



RAS 2346

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ATTORNEYS AT LAW SINCE 1895

VIA FEDERAL EXPRESS

OFFICE OF THE
FULLY
ADJUDICATING OFFICER

October 27, 2000

Administrative Judge Charles Bechhoefer
Atomic Safety and Licensing Board Panel
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Re: In the Matter of MOLYCORP, INC., Washington, Pennsylvania;
Site Decommissioning Plan (Part 1)
Docket No. 40-8778-MLA-2;
ASLBP No. 00-775-03-MLA
Canton Township's Motion to Modify Order Dated September 28,
2000

Dear Judge Bechhoefer:

During our telephone conference on September 19, 2000, I indicated to you that Molycorp had previously reached an agreement with Pennsylvania American Water Company for the removal of a water line that had been raised as an area of concern by Canton Township. Furthermore, I indicated that Molycorp expected to execute a written agreement with the water company for the removal of this water line in the near future.

I am writing to advise you that on October 13, 2000, Molycorp executed this agreement with Pennsylvania American. A copy of this agreement is enclosed for your files.

If you have any questions, please call me.

Very truly yours,

Randolph T. Struk

- Pittsburgh
- Philadelphia
- Princeton
- Wheeling

RTS/cag
Enclosure

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00263551

Template = SECY-043

SECY-02

Administrative Judge Charles Bechhoefer
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October 27, 2000

cc: Dr. Richard F. Cole
Special Assistant
Atomic Safety and Licensing Board Panel
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Executive Director for Operations
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Office of Commission Appellate Adjudication
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

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Washington, DC 20555-0001
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COPY

Deed of Easement and Right of Way Extinguishment Agreement

THIS DEED OF EASEMENT AND RIGHT OF WAY EXTINGUISHMENT AGREEMENT ("Indenture") made this 13th day of October, 2000 by and between PENNSYLVANIA-AMERICAN WATER COMPANY, also formerly known as The Citizens Water Company of Washington, Pa., a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, having an office for the transaction of business at 300 Galley Road, McMurray, Pennsylvania 15137, hereinafter referred to as the "Grantor" and MOLYCORP, INC., a corporation organized and existing under the laws of the State of Delaware, having an office for the transaction of business at 300 Caldwell Avenue, Washington, Pennsylvania 15301, hereinafter referred to as "Grantee."

WHEREAS, Manor Real Estate Land Trust Company conveyed to the Citizens Water Company of Washington, PA. ("Citizens Water Company"), an easement in the location described on Exhibit A, attached hereto and made a part hereof by Agreement dated December 23, 1948, and recorded in the Washington County Recorder of Deeds Office on January 5, 1949 in Deed Book 751, page 296 (the "1948 Easement");

WHEREAS, Manor Real Estate Land Trust Company conveyed to the Citizens Water Company an easement in the location described on Exhibit B, attached hereto and made a part hereof by Agreement dated March 25, 1966 and recorded in the Washington County Recorder of Deed Office in Deed Book Volume 1233, page 547 on April 18, 1966 (the "1966 Easement") (the 1948 Easement and the 1966 Easement, together referred to as the "Easement"); and

WHEREAS, Grantor is the successor in interest to the Citizens Water Company's water utility assets, including, but not limited to, the Easement; and

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WHEREAS, the Grantee now presently owns the land in fee simple which is subject to the Easement (the "Servient Land"); and

WHEREAS, the Grantee requested the Grantor abandon, in place, the 16 inch waterline facilities and relinquish said easements; and

WHEREAS, the Grantor has agreed to abandon the Easement and appurtenant facilities and relinquish the same to the Grantee; and

NOW THEREFORE, in consideration of the mutual covenants and conditions herein contained, and respectfully expressing the intent to be legally bound hereby the parties hereto do covenant and agree with each other as follows:

WITNESSETH

1. Grantor does hereby relinquish, remise, release and quit-claim unto Grantee and its successors and assigns forever, all of Grantor's right, title and interest in and to the Easement, together with the facilities and appurtenances thereto.

2. Upon satisfaction of the conditions identified in clauses (a) and (b) of Paragraph 3 of this Indenture (the "Transfer Events"), the Grantee, its successors and assigns shall assume all responsibility for the pipeline, including liability for any and all claims, damages and/or injury which may occur to any persons or property after the occurrence of the Transfer Events.

