

Cassata, James

From: Cassata, James
Sent: Wednesday, January 21, 2015 10:53 AM
To: 'Jones, Dustin'
Cc: Lawyer, Dennis
Subject: RE: Request for Additional Information Regarding NRC License Change of Control - Mail Control No. 585385

Importance: High

Dustin,

Thank you for the quick turnaround and reply. Considering the nature of how the new C&J company will be formed from the existing C&J Energy Systems company we accept that the existing C&J Energy Systems company representatives will co-sign your revised letter. We understand that since the new C&J doesn't exist yet it wouldn't be possible to have a signature from a non-existing entity.

I believe the important concepts here are that the current licensee and any existing companies from which the new company will be derive are aware of the following:

There is an existing NRC radioactive materials license with requirements and responsibilities to be met.

There is expectation for the continued need for this license.

The existing radiological safety and security system or equivalent will be maintained at all times.

Compliance with NRC regulatory requirements must be maintained for continued use of the materials under this license.

Any changes in status of current or future organizations that would affect the existing radiological safety and security system would be communicated to the NRC as soon as possible to minimize the risk of the licensed material adversely affecting; public health and safety, the Nation's common defense and security, and the environment.

I recommend that as soon as the new entity is formed that a confirmation letter be sent to the NRC with text that reinforces the idea that compliance with NRC regulatory requirements is and will be maintained for this license.

Please call me if you have any questions.

Sincerely,
Jim

James R. Cassata, Ph.D., CHP
Health Physicist
Nuclear Regulatory Commission (NRC), Region I Division of Nuclear Materials Safety Mangement and Support
Commercial Industrial, R&D, & Academic Branch
Office: 610-337-5303
Mobile: 410-507-9927
james.cassata@nrc.gov

-----Original Message-----

From: Jones, Dustin [mailto:Dustin.Jones@nabors.com]

Sent: Tuesday, January 20, 2015 7:13 PM

To: Cassata, James

Subject: FW: Request for Additional Information Regarding NRC License Change of Control - Mail Control No. 585385

James,
Please comment on the question below.
Thank you,

Dustin L. Jones
HSE Radiation & Explosives Manager
Radiation Safety officer

NABORS COMPLETION & PRODUCTION SERVICES CO.
1380 Route 286 East
Indiana, PA 15701
Direct: 724.746.9981 / Mobile: 412.977.8359 dustin.jones@nabors.com / www.nabors.com

From: Chad Kell [CKell@cjenergy.com]
Sent: Tuesday, January 20, 2015 6:32 PM
To: Jones, Dustin; Richard L. Arsenault, CSP; Dennis W. Murray, CSP; George Doggett
Cc: Danielle Hunter Foley
Subject: RE: Request for Additional Information Regarding NRC License Change of Control - Mail Control No. 585385

Good Afternoon All,

Dustin—thank you for providing a draft of our reply and for your swift response to the NRC’s requests. I am working on tweaking the language for C&J’s reply and have a question for you all about Line Item No. 3 below.

Is it the NRC’s intent that a representative of the “new holding or parent company” sign our acknowledgement of NCPS’ letters to the NRC subsequent to the Transaction closing? Or is this an acknowledgment for us to sign now, prior to the Transaction closing?

I ask because if the NRC wants us to sign the letter prior to the Transaction closing, we technically cannot without language qualifying that the “new holding or parent company” technically doesn’t exist in its final form yet (i.e. Nabors Red Lion Limited has not yet become C&J Energy Services, Ltd.). C&J can certainly acknowledge NCPS’ letters now, but it wouldn’t be the “new holding or parent company” per se. Hopefully this makes sense.

One could also take the more abstract view that current C&J employees effectively represent the “new holding or parent company,” but I leave that to your discretion. We could always call James Cassata tomorrow and request a clarification as well.

Please let me know your thoughts when convenient and we can go from there.

Best,
Chad

Chad M. Kell
Legal Counsel
C&J Energy Services, Inc.
Direct: (713) 325-6091
Cell: (713) 569-0827

From: Jones, Dustin [mailto:Dustin.Jones@nabors.com]
Sent: Tuesday, January 20, 2015 4:03 PM
To: Richard L. Arsenault, CSP; Dennis W. Murray, CSP; George Doggett; Chad Kell

Subject: FW: Request for Additional Information Regarding NRC License Change of Control - Mail Control No. 585385
Importance: High

Gentlemen,

Please see the attached letter which the NRC has requested. I will need to sign this letter and return.

I have also attached your reply letter for item #3 which calls for a signed letter from a representative of C&J. If you want to change, edit, draft a new letter that is fine however I need something signed by tomorrow if possible, on a C&J letterhead. Mr. Cassata called me and left me a message, he is very eager to get this completed ASAP.

Thank you,

Dustin L. Jones
HSE Radiation & Explosives Manager
Radiation Safety Officer

NABORS COMPLETION & PRODUCTION SERVICES CO.

1380 Route 286 East

Indiana, PA 15701

Direct: 724.746.9981 / Mobile: 412.977.8359 dustin.jones@nabors.com<mailto:dustin.jones@nabors.com> /

www.nabors.com<http://www.nabors.com/>