

Union Oil Company of California

2141 Rosecrans Ave., Suite 4000  
El Segundo, CA 90245



March 29, 2005

U.S. Nuclear Regulatory Commission  
Mail Stop T7 F27  
Washington, DC 20555

ATTN: Larry W. Camper

RE: FINANCIAL ASSURANCE  
FOR LICENSE NO. SMB - 1393

Dear Mr. Camper

Enclosed, please find the following documents of financial assurance submitted on behalf of our subsidiary, Molycorp, Inc.:

1. Letter from Chief Financial Officer (CFO) of the parent company, Union Oil Company of California, including the financial test alternative II,
2. Letter from Chief Executive Officer (CEO) of licensee, Molycorp, Inc. Please note that the amended wording in paragraph 1 "this letter is in support of this firm's use of the parent company guarantee and associated financial test to demonstrate financial assurance, as specified in 10 CFR Part 40" has been approved by Mr. Tom Fredrichs of the Nuclear Regulatory Commission (NRC).
3. Auditor's special report confirming CFO Letter and reconciling amounts in the CFO letter with parent company's financial statements
4. Parent company's audited financial statements for the most recent fiscal year, including the auditor's opinion on the financial statements
5. Parent company guarantee for decommissioning activities

Please acknowledge receipt of this letter by signing and returning the attached copy of this letter in the envelope provided.

Should you have any questions, please call me at 714-577-1237.

Sincerely,

A handwritten signature in black ink, appearing to read "Roger T. Inabu".

Roger T. Inabu  
Manager, Financial Services & Planning  
Real Estate Remediation Services

RTI  
Enclosures  
Bcc:

R. Cherniske M. Dixon S. Ramones