

Molycorp, Inc.
Washington Remediation Project
300 Caldwell Avenue
Washington, PA 15301
Telephone (724) 222-5605
Facsimile (724) 222-7336

Molycorp

August 12, 2005

Dr. Thomas G. McLaughlin
Project Manager
U.S. Nuclear Regulatory Commission
Mail Stop T-7E18
Washington, DC 20555-0001

Re: Molycorp, Inc. (Washington, PA Decommissioning Project)
License No.: SMB-1399
Merger of Unocal Corporation into Chevron

Dear Dr. McLaughlin:

As a follow-up to a telephone conversation between you and Jack Wright on August 2, 2005, as well as an August 5, 2005 telephone conference between Randy Struk of Thorp, Reed and Armstrong and Brooke Smith, NRC Staff Attorney, Molycorp is providing the following written response regarding the merger between Unocal Corporation and Chevron.

In this regard, I would like to confirm the information below regarding the merger, as it pertains to Molycorp's source materials license SMB-1399 and Molycorp's current decommissioning plan for our Washington facility:

- Molycorp is a wholly-owned subsidiary of Union Oil Company of California.
- Although the transaction with Chevron involved a merger of Union Oil's parent company, Unocal Corporation, into a wholly-owned subsidiary of Chevron, this transaction does not alter or change Molycorp's parent-subsidary relationship with Union Oil. Rather, Union Oil is still the direct parent of Molycorp.
- Neither the management nor operations of Molycorp have been affected by the merger, including the resources available and the financial assurances for decommissioning the Washington facility.

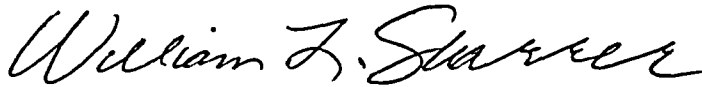
All facts pertinent to Molycorp's management, its ownership of its source materials license SMB-1393 and of the Washington facility to which the license pertains, as well as Molycorp's financing and decommissioning of the Washington facility, are unaltered by the transaction.

- While at some point in the future Union Oil may seek to transfer its responsibility for financial assurances under its parent company guarantee issued on behalf of Molycorp, any such change is not part of the current merger. If and when a transfer and/or cancellation of Union Oil's guarantee, or any other changes necessitating NRC notification and approval, is contemplated, we will contact you.

Randy Struk advised that Ms. Smith did not pose any concerns or request additional materials in response to receipt of the above information. However, she did suggest that Molycorp send you a letter confirming the above so that this information will be documented in your file.

If you have any questions, or would like any additional materials or information regarding the Unocal's merger with Chevron, please let me know.

Very truly yours,



William L. Sharrer
Vice President, Environmental and Public Policy
Molycorp, Inc.

cc: Brooke Smith, Esq.
Randolph T. Struk, Esq.
John C. Wright, Jr.