

ATTACHMENT 1

[Date]

Mr. Daniel M. Gillen
Chief, Decommissioning Branch
Division of Waste Management
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

**Re: Docket No. 40-7580
 License SMB-911
 Letter Agreement — MRI Inc.**

Dear Mr. Gillen:

In support of the application for transfer of License SMB-911 from Fansteel Inc. ("Fansteel") to MRI Inc. ("MRI"), dated July 24, 2003, as amended ("Application"), resulting from Fansteel's emergence from Chapter 11 bankruptcy, MRI herein reaffirms the commitments below to enable the Nuclear Regulatory Commission ("NRC") approval of the license transfer to MRI to become effective.

- MRI has been formed as described in the Application. The Board of Directors and Officers of MRI consist of the individuals as set forth in the Application, as amended.
- MRI agrees to undertake full responsibility for decontamination and decommissioning of the Muskogee Site, as discussed in the Application. MRI is knowledgeable of the extent and levels of contamination and applicable decommissioning requirements.
- MRI commits to maintain all required records received from Fansteel.
- MRI agrees to abide by all constraints, conditions, requirements, representations, and commitments identified in the SMB-911 license.
- MRI is aware of Open Inspection Followup Item 040-07580/9902-01 (discussed in NRC Inspection Report 040-07580/2002-02, dated December 13, 2002). During the November 19-20, 2002 inspection of the Muskogee Site, then-licensee Fansteel

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committed to submit an updated organizational structure to the NRC, and did so in its license renewal application, which was rejected on October 22, 2002. MRI accepts full responsibility for closing this inspection item to the extent that it remains open following submission of the information in the Application. To the extent required, MRI is committed to providing the NRC with information sufficient to close this inspection item.

Sincerely,

President/Chief Executive Officer