3. This Indenture shall not take effect and be recorded until it is mutually agreed by the Grantor and the Grantee, in their commercially reasonable opinions, that the following conditions are satisfied as follows:

a. Pennsylvania-American Water Company has abandoned the existing 16 inch waterline located in the Easement (which abandonment shall include the cutting-off and capping of

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the abandoned pipeline at both ends of the same) the location of which is more particularly described in Exhibits A and B.

b. Pennsylvania-American Water Company has installed a new 16 inch waterline in a public right of way which shall replace the abandoned facilities, said new facilities shall be in service on or before 12/15/00.

c. Grantee has caused the payment to Pennsylvania-American Water Company, within 15 days of the Grantor providing written notice to Grantee of the completion of the installation of the new 16 inch waterline and abandonment of the existing lines, the sum of Two Hundred Fifty Thousand (\$250,000.00) Dollars as a contribution to the project.

d. All rights, title and interest of and to the new facilities, which facilities shall all be located outside of the boundaries of the Servient Land, shall vest in Pennsylvania-American Water Company, its successors and assigns.

e. Grantor shall restore the surface of the easement to, as nearly as practicable, its contour and condition as existed prior to the exercise of any said right.

4. The recordation of this Indenture shall be deemed conclusive and irrefutable proof that the above conditions set forth in clauses (a) through (d) have been satisfied in accordance with the provisions of Paragraph 3.

5. The Pennsylvania-American Water Company does hereby constitute and appoint Susan D. Simms to be its attorney for it, and in its name and as and for its corporate act and deed to acknowledge this Indenture, before any person having authority by the laws of the Commonwealth of Pennsylvania to take acknowledgment, to the extent that the same may be duly recorded.

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6. This Indenture is made under and by virtue of a resolution of the Board of Directors of the Grantor, duly passed at a regular meeting thereof held on the 20th day of April, 2000, a full quorum being present, authorizing and directing the same be made and one.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by their duly authorized representatives, as of the day and year first above written.

Attest:

Pennsylvania-American Water Company

[Signature]
Secretary

By: [Signature]
(Vice) President

Attest:

Molycorp, Inc.

[Signature]

By: [Signature]
Title: ATTORNEY-IN-FACT

COPY

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF DAUPHIN)

On this 10th day of October, 2000, before me, a Notary Public in and for said Commonwealth personally appeared W. L. K. Kington, personally known to be (or proven to be on the basis of satisfactory evidence) the person who executed the within instrument as Vice President of Pennsylvania-American Water Company on behalf of the corporation therein named and acknowledged to me that the corporation executed it.

WITNESS my hand and notarial seal the day and year aforesaid.

Shirley J. McArthur
Notary Public

My Commission Expires
Shirley J. McArthur, Notary Public
North Starbuck Twp., Washington County
My Commission Expires Nov. 18, 2002
Member, Pennsylvania Association of Notaries

COPY

STATE OF ILLINOIS
COMMONWEALTH OF PENNSYLVANIA)
COUNTY OF COOK) SS:
)

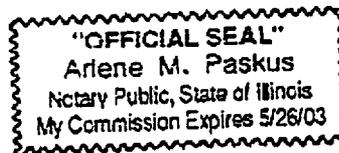
On this 2nd day of OCTOBER 2009 before me, a Notary Public in and for said Commonwealth personally appeared J.J. DEAN, personally known to be (or proven to be on the basis of satisfactory evidence) the person who executed the within instrument as ATTORNEY IN FACT of Molycorp, Inc. on behalf of the corporation therein named and acknowledged to me that the corporation executed it.

WITNESS my hand and notarial seal the day and year aforesaid.

Arlene M. Paskus
Notary Public

My Commission Expires:

5/26/03



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Situate in the Township of Canton, County of Washington and Commonwealth of Pennsylvania, being fifteen (15) feet wide measured seven and five one-hundredths (7.5) feet on each side of the following described center line, viz:

BEGINNING at a point in the Northerly line of land of the Tylersdale Connecting Railroad Company distant seventy-five (75) feet measured Northwardly and radially from the center line of said Railroad Company's railroad, known as the Sugar Run Branch; said beginning point being located by the following two courses and distances measured along said Northerly line of land of Railroad Company from its meeting with the Easterly line of land now or formerly of A. Harold Lacock; North seventy-six degrees thirty-eight minutes thirty seconds East (N. $76^{\circ} 38' 30''$ E.) two hundred twenty-eight and seventy one-hundredths (228.70) feet to a point of curve within the lines of Chartiers Creek, and thence on a curve to the left, with the last course as a tangent, having a radius of seven hundred forty-three and sixty-six one-hundredths (743.66) feet, the chord of said curve bearing North sixty-four degrees twenty minutes thirty seconds East (N. $64^{\circ} 20' 30''$ E.) the distance along said chord of twenty six and seventy-four one-hundredths (26.74) feet to the said point of beginning;

EXTENDING from the said beginning point the following three courses and distances: (1) North one degree twenty-six minutes West (N. $1^{\circ} 26'$ W.) four hundred eight and sixty-one one-hundredths (408.61) feet to a stake within the lines of Township Road Number 390, also known as Caldwell Avenue, distant thirty-three and eight-tenths (33.08) feet measured South fifteen degrees thirty minutes West (S. $15^{\circ} 30'$ W.) from an iron spike, also within the lines of said road, at an angle point in the Southerly line of land now or formerly of the Molybdenum Corporation of America; the following two courses and distances being within the lines of said road; (2) South eighty seven degrees ten minutes East (S. $87^{\circ} 10'$ E.) three hundred eighty-nine and four tenths (389.04) feet to a stake; and thence (3) South eighty-three degrees fifty-one minutes East (S. $83^{\circ} 51'$ E.) seventy-one and eight-tenths (71.08) feet to the point of ending in the Westerly line of land of said Railroad Company distant twenty-two and twenty-five one-hundredths (22.25) feet measured South five degrees twenty-four minutes thirty seconds West (S. $5^{\circ} 24' 30''$ W.) along said Westerly line of land of Railroad Company from its point of meeting with said Southerly line of land now or formerly of Molybdenum Corporation of America.

Said strip CONTAINING thirty (.30) one-hundredths of an acre, more or less.

Said easement being the second easement conveyed to the Company by Manor Real Estate and Trust Company to The Citizens Water Company of Washington, PA, now known as Pennsylvania-American Water Company recorded in the Washington County Recorder of Deeds Office on January 5, 1949 in Deed Book 751, Page 296.

Exhibit A

COPY

ALSO, BEGINNING at a point in a Westerly line of land now or formerly of Brockway Glass Company distant thirteen and one-tenth (13.01) feet measured South zero degrees 12 minutes zero seconds East (S. 0° 12' 0" E.), along said line of land of Glass Company, from a corner of said last mentioned land in the Southerly line of the one hundred fifty (150) feet wide right of way of railroad of The Tylerdale Connecting Railroad Company known as the Sugar Creek Branch;

EXTENDING from said beginning point the following three courses and distances all being through land of Manor Real Estate Company: (1) South forty-one degrees seventeen minutes zero seconds West (S. 41° 17' 0" W.) one hundred eighty-eight and sixty-nine one-hundredths (188.69) feet; (2) South twenty degrees nine minutes zero seconds East (S. 20° 09' 00" E.) one hundred twenty-nine and five tenths (129.05) feet; and (3) South forty-five degrees fifty-five minutes zero seconds East (S. 45° 55' 0" E.) sixty-six and sixty one-hundredths (66.60) feet to the point of ending, said point of ending being in a Northerly line of said land now or formerly of Brockway Glass Company distant thirty-three and thirty one-hundredths (33.30) feet measured South eighty-nine degrees forty-eight minutes zero seconds West (S. 89° 48' 0" W.), along said last mentioned Northerly line, from another corner of said land now or formerly of Brockway Glass Company.

Containing thirteen one-hundredths (0.13) of an acre, more or less.

Said easement conveyed to the Company by Manor Real Estate Company to The Citizens Water Company of Washington, P.A., now known as Pennsylvania-American Water Company recorded in the Washington County Recorder of Deeds Office on April 18, 1966 in Deed Book 1233, Page 547.

Exhibit B