# 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**

Pursuant to its letter of January 7, 2011 to the U.S. Nuclear Regulatory Commission (the "NRC"), Aerotest Operations, Inc. is providing this letter to report the status of its efforts to divest itself of the Aerotest Radiography and Research Reactor ("ARRR").

As of its last report to the NRC (January 7, 2011), Aerotest was discussing a possible transaction with two entities. While Aerotest is prevented by non-disclosure agreements from discussing the identities of the parties or specific terms, one of the entities is an equity fund, the other is a publicly traded corporation that provides nuclear services.

Subsequently, Aerotest has been notified that the fund entity is not interested in pursuing a transaction. We have continued discussions with the second entity, primarily exploring a solution whereby Aerotest would retain title to the reactor fuel until such time as the U.S. Department of Energy would accept it for permanent storage.

Aerotest has also renewed discussions with X-Ray Industries, Inc., although such discussions are very preliminary and it is uncertain that they will result in further negotiations.

Finally, Aerotest has been approached by an individual with ties to the nuclear industry who purports to represent two entities potentially interested in pursuing a transaction. Aerotest has provided basic information about the facility, but this opportunity is obviously very preliminary and it is uncertain whether discussions will proceed further.



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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.