



April 28, 2006

U.S. Nuclear Regulatory Commission  
ATTN: Mr. James C. Shepherd, Project Manager  
Decommissioning Branch  
Division of Waste Management  
11545 Rockville Pike  
Two White Flint North  
Rockville, Maryland 20852      *SENT VIA FEDEX (8569 1223 3217 0215)*

Reference: License SMB-911; Docket No. 40-7580  
License Conditions 47 – Annual Fansteel Inc. Financial Statement

Dear Mr. Shepherd:

Pursuant to License SMB-911 Condition 47, FMRI is to provide annual financial statements of Reorganized Fansteel and FMRI to the NRC within 30 days of the issuance of such statements. In fulfillment of this license condition requirement, we previously sent you a copy of the Form 10-K for the fiscal year ended December 31, 2005 that Fansteel Inc. filed with the U.S. Securities and Exchange Commission on March 31, 2006 (see my letter to your attention dated April 6, 2006 that provided this Form 10-K as an enclosure).

As discussed in last year's submittal for License Condition 47, it should be noted that the SEC does not require FMRI to issue such annual financial statements as a wholly-owned special purpose subsidiary of Fansteel Inc. Since no annual financial statements are issued by FMRI, none is provided here. However, as required under License Condition 47, FMRI does maintain, for inspection at its facility, monthly updates of its accounting of expenses and income. These accounting records, including for Year 2005, are available for inspection at the facility. If you have any questions, please call Keyton Payne or me at (918) 687-6303.

Sincerely,

A handwritten signature in black ink, appearing to read 'E. Jonathan Jackson'.

E. Jonathan Jackson  
President, FMRI

Copy to: Keyton Payne, Blair Spitzberg, Gary Tessitore  
File (NRC-042806)