

October 2, 2012

Mr. Robert Compernelle, President
FMRI, Inc.
10 Tantalum Pl
Muskogee, OK 74403-9297

SUBJECT: U.S. NUCLEAR REGULATORY COMMISSION APPROVAL FOR INDIRECT
TRANSFER OF CONTROL OF SMB-911 AS LICENSE AMENDMENT 14 AND
DENIAL OF CHANGES TO THE PRIMARY NOTE

Dear Mr. Compernelle:

The U.S. Nuclear Regulatory Commission (NRC) has reviewed the request by FMRI, Inc., Fansteel Inc., and Green Lantern Acquisition 1 (GLA 1) for indirect transfer of control of NRC license SMB-911 from Fansteel to GLA 1. The staff has determined that the proposed structure is acceptable to NRC.

In accordance with your application dated June 21, 2011, concerning your request for indirect transfer of control of the license, and pursuant to Part 40 of Title 10 of the Code of Federal Regulations, Materials License SMB-911 is hereby amended to modify the name of the licensee. Condition 10 is revised to include the dates of June 21, 2011, March 23, 2012, and May 15, 2012. Conditions 29, 40, 50, and 51 are deleted. Conforming changes to Conditions 3, 26, 37, and 54 are included. All other conditions of the license shall remain the same.

NRC approval of the indirect change of control of FMRI does not alter any Fansteel obligations to provide funding for the decommissioning of the FMRI site identified in the court-approved bankruptcy settlement agreement, the three promissory notes, and the Pledge Agreement.

NRC has reviewed the request to change the maturity date of the Fansteel promissory note (Primary Note) from December 2013 to December 2023. Based on the staff evaluation of activities at the site from 2003 through 2008, when the decommissioning trust fund was expended, and the activities since 2008, NRC concludes that FMRI requires additional funding to complete remediation in a timely manner. Therefore, the request to extend the maturity date of the Primary Note is denied. In accordance with 10 CFR 2.103(b)(2), you have the right to request a hearing on this denial. Any request for a hearing must be submitted within 20 days from the date of this letter by submitting a request, in writing, to the Office of the Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemakings and Adjudications Staff, with a copy to the Associate General Counsel for Hearings, Enforcement, and Administration, Office of the General Counsel, at the same address. Refer to 10 CFR 2.302 for additional filing options and instructions. If submitting via private courier (e.g., FedEx, UPS), send your request to 11555 Rockville Pike, Rockville, Maryland, 20852, instead of using the Washington, DC, address.

Enclosed are copies of the revised Materials License SMB-911 and Safety Evaluation Report. As discussed in more detail in the Safety Evaluation Report, these actions are categorically excluded from further environmental review by 10 CFR 51.22(c)(10)(i) and (21).

In accordance with 10 CFR 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 Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

If you have any questions concerning the above, please contact me at (301) 415-6712 or via email at james.shepherd@nrc.gov.

Sincerely,

/RA/

Andrew Persinko, Deputy Director
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 40-7580
License: SMB-911

Enclosures:

1. Revised License No. SMB-911
2. Safety Evaluation Report

cc: FMRI Service List

R. Compennolle

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