



January 13, 2011

U.S. Nuclear Regulatory Commission
ATTN: Mr. James Shepherd, Project Manager
Decommissioning Branch, Division of Waste Management
Washington D.C. 20555

Reference: License Condition 42 – Annual Update of Figure 8-3
License SMB-911; Docket No. 40-7580

Dear Mr. Shepherd:

Pursuant to License Condition 42 of License SMB-911, FMRI, Inc. (FMRI) submits the enclosed updated Figure 8-3 showing the estimated Muskogee, Oklahoma Decommissioning Schedule. The completion of remediation is subject to inherent uncertainties described in the attached Figure 8.3.

If you have any questions, please call me at (918) 687-6303.

Sincerely,

A handwritten signature in black ink, appearing to read 'Robert Compennolle'. The signature is fluid and cursive, with the first name 'Robert' and last name 'Compennolle' clearly distinguishable.

Robert Compennolle
President, FMRI

Enclosure

Copy to: Director NRC Region IV
James Burgess (FMRI)
Document Control (01__11)

FMRI
Muskogee, Oklahoma
Decommissioning Plan
Figure 8-3
(Updated January 2011)

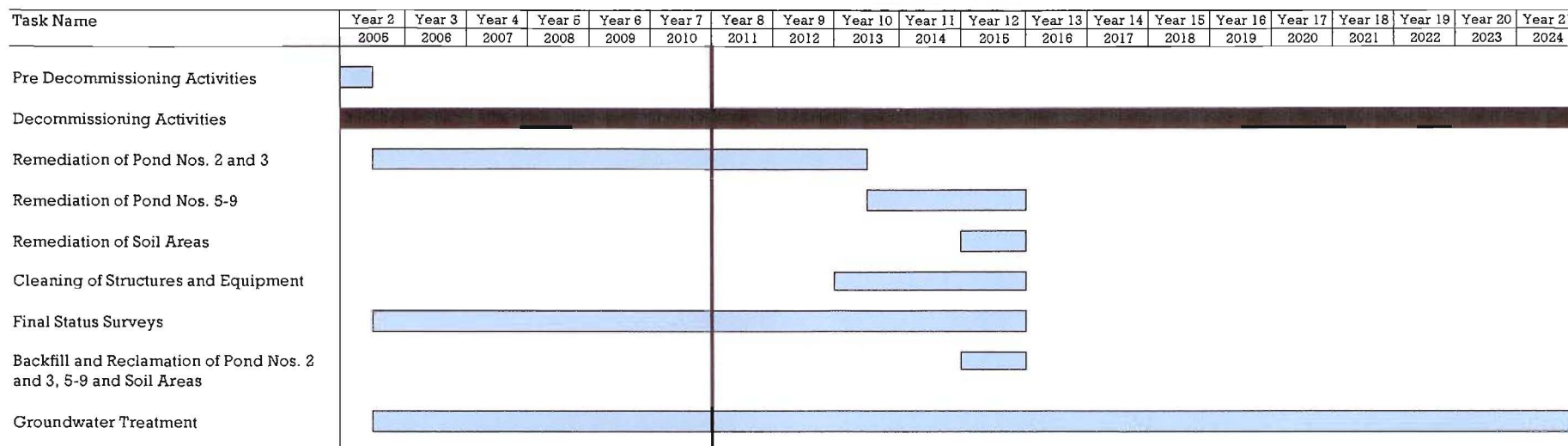


Figure 8-3 Footnotes on uncertainties and assumptions regarding schedule that include (i.e., but are not limited to)

- FMRI has full access to Subaccounts 1 and 2 of the Decommissioning Trust. FMRI must repay trust borrowings with any cash assets in excess of 6 months operations cost. At the start of remediation of Pond 2, FMRI will have minimal start-up funds outside of the Decommissioning Trust.
- The reclamation contract with Denison Mines that expires at the end of 2009 is renegotiated for continued shipments of WIP material on terms not significantly different from those in the present contract.
- Groundwater treatment continues until 2023. the DP assumed such monitoring and/or treatment for up to 10 years following the completion of active remediation.
- Minimum payments by Fansteel on the Primary and Secondary notes and no additional insurance recoveries, prepayments or substantial additional sale of equipment by FMRI. Also, the remaining balance of primary note is paid on December 31, 2013.
- Phase 2 and Phase 3 schedules are not limited by funding considerations.
- No additional requirements from the Oklahoma Department of Environmental Protection inconsistent with the NRC-approved DP regarding the closure of Ponds 6 and 7.