

Branch 2



January 31, 2014

Blake Welling, Chief
Commercial, Industrial, R&D and Academic Branch
Division of Nuclear Materials Safety
U.S. Nuclear Regulatory Commission, Region I
2100 Renaissance Blvd, Suite 100
King of Prussia, PA 19406-2713

Q2

**SUBJECT: Materials License No. 19-00373-02; Docket No. 030-04525
Application for Approval of Indirect Transfer of Control of License**

Dear Mr. Welling:

NewPage Holdings Inc. ("NewPage"), on behalf of its indirect, wholly owned subsidiary, Luke Paper Company ("the Licensee"), and Verso Paper Corp. ("Verso"), hereby request written approval by the U.S. Nuclear Regulatory Commission ("NRC") of a planned indirect transfer of control of the above-captioned license under 10 C.F.R. 30.34(b).¹ Attachments (1) through (3) provide the basis for this request and related documentation.

On January 3, 2014, NewPage and Verso, together with Verso Merger Sub Inc. ("Merger Sub"), an indirect, wholly owned subsidiary of Verso, entered into an Agreement and Plan of Merger (the "Merger Agreement") pursuant to which Verso will acquire NewPage by means of the merger of Merger Sub with and into NewPage, with NewPage surviving the merger as an indirect, wholly owned subsidiary of Verso. The Licensee will be unchanged by the transaction, except that it will become an indirect, wholly owned subsidiary of Verso.

NewPage is a leading producer of printing and specialty papers in North America. Headquartered in Miamisburg, Ohio, NewPage owns eight paper mills in Kentucky, Maine, Maryland, Michigan, Minnesota and Wisconsin. The Licensee, an indirect, wholly owned subsidiary of NewPage, owns and operates a woodyard and lime kiln in Beryl, West Virginia, in support of its paper mill operations. The Licensee holds NRC Radioactive Materials License No. 19-00373-02 pursuant to Part 30 of the NRC's regulations for the use of radiological material in a sealed source for industrial purposes in connection with its manufacturing processes.

¹ The parties are concurrently requesting a materials license transfer approval from NRC Region III for a license held by Escanaba Paper Company, another indirect, wholly owned subsidiary of NewPage, as well as similar approvals from certain Agreement State agencies for the indirect transfer of control of radiological materials licenses held by other affiliated companies.

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INDUSTRIAL MATERIALS

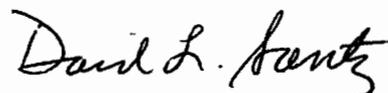
Verso is a leading North American producer of coated papers, including coated groundwood and coated freesheet, and specialty products. Headquartered in Memphis, Tennessee, Verso owns three paper mills in Maine and Michigan. Verso is a publicly held company whose common stock is traded on the New York Stock Exchange under the symbol "VRS."

As described more fully in Attachment (1), after the merger is complete, the Licensee will remain unchanged, except that it will become an indirect, wholly owned subsidiary of Verso. See Attachment (2), "Pre- and Post-Merger Simplified Organizations." The proposed indirect transfer does not involve any amendment to the existing license or any change to the Licensee's organization or personnel responsible for licensed activities. Attachment (3) is a copy of the Merger Agreement.

The closing of the proposed transaction is expected to occur in the second half of 2014 and is dependent upon the receipt of certain government approvals. Accordingly, we respectfully request that this request for written consent be reviewed, and such consent provided, expeditiously. If you have any questions or comments, please contact Martin H. Schneider, at 937.242.9230.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on January 31, 2014

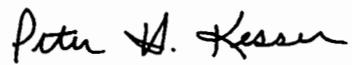
Sincerely,

A handwritten signature in cursive script that reads "David L. Santez".

David L. Santez
Senior Vice President, General Counsel and Secretary
NewPage Holdings Inc.
8540 Gander Creek Drive
Miamisburg, OH 45342
Telephone: 937.781.5101

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on January 31, 2014.

Sincerely,

A handwritten signature in black ink that reads "Peter H. Kesser". The signature is written in a cursive style with a large initial "P" and "K".

Peter H. Kesser
Senior Vice President
Verso Paper Corp.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on January 31, 2014

Sincerely,

A handwritten signature in cursive script that reads "David L. Santez".

David L. Santez
Vice President, General Counsel and Secretary
Luke Paper Company
8540 Gander Creek Drive
Miamisburg, OH 45342
Telephone: 937.781.5101

Attachment 1

Application for Approval of Indirect Transfer of Control of License

This information is submitted consistent with NUREG-1556, Vol. 15, *Consolidated Guidance About Materials Licenses: Program-Specific Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses* (November 2000). The information required by Section 5.1 through 5.6 of NUREG-1556, Vol. 15 is provided below.

Section 5.1 DESCRIPTION OF TRANSACTION

1. *A complete clear description of the transaction, including any transfer of stocks or assets, mergers, etc., so that legal counsel is able, when necessary, to differentiate between name changes and changes of ownership.*

As the result of the merger, Luke Paper Company (the "Licensee"), which is currently an indirect, wholly owned subsidiary of NewPage Holdings Inc. ("NewPage"), will become an indirect, wholly owned subsidiary of Verso Paper Corp. ("Verso"). The Licensee holds NRC Radioactive Materials License No. 19-00373-02 pursuant to Part 30 of the NRC's regulations for use of radiological material in a sealed source for industrial purposes in connection with its manufacturing processes.

Under the proposed transaction Verso Merger Sub Inc. ("Merger Sub"), a newly formed Delaware limited liability company created to facilitate the merger and an indirect, wholly owned subsidiary of Verso, will merge with and into NewPage, upon which Merger Sub will cease to exist and NewPage will continue its existence as the surviving corporation. The certificate of incorporation and bylaws of NewPage set forth in exhibits to the Merger Agreement will become the certificate of incorporation and bylaws of the surviving corporation. *See Attachment (3)*. The NewPage officers in place prior to the merger will become the initial officers of the surviving corporation. The NewPage directors will be replaced by the directors of Merger Sub. After the merger is complete, the Licensee will remain unchanged, except that it will become an indirect, wholly owned subsidiary of Verso. *See Attachment (2), "Pre- and Post-Merger Simplified Organizations."*

The proposed indirect transfer does not involve any amendment to the existing license or changes to the Licensee's organization or personnel responsible for licensed activities. Thus, the license does not need to be amended as a result of the proposed transaction.

The merger consideration to be provided to NewPage's equity holders will consist of cash, debt and shares of Verso common stock representing 20% (subject to potential adjustment up to 25% under certain circumstances) of the outstanding shares of Verso common stock immediately prior to closing. However, no single equity holder or group of equity holders of NewPage will receive more than 10% of the outstanding shares of Verso common stock. Moreover, any shares of NewPage common stock owned by Verso and its subsidiaries or NewPage and its subsidiaries will be cancelled, and no consideration will be paid for cancellation of such shares. The outstanding shares of NewPage common stock will be canceled, and the outstanding shares of Merger Sub will be converted into shares of common stock of the surviving corporation, NewPage. Thus, Verso will acquire 100% ownership of NewPage and, therefore, indirect 100% ownership of the Licensee.

Verso is a Delaware corporation whose shares of common stock are publicly held and traded on the New York Stock Exchange under the symbol "VRS." Investment funds managed by Apollo Global Management, LLC ("Apollo"), a leading global alternative investment manager formed as a Delaware limited liability company, beneficially own 68%, and management and the public own a total of 32%, of the outstanding shares of Verso common stock. Aside from Apollo, no single entity or individual beneficially owns 10% or more of the outstanding shares of Verso common stock.

2. *The new name of the licensed organization. If there is no change, the licensee should so state.*

There will be no change in the name of the existing corporate entity holding the license in connection with this indirect transfer of control.

3. *The new licensee contact and telephone number(s) to facilitate communications.*

The Licensee contact and telephone information will remain the same. Contact information for the Licensee is as follows:

Martin H. Schneider
Corporate Radiation Safety Officer
NewPage Corporation
8540 Gander Creek Drive
Miamisburg, OH 45342
Phone: (937) 242-9230
E-mail: martin.schneider@newpagecorp.com

Section 5.2 CHANGES OF PERSONNEL

1. *Any changes in personnel having control over licensed activities (e.g., officers of a corporation and any changes in personnel named in the license such as radiation safety officer, authorized users, or any other persons identified in previous license applications as responsible for radiation safety or use of licensed material). The licensee should include information concerning the qualifications, training and responsibilities of new individuals.*

Following the proposed indirect transfer, the current Licensee and its officers and employees will remain the same. The Licensee will continue the employment of all personnel involved in licensed activities in accordance with all requirements in the license and applicable regulations. There are no planned changes in personnel or organization responsible for radiation safety or use of licensed material.

2. *An indication of whether the transferor will remain in non-licensed business without the license.*

After the merger, the Licensee will remain in business and become an indirect, wholly owned subsidiary of Verso.

Section 5.3 CHANGES OF LOCATION, EQUIPMENT & PROCEDURES

1. *A complete description of any planned changes in organization, location, facility, equipment, or procedures (i.e., changes in operating or emergency procedures).*

There are no planned changes in the organization, location, facility, equipment, or procedures in connection with the indirect transfer of control.

2. *A detailed description of any changes in the use, possession, location or storage of the licensed materials.*

There are no planned changes in the use, possession, location or storage of the licensed materials to occur in connection with the indirect transfer of control.

3. *Any changes in organization, location, facilities, equipment, procedures, or personnel that would require a license amendment even without the change of ownership.*

There are no planned changes in the organization, facilities, equipment, procedures, or personnel that would require a license amendment even without the change of ownership.

Section 5.4 SURVEILLANCE RECORDS

1. *An indication of whether all surveillance items and records (e.g., calibrations, leak tests, surveys, inventories, and accountability requirements) will be current at the time of transfer. A description of the status of all surveillance requirements and records should also be provided.*

To the extent such records are required to be maintained under the license, the indirect change of control occurring as a result of the transaction will have no effect on the Licensee's surveillance records. All licensed activities and related records of the Licensee, including but not limited to those related to leak tests and physical inventories, are current and will continue on an ongoing basis without interruption in each case as required under the license. Such records will continue to be maintained in their existing state and in accordance with applicable requirements.

Section 5.5 DECOMMISSIONING AND RELATED RECORDS TRANSFERS

1. *Confirmation that all records concerning the safe and effective decommissioning/closure of the facility: public dose and waste disposal by release to sewers, incineration, radioactive material spills, and on-site burials,*

have been transferred to the new licensee if licensed activities will continue at the same location.

To the extent decommissioning records are required to be maintained under the license, the indirect change of control occurring as a result of the transaction would have no effect on the Licensee's decommissioning records. The transaction would not involve the physical relocation of any records, and any records concerning the safe and effective decommissioning and closure of the Licensee's facility will remain with the Licensee.

2. *A description of the status of the facility. Specifically, the presence or absence of contamination should be documented. If contamination is present, will decontamination occur before transfer? If not, is the transferee knowledgeable of the extent and levels of contamination and applicable decommissioning requirements, and does the transferee agree to assume full liability for the decontamination of the facility or site?*

The status of the facility will remain unchanged by the indirect license transfer, and the liability for any decommissioning or decontamination will remain with the Licensee.

3. *A description of any decontamination plans, including financial surety arrangements of the transferee. This should include information about how the transferee and transferor propose to divide the transferor's assets and responsibility for any cleanup needed at the time of transfer.*

Given the sealed source nature and amount of radiological material authorized for use under the license, the Licensee is not required to maintain decommissioning financial assurance under the NRC regulations. However, to the extent any such decommissioning financial assurance is required, the transaction would have no effect on the Licensee's obligations to meet the requirements of the license and the Licensee would remain responsible for any decommissioning and cleanup of its facility.

Section 5.6 TRANSFEREE'S COMMITMENT TO ABIDE BY THE TRANSFEROR'S COMMITMENTS

1. *Confirmation that the transferee agrees to abide by all commitments and representations previously made by the transferor. These include, but are not limited to: maintaining decommissioning records; implementing decontamination activities and decommissioning of the site; and completing corrective actions for open inspection items and enforcement actions.*

With regard to contamination of facilities and equipment, the transferee should confirm, in writing, that it accepts full liability for the site, and should provide evidence of adequate resources to fund decommissioning: or the transferor should provide a commitment to decontaminate the facility before the change of control or ownership.

With regard to open inspection items, etc., the transferee should confirm, in writing, that it accepts full responsibility for open inspection items and/or any resulting enforcement actions; or the transferee proposes alternative measures for meeting the requirements; or the transferor provides a commitment to close out all such actions with NRC before license transfer.

The indirect change in control resulting from the transaction would not create a new licensee and would not change the Licensee's existing commitments under the license.

Following the transaction, the Licensee agrees to continue to abide by all constraints, license conditions, requirements, representations and commitments identified in and attributed to the existing license, including any decommissioning and decommissioning funding obligations. The proposed change in upstream corporate ownership will not affect these commitments and representations.

The Licensee agrees to continue to accept full responsibility for open inspection items and any resulting enforcement action. The proposed change in ownership will not affect this responsibility.

2. *Documentation that the transferor and transferee agree to the change in ownership or control of the licensed material and activity, and the conditions of the transfer; and the transferee is made aware of all open inspection items and its responsibility for possible resulting enforcement actions.*

The agreement to the change in ownership and disclosure items are documented in the Merger Agreement, a copy of which is provided in Attachment (3). This document is part of a public filing with the Securities and Exchange Commission.

The indirect change in control resulting from the transaction would not create a new licensee and would not change the Licensee's existing commitments under the license. The Licensee is aware of and will continue to be responsible for all open inspection items and the Licensee will remain responsible for any possible resulting enforcement actions.

3. *A commitment by the transferee to abide by all constraints, conditions, requirements, representations, and commitments identified in the existing licenses. If not, the transferee must provide a description of its program to ensure compliance with the license and regulations.*

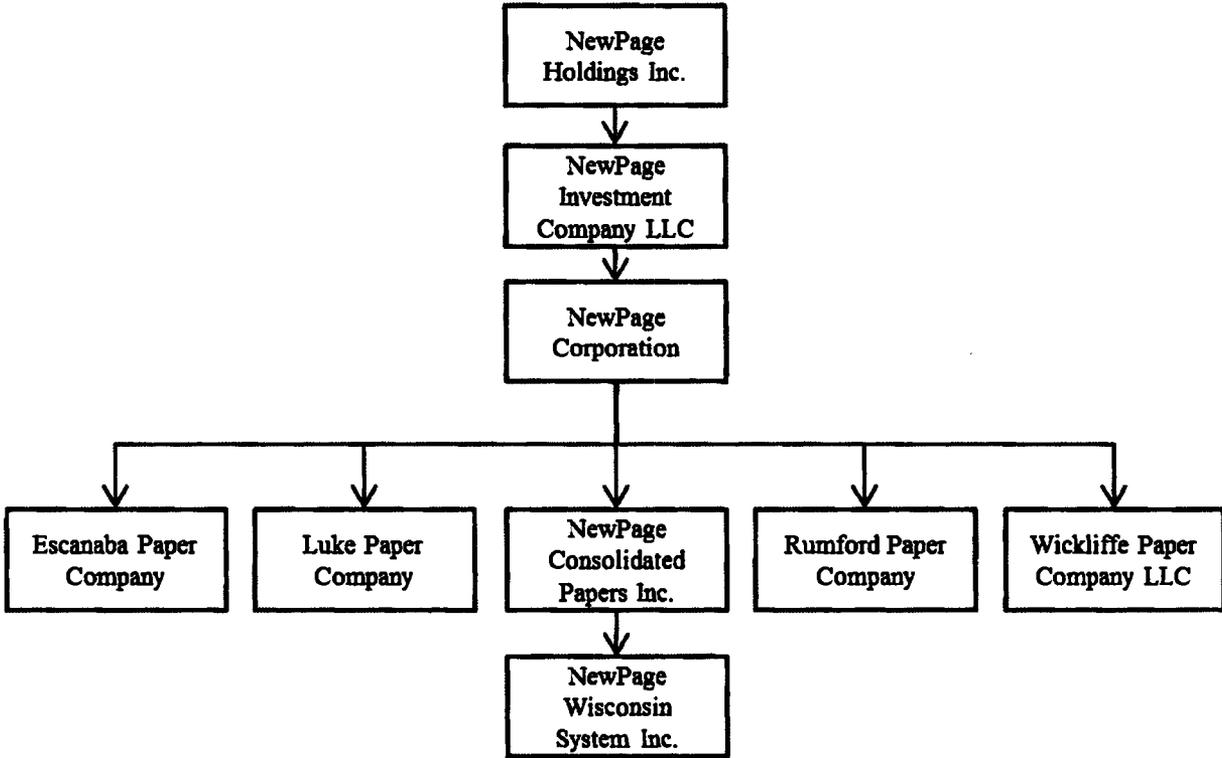
The indirect change in control resulting from the transaction would not create a new licensee and would not change the Licensee's existing commitments under the license.

Following the transaction, the Licensee agrees to continue to abide by all constraints, conditions, requirements, representations, and commitments identified in the existing license.

Attachment 2

PRE- AND POST-MERGER SIMPLIFIED ORGANIZATIONS

PRE-MERGER SIMPLIFIED ORGANIZATION



POST-MERGER SIMPLIFIED ORGANIZATION

