

Gary L. Tessitore
Chairman, President and
Chief Executive Officer

Fansteel

August 28, 2003

Daniel M. Gillen, Chief
Decommissioning Branch
~~Mail Stop T-7F27~~
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Re: **Fansteel Inc., License No. SMB-911, Docket No. 40-7580**
Schedule for Issuance of Requested Licensing Actions

Dear Mr. Gillen:

Fansteel submitted its DP for NRC review on January 14, 2003, and subsequently submitted amendments thereto and a license transfer application and other requests for approval on July 24, 2003. As you know, Fansteel is in Chapter 11 bankruptcy, and on July 24, 2003, submitted a proposed Disclosure Statement with respect to a proposed Joint Plan of Reorganization (POR) which represents the culmination of many months of negotiations by, among others, Fansteel, its affiliated Debtors, the Creditors' Committee, the NRC, the Pension Benefit Guarantee Corporation and the Department of Justice ("DOJ") on behalf of the Environmental Protection Agency and many other Federal regulatory agencies.

In order for Fansteel to emerge from bankruptcy, the POR, as a condition of confirmation, requires that the NRC on or before October 31, 2003 has completed its technical review of the DP and has issued a Finding of No Significant Impact (FONSI) and a Safety Evaluation Report (SER). As a condition to the effectiveness of the POR, the NRC approvals of the DP, the License Amendment and other related requests must be obtained 30 days thereafter. Accordingly, Fansteel has consistently emphasized the importance of the NRC completing its technical review of the DP so as to be able to decide whether a FONSI and SER should be issued on or before October 31, 2003. .

In order to expedite your review process for the DP, as well as the license transfer and related actions, and to assure that the October 31, 2003 date can be met, Fansteel requests that a

nmssd/

Gary L. Tessitore
Chairman, President and
Chief Executive Officer

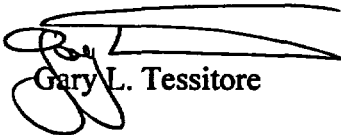
Fansteel

Daniel M. Gillen
August 28, 2003
Page 2

meeting be scheduled with the NRC Staff for the purpose of discussing Fansteel's submissions. We believe this will provide an opportunity to address any outstanding questions or concerns that the Staff may have regarding Fansteel's submissions. Such a meeting would hopefully serve to minimize the need for extensive additional requests for information. Promptly following such a meeting, Fansteel is prepared to document any understandings reached at the meeting, or supply additional information required by the Staff.

Accordingly, we suggest that a meeting be convened as soon as possible but no later than September 10, 2003. Please contact me as soon as possible with regard to a schedule that best meets your needs, so that we can ensure that our technical and other representatives are available to attend.

Sincerely,



Gary L. Tessitore

cc: James C. Shepherd, NRC/NMSS
NRC Document Control Desk
Maria E. Schwartz, Esq., NRC/OGC
Richard Gladstein, Esq., DOJ
Alan Tenenbaum, Esq., DOJ
Jeffrey S. Sabin, Esq., Schulte Roth & Zabel LLP
James R. Curtiss, Esq., Winston & Strawn LLP