

May 12, 2010

Mr. Gary Sanford, Director
Quality and Regulatory Affairs
Louisiana Energy Services, LLC
P.O. Box 1789
Eunice, NM 88231

Dear Mr. Sanford:

SUBJECT: CANCELLATION AND RETURN OF STANDBY LETTER OF CREDIT FOR
LOUISIANA ENERGY SERVICES LLC, LICENSE NO. SNM-2010

Dear Mr. Sanford:

This letter is to inform Louisiana Energy Services LLC (LES) that the U.S. Nuclear Regulatory Commission (NRC) is cancelling and returning the Letter of Credit LES provided to the NRC with respect to LES's NRC License, License No. SNM-2010.

By letter dated March 15, 2010, (Agencywide Documents Access and Management System [ADAMS] accession number ML100620807) the NRC approved a surety bond which replaces a Standby Letter of Credit (LOC) previously approved by NRC. On April 12, 2010, NRC's Document Control Desk received a letter requesting that NRC return the original copy of the LOC to LES.

The LOC that LES provided in connection with this license was issued by Bank of America. The LOC has been cancelled and is being returned to LES at this time.

In accordance with Title 10 of the *Code of Federal Regulations* 2.390 of the NRC's "Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's ADAMS. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

If you have any questions on this matter, please contact Mr. Ty Naquin, Project Manager for the site, at (301) 492-3187 or at Tyrone.Naquin@nrc.gov.

Sincerely,

/RA/

Michael D. Tschiltz
Fuel Facility Licensing Directorate
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No.: 70-3103
License No.: SNM-2010

Enclosures: As stated

cc: Bank of America, N.A.
1000 W. Temple Street
7th Floor, CA9-705-07-05
Los Angeles, CA 90012-1514

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OFFICE	UEB	UEB	FSME	UEB	FFLD
NAME	TNaquin	TRichmond	LChang	BSmith	MTschiltz
DATE	5/7/10	5/7/10	5/7/10	5/11/10	5/12/10

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