulatory requirements unless and until it is specifically authorized in an NRC license. Steps should be taken to ensure that NRC-licensed materials are hereafter possessed and used only as authorized by your license. We will examine this matter during a future inspection.

Your cooperation with us is appreciated

Sincerely.

D. G. Wiedeman, Chief Nuclear Materials Safety Section 1

cc: DCD/DCB (RIDS)

IEO7

Pankratz/mb

RIII CCKC Casey 9/3/11

FDC

Madera mclorm Wiedeman Mauri 10/3/88 10/13/88 10/13/81 19/13