

MATERIALS LICENSE

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

Licensee	
1. Molycorp. Inc.	3. License Number SMB-1393 is amended In its entirety to read as follows:
2. 1201 West 5 th Street, P.O. Box 54945 Los Angeles, California 90054	4. Expiration Date September 1, 1997
	5. Docket or Reference No. 040-08778

6. Byproduct, Source, and/or Special Nuclear Material	7. Chemical and/or Physical Form	8. Maximum Amount that Licensee May Possess at Any One Time Under This License
A. Natural Thorium	A. Slags and Contaminated Soils	A. 11 x 10 ⁴ kg

9. Authorized Use:

- A. For storage, transfer, and decommissioning in accordance with an approved Site Decommissioning Plan.

CONDITIONS

10. Licensed material shall be stored only at the licensee's facilities located at Caldwell and Green Streets, Washington, Pennsylvania.
11. The licensee shall comply with the provisions of Title 10, Chapter 1, Code of Federal Regulations, Part 19, "Notices, Instructions, and Reports to Workers; Inspections and Investigations," and Part 20, "Standards for Protection Against Radiation."
12. Licensed material shall be used by, or under the supervision of George W. Dawes.
13. Except as specifically provided otherwise by this license, the licensee shall possess and use licensed material described in Items 6, 7, and 8 of this license in accordance with statements, representations, and procedures contained in letters dated November 27, 1973, and January 30, 1974, application dated December 26, 1974, and letters dated July 13, 1976, July 11, 1980, November 19, 1980, August 19, 1992, September 21, 1992, and September 25, 1992. The Nuclear Regulatory Commission's regulations shall govern the licensee's statements in applications or letters, unless the statements are more restrictive than the regulations.

**MATERIALS LICENSE
SUPPLEMENTARY SHEET**

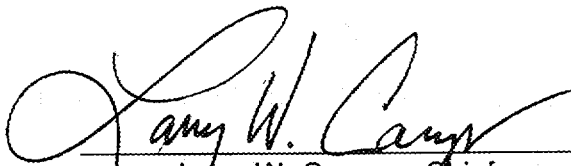
License Number	SMB-1393
Docket or Reference Number	040-08778
	Amendment No. 3

14. Schedule for Decommissioning Site:

- A. Submittal of the Site Characterization Report (SCP) - Molycorp, Inc. will submit a SCP to the NRC by November 15, 1992.
- B. Submittal of Decommissioning Alternatives and Potential Costs - Molycorp, Inc. will provide the NRC with a list and analysis of potential decommissioning and disposal alternatives by March 1, 1993. The cost of each alternative will be estimated to the best of Molycorp's ability at the time of submittal. A revised version of the report will be included in the Site Decommissioning Plan (SDP).
- C. Submittal of Site Characterization Report (SCR) - Molycorp, Inc. will provide a report detailing the site characterization results to the NRC no later than eight (8) months after the SCP has been approved in writing by the NRC staff.
- D. Submittal of Site Decommissioning Plan (SDP) - Molycorp, Inc. will submit a SDP to the NRC no later than April 16, 2000, (Reference licensee's letters dated April 13 and 20, 1999), after the initial submittal of a SCR (July 20, 1995). If on site disposal of radioactive waste under conditions of restricted use is proposed, an environmental report will be submitted by the same date. The SDP will include a decommissioning funding plan (DFP), in accordance with 10 CFR 40.36(a), to cover the estimated cost for the preferred decommissioning approach. The licensee is hereby granted a schedular exemption from the requirement of 10 CFR 40.36(c)(2) for the submittal of a DFP until such time as the SDP is submitted.
- E. Completion of Decommissioning - Molycorp, Inc. will have completed site clean up and disposal of the source material in accordance with the approved SDP. Molycorp will have notified the NRC in writing of this completion of decommissioning activities within 24 months of NRC approval of Molycorp's SDP.

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

Dated: 10/29/99



Larry W. Camper, Chief
Decommissioning Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards