



InSight Health Corp.
26250 Enterprise Court, Suite 100
Lake Forest, CA 92630-8405
Telephone - (949) 282-6000
Facsimile - (866) 296-8864

April 6, 2011

Nuclear Materials Licensing Branch
ATTN: Roberto J. Torres
U.S. Nuclear Regulatory Commission, Region IV
612 E. Lamar Boulevard, Suite 400
Arlington, TX 76011-4125

Re: InSight Health Services Corp. Completion of Bankruptcy Proceedings

Dear Mr. Torres:

This letter is to notify you that InSight Health Services Corp. has completed its restructuring and emerged from Chapter 11 bankruptcy proceedings. InSight Imaging continues to maintain our license and operations unaffected by this activity. At this time, InSight Imaging is continuing normal operations and maintaining all obligations under our NRC License (#04-29403-1). We do not intend to terminate the license at this time. Our radiation safety program remains intact and I retain full authority and responsibility for it.

I have attached a copy of a press release regarding the completion of Chapter 11 proceedings by InSight Health Services Holdings Corp. If you need any additional information regarding this matter or the status of our license or radiation safety program, please do not hesitate to contact me at 1-866-275-9378 or e-mail to dave@westphysics.com.

Sincerely,

A handwritten signature in black ink, appearing to read "David W. Jordan", with a long, sweeping horizontal line extending to the right.

David W. Jordan, Ph.D., DABR, DABMP, DABSNM
Corporate Radiation Safety Officer

RECEIVED

APR 12 2011

DNMS

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N e w s R e l e a s e

Contact:
Trace Longo
Longo Communications
(949) 364-2821

INSIGHT HEALTH SERVICES HOLDINGS CORP.

COMPLETES RESTRUCTURING

- *Restructuring Eliminates Virtually All Debt*
- *Insight Obtains New \$17.5 Million Revolving Credit Facility*

LAKE FOREST, Calif. ... March 23, 2011 ... Insight Health Services Holdings Corp. ("Insight") announced that it and its subsidiaries, including Insight Health Services Corp., emerged from their Chapter 11 restructuring today.

Following a successful prepackaged restructuring, Insight has eliminated nearly \$300 million of long-term debt, significantly strengthening its balance sheet. Insight also announced a new revolving credit facility of up to \$17.5 million with Healthcare Finance Group that will be used to provide working capital for ongoing operations.

Kip Hallman, Insight's President and Chief Executive Officer, commented upon the restructuring, "This is an exciting day for Insight, as we emerge from our restructuring with essentially no debt, the strongest balance sheet in our business, and a great opportunity to get back to growing our business. We set out to complete our restructuring without disruption to our patients, employees and the hospitals and physicians we serve, and we were able to achieve this goal through the dedicated hard work of all the outstanding members of our team. We are all excited and energized to have the opportunity to bring our *Patients First* care and exceptional

service to even more people as we grow our business in the future. We are also looking forward to working with our new majority equity owners, affiliates of Black Diamond Capital Management, LLC, who share our enthusiasm for the opportunities ahead.”

About Insight

Insight Imaging, headquartered in Lake Forest, California, is a provider of fixed site and mobile diagnostic imaging services. Insight Imaging serves a diverse portfolio of customers, including healthcare providers, such as hospitals and physicians, and payors, such as managed care organizations, Medicare, Medicaid and insurance companies, in over 30 states, including the following targeted regional markets: California, Arizona, Texas, New England, the Carolinas, Florida and the Mid-Atlantic states. For more information, please visit www.insighthealth.com.

About Black Diamond Capital Management

Founded in 1995, Black Diamond Capital Management, L.L.C. (Black Diamond) is a leading alternative asset management firm with over \$5 billion in assets under management across complementary control distressed/private equity, hedge fund and CLO vehicles. Black Diamond has offices in Greenwich, CT and Lake Forest, IL.

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This is to acknowledge the receipt of your letter/application dated 4/16/11, and to inform you that the initial processing, which includes an administrative review, has been performed.

DATE

☒ There were no administrative omissions. Your application will be assigned to a technical reviewer. Please note that the technical review may identify other omissions or require additional information.

☐ Please provide to this office within 30 days of your receipt of this card:

The action you requested is normally processed within 90 days.

☐ A copy of your action has been forwarded to our License Fee & Accounts Receivable Branch, who will contact you separately if there is a fee issue involved.

Your action has been assigned **Mail Control Number** 574890.
When calling to inquire about this action, please refer to this mail control number.
You may call me at (817) 860-8103.

Sincerely,

Carol L. Hie

NRC FORM 532 (RIV)
(10-2010)

Licensing Assistant

BETWEEN:

Accounts Receivable/Payable
and
Regional Licensing Branches

[FOR ARPB USE]
INFORMATION FROM LTS

Program Code: 02220
Status Code: Pending Amendment
Fee Category: 7C
Exp. Date:
Fee Comments:
Decom Fin Assur Reqd: N

License Fee Worksheet - License Fee Transmittal

A. REGION

1. APPLICATION ATTACHED

Applicant/Licensee: INSIGHT HEALTH CORPORATION
Received Date: 04/12/2011
Docket Number: 3038343
Mail Control Number: 574890
License Number: 04-29403-01
Action Type: Notifications

2. FEE ATTACHED

Amount: _____

Check No.: _____

3. COMMENTS

Signed: _____

Date: _____

Carol R. Hice
4/12/11

B. LICENSE FEE MANAGEMENT BRANCH (Check when milestone 03 is entered / /)

1. Fee Category and Amount: _____

2. Correct Fee Paid. Application may be processed for:

Amendment: _____

Renewal: _____

License: _____

3. OTHER _____

Signed: _____

Date: _____

Express

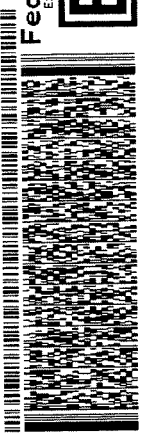
FedEx

ORIGIN ID: NZJA (949) 282-5000
SHIP DATE: 11APR11
SHIP TO: 20218 ENTERPRISE COURT
LAKE FOREST, CA 92650
UNITED STATES US
BILL SENDER

TO: ROBERTO TORRES
US NRC, REGION IV
612 E. LAMAR BLVD, SUITE 400

ARLINGTON TX 76011

REF: 111900



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