

December 23, 1999

Mr. Robert Clark
Assistant U.S. Attorney
U.S. Department of Justice
District of Colorado
Civil Division
1961 Stout Street, Suite 1100
Denver, CO 80294

Dear Mr. Clark,

Enclosed, for your use, is an executed Release pertaining to the ACSTAR Insurance Company relative to the Atlas Reclamation Trust. It acknowledges payment of \$5,250,000 and releases ACSTAR of any and all liability that may accrue as a result of the past, present, and future activities at the Uranium Millsite formerly operated by the Atlas Corporation near Moab, Utah.

If you have any questions of a technical or programmatic nature pertaining to this matter, please contact Mr. Myron (Mike) Fliegel of my staff on (301) 415-6629. Legal issues should be directed to Ms. Maria Schwartz of the U.S. Nuclear Regulatory Commission's Office of General Counsel on (301) 415-1888.

Sincerely,


Original Signed By

Thomas H. Essig, Chief
Uranium Recovery and
Low-Level Waste Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

Enclosure: Release

cc: M. Fliegel
M. Schwartz, OGC

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UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

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Sincerely,

A handwritten signature in black ink, appearing to read "Thomas H. Essig".

Thomas H. Essig, Chief
Uranium Recovery and
Low-Level Waste Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

Enclosure: Release

cc: M. Fliegel
M. Schwartz, OGC

ENCLOSURE



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

RELEASE

THIS release is entered into and given this 21st day of December, 1999, by the United States Nuclear Regulatory Commission ("NRC").

1. Whereas, ACSTAR Insurance Company ("ACSTAR") issued the following described surety bond on behalf of Atlas Corporation:

ACSTAR Bond No. 5652, Dated November 23, 1994,
issued with the NRC as Obligee, ATLAS as Principal, having a
penal sum of Six Million Five Hundred Thousand (\$6,500,000)
Dollars Only, and concerning the decommissioning of mill tailings
operations at Moab, Utah, Uranium Millsite, (facility License
SUA-917) (hereinafter respectively "Bond" and "Moab Site").

2. Whereas, the NRC, ACSTAR, and Atlas, among others, reached an agreement concerning ACSTAR's liability under said Bond as reflected in that certain agreement known as the Uranium Millsite Transfer Agreement ("Agreement"), said Agreement having been approved by the United States Bankruptcy Court in the case In Re Atlas Corporation, Case No. 98 23331 DEC, ongoing in the United States Bankruptcy Court for the District of Colorado, a copy of which Agreement is attached hereto as Exhibit A and is incorporated herein by reference.

3. Pursuant to the terms of said Agreement ACSTAR was obliged to pay Five Million Two Hundred Fifty Thousand (\$5,250,000) Dollars to the Reclamation Trust which is being established under the Agreement in full, final and complete discharge of ACSTAR's obligations under said Bond and related to the Moab Site on the effective date of Atlas Plan of Reorganization or December 31, 1999 - whichever comes first.

4. NRC hereby acknowledges that ACSTAR has paid Five Million Two Hundred Fifty (\$5,250,000) Dollars to the Reclamation Trust, and in consideration of that payment and NRC's obligations under Paragraph 7 of the Agreement, NRC, for itself, its successors and assigns, by and through its undersigned authorized agent, does hereby fully, completely RELEASE and DISCHARGE ACSTAR, its officers, employees, agents, successors, assigns, insurers, reinsurers, and affiliates, of and from any and all liability, claims, damages or causes of action, whether known or unknown, discovered or undiscovered, existing or which may arise in the future, arising out of or connected in any way with the Bond, ACSTAR's handling of and

adjustment of any claims under the Bond, and the Moab Site, and NRC does hereby acknowledge and agree that the Bond is fully Released and Discharged.

5. This Release shall be construed according to the Laws of the State of Colorado.

The signatory hereto warrants his full authority to give and execute this Release for all purposes specified.

By: /s/ William Kane
Title: Director, Office of Nuclear Material Safety & Safeguards

STATE OF Maryland)
COUNTY OF Prince Georges)

Subscribed and sworn to before me this 21st day of December, 1999, by the NMSS Office Director as representative of the U.S. Nuclear Regulatory Commission.

Virginia Lee Shupe
Notary Public

My Commission Expires:

January 1, 2003

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NAME	MFliegel.ec	MSchwartz <u>MEB</u>		WKA <u>[Signature]</u>
DATE	<u>12/15</u> /99	<u>12/15</u> /99		<u>12/21</u> /99

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Initials Date

adjustment of any claims under the Bond, and the Moab Site, and NRC does hereby acknowledge and agree that the Bond is fully Released and Discharged.

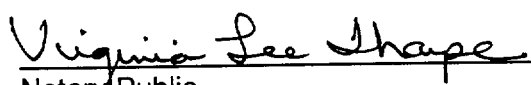
5. This Release shall be construed according to the Laws of the State of Colorado.

The signatory hereto warrants his full authority to give and execute this Release for all purposes specified.

By: 
Title: Director, Office of Nuclear Material Safety & Safeguards

STATE OF Maryland)
COUNTY OF Prince Georges)

Subscribed and sworn to before me this 21st day of December, 1999, by the NMSS Office Director as representative of the U.S. Nuclear Regulatory Commission.


Notary Public

My Commission Expires:

January 1, 2003