



July 28, 2006

U.S. Nuclear Regulatory Commission
ATTN: Mr. James Shepherd, Project Manager
Decommissioning Branch
Division of Waste Management
11545 Rockville Pike
Two White Flint North
Rockville, Maryland 20852

(via overnight carrier)

Subject: License SMB-911; Docket No. 40-7580
License Condition 37(a) – Addendum to Phase I Work Plan
Supplement, June 2005

Reference: Section 3.0 Material Processing

Dear Mr. Shepherd:

Pursuant to the requirements of License SMB-911, Condition 37, FMRI submits the following information.

As you are aware, FMRI is planning to relocate bagged WIP material currently staged in Temporary Storage Areas (TSAs) to provide additional capacity for staging bags in the TSAs. The initial plan is to move the bags in Staging Area 2a into the Thermite Building (which is an impacted and bermed building). However, other impacted/bermed onsite buildings may also be used for this purpose (e.g., Chem A). In addition, FMRI may also stage newly bagged WIP material directly into an impacted/bermed building depending on project needs. Protective measures to the building floor(s) will be made according to established criteria.

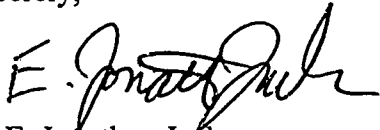
Cook Construction will be assisting FMRI in this task of relocation and placement of bagged WIP material. Cook Construction has previously worked on site for the installation of the equipment for the recovery operation and for the installation of the facility interceptor trench.

To clarify FMRI's intent in the subject work plan to stage bagged WIP material inside impacted buildings, the FMRI definition of the, "...*temporary storage location for temporary storage prior to shipping*" provided in Section 3.0 (Material Processing) of the June 2005 Supplement Phase I Work Plan shall include the use of FMRI's impacted buildings.

E. Jonathan Jackson
President, FMRI Inc.
#Ten Tantalum Place, Muskogee, OK 74403
Phone 918-687-6303 / Fax 918-687-6112

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

Sincerely,

A handwritten signature in black ink, appearing to read "E. Jonathan Jackson". The signature is fluid and cursive, with the first name "E." being more distinct than the last name.

Mr. E. Jonathan Jackson
President, FMRI

Enclosure

Copy to: Dave Tourdot (Penn E&R)
 Keyton Payne (FMRI)
 Document Control 072806-01