



AEROTEST OPERATIONS, INC.

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Document Control Desk
U.S. Nuclear Regulatory Commission
11555 Rockville Pike
Rockville MD 20852

**RE: Docket No. 50-228 Aerotest Radiography and Research Reactor
License No. R-98**

Aerotest Operations, Inc. ("Aerotest" or "Licensee") hereby requests the withdrawal of its letters dated December 10, 2010 and January 4, 2011 to the U.S. Nuclear Regulatory Commission, and further requests that those correspondence be replaced by this letter.

As discussed with members of the staff of the U.S. Nuclear Regulatory Commission (the "NRC") in telephone conferences on November 19, 2010 and December 3, 2010, the following is a description of the current status of the operations at the Aerotest Radiography and Research Reactor ("ARRR") owned by Aerotest.

1. Current Operations and Status of the Reactor. Reactor operations have ceased as of October 15th, 2010 except for testing, sampling and fuel observations necessary to comply with the current reactor license. These operations may include annual fuel inspections, power calibration and quarterly excess reactivity testing. No research or commercial N-Ray work is being conducted at the ARRR, however, Aerotest continues to pursue the divestiture of the facility (see paragraph 5, below) and, depending on the outcome of those efforts, Aerotest may undertake the steps necessary to resume those activities (upon obtaining any necessary regulatory approvals).

2. Current Staffing. The ARRR is currently staffed by the following individuals, all of whom were employed at the ARRR prior to the cessation of operations:

General Manager (Level III Neutron Radiographer)
Reactor Supervisor and Manager of Reactor Operations (Level III Neutron Radiographer)
Nuclear Engineer

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NRR

Manager of Nuclear Radiography (Level II Neutron Radiographer)
Manager of Quality Assurance (Level II Neutron Radiographer)

Staffing levels will be maintained in accordance with the requirements of the technical specifications.

3. Preparation of Decommissioning Plan and Selection of Contractor. On November 16, 2010, Aerotest requested proposals from two decommissioning contractors for costs to prepare a decommissioning plan for the ARRR facility. Aerotest received preliminary quotations in late-November and mid-December 2010. It is our intent to select a decommissioning contractor in January, 2011 and to begin site characterization activities. It is Aerotest's belief that preparation of a decommissioning plan will take between 180 and 270 days, however, factors beyond the control of Aerotest may arise that could affect the time necessary to complete preparation of the plan. In parallel with developing the decommissioning plan, Aerotest will also develop a decommissioning funding plan in accordance with 10 C.F.R. § 50.82(b)(3).

4. Disposition of Fuel. It is Aerotest's will develop a plan to manage and provide funding for the management of the fuel contingent upon the outcome of confidential divestiture discussions described below. Aerotest will file an application with the NRC for a possession only license amendment by March 31, 2011 unless ongoing divestiture discussions result in a signed purchase agreement prior to that date.

5. Current Divestiture Discussions. Aerotest is currently in confidential discussions with two parties potentially interested in the acquisition of the facility. While it is prevented by non-disclosure agreements from discussing specific terms, Aerotest has communicated to the potential acquirers the status of the facility and the need to pursue any negotiations expeditiously. Aerotest would propose providing written updates to the NRC each 14 days on the progress of divestiture efforts.

If you have any questions regarding this submittal, please contact Michael S. Anderson, Secretary of Aerotest at (248) 475-0442 or mike.anderson@autoliv.com.

On behalf of Aerotest Operations, Inc., I certify that the content of this letter contains information that is true and correct to the best of my knowledge.



Michael S. Anderson
Secretary
Aerotest Operations, Inc.