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MOUND LABORATORY-MONSANTO
CENTRAL FILE NO. 63-12-217

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December 12, 1963

MOUND LABORATORY-MONSANTO
Central File No. 63-12-217

Mr. W. B. Creamer, Area Manager
U. S. Atomic Energy Commission
P. O. Box 66
Miamisburg, Ohio

MOUND DECLASSIFICATION REVIEW	
1ST REVIEW DATE: <u>7/24/78</u>	DETERMINATION (CIRCLE NUMBER)
AUTHORITY: <input type="checkbox"/> DOC <input checked="" type="checkbox"/> DC <input type="checkbox"/> ADD	1. CLASSIFICATION RETAINED
NAME: <u>Sanctimon</u>	2. CLASSIFICATION CHANGED TO _____
2ND REVIEW DATE: <u>7/27/88</u>	3. CONTAINS NO DOE CLASSIFIED INFO
AUTHORITY: ADD	4. COORDINATE WITH _____
NAME: <u>W. B. Creamer</u>	5. CLASSIFICATION CANCELLED
	6. CLASSIFIED INFO BRACKETED
	7. OTHER (SPECIFY): _____

Dear Mr. Creamer:

~~SECRET~~ TWX 2392C, Dated December 6, 1963,
James L. McCraw to Distribution (W.B. Creamer/
D.L. Scott) Proposed MK-28 Program Reductions
(MLM-CF-No. 63-12-129)

The referenced TWX presents three proposals for the FY 1965 reduction of F28-3's and FISC28-0's to a maximum of 240 units and requests statements on cancellation costs for these proposals based on the assumptions provided.

Mound Laboratory is affected only by the FISC28-0 reductions and, specifically, by the referenced order number 5191-28-729. Mound support of this order for 350 FISC28-0's in FY 1965 consists of MC-1108 Electric Detonators and MDF's 165393, 165394, and 147296. The status of the procurement contracts for this material as they relate to possible cancellation charges, is as follows:

MC-1108 Electric Detonator

These units are included in contract No. 791-021 which is currently in approval channels. Upon approval it will be released to Bernite Powder Company in order to maintain production continuity as required by the design agency. However, in order to avoid cancellation costs, Mound will instruct Bernite to withhold procurement and production action on the last 240 weapons worth of MC-1108's. It must be recognized, however, that the reduced order quantity and/or a confirmed reduction of less than 240 units in January 1964, may result in increased unit costs.

GROUP 1

Excluded from automatic
downgrading and
declassification

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~~RESTRICTED DATA~~
This document contains restricted data as defined in the Atomic Energy Act of 1954. Its transmission or disclosure to any person in any manner to unauthorized person is prohibited.

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Record Copy held at Mound Facility

Mr. W. B. Creamer

-2-

December 12, 1963

MDF's 165393 and 165394

These units are currently being procured from Ensign-Bickford on Contract No. 791-018. However, since the vendor has not commenced production action, no cancellation cost will be incurred provided the proposed reductions are confirmed in January 1964.

MDF 147796

Support of 298 FISC28-O's is currently available at Medina. Procurement has not commenced in support of the remaining 52 units and will be withheld pending confirmation of the proposed reductions. Therefore, no cancellation costs are involved.

Please advise if additional information is required.

Very truly yours,

Original signed by D. L. Scott

David L. Scott
Vice President,
Plant Manager

DLS:mer

Distribution:

Copy 1A, 2A, & 3A - W. B. Creamer
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