



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549-7010

Mail Stop 7010

October 19, 2006

Mr. Jess Jankowski  
Nanophase Technologies Corporation  
1319 Marquette Drive  
Romeoville, Illinois 60446

**RE: Nanophase Technologies Corporation  
Form 10-K for the fiscal year ended December 31, 2005  
Filed March 15, 2006  
File # 0-22333**

Dear Mr. Jankowski:

We have completed our review of your Form 10-K and related filings and have no further comments at this time.

If you have any further questions regarding our review of your filings, please direct them to Tricia Armelin, Staff Accountant, at (202) 551-3747 or, in her absence, to the undersigned at (202) 551-3768.

Sincerely,

John Cash  
Accounting Branch Chief