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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION
ATOMIC SAFETY AND LICENSING BOARD PANEL

OFFICE OF THE
GENERAL COUNSEL
ADJUDICATIONS
STATE

Before Administrative Judges:
Charles Bechhoefer, Presiding Officer
Frederick J. Shon, Cole, Special Assistant

In the Matter of:
ATLAS CORPORATION
(Moab, Utah)

Docket No. 40-3453-MLA-4
April 8, 1999

ASLB No. 99-763-05-MLA

ATLAS CORPORATION'S REQUEST TO PLACE HEARING IN ABEYANCE

I. Introduction

Atlas Corporation ("Atlas") owns a uranium milling facility in Moab, Utah (the "Mill"). Atlas operated the Mill in accordance with Source Material License SUA-917. Over the years, Atlas' license has been updated and amended periodically to reflect evolving Nuclear Regulatory Commission requirements and guidance. In 1984, Atlas ceased active operations at the Mill. The Mill was permanently shut down in 1988 and decommissioning activities began. Since 1988, Atlas has been engaged in efforts directed at reclaiming the Mill, including, in particular, the uranium mill tailings pile located on-site.

The above captioned proceeding pertains to the petition for leave to intervene submitted by Sarah M. Fields. Ms. Fields requested a hearing in response to NRC's issuance of a notice in the Federal Register, 64 Fed. Reg. 2919 (Jan. 19, 1999), of receipt of a license amendment request from Atlas. The amendment seeks to modify License Condition 55 B(2) by changing the

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completion date for groundwater corrective action at the Mill site to July 31, 2006 to meet the performance objectives set forth in the groundwater corrective action plan.

On March 8, 1999, Judge G. Paul Bollwerk, III designated Judge Bechhoefer as the member of the ASLBP to rule on Ms. Field's request and if necessary, to serve as the Presiding Officer for the 10 C.F.R. Part 2, Subpart L proceeding.

II. Discussion

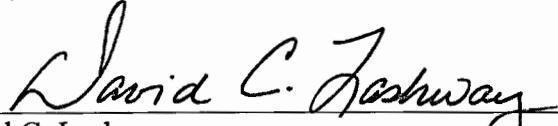
In the event Ms. Field's request for hearing is granted, Atlas respectfully requests that the hearing be placed in abeyance pending the outcome of Atlas' bankruptcy proceeding. Atlas filed for Chapter 11 bankruptcy in September, 1998. Atlas' existing financial difficulties would be exacerbated by the commencement of another administrative proceeding requiring it to retain attorneys, experts, etc., to defend its license request.¹ The U.S. Trustee, appointed in Atlas' bankruptcy proceeding, requires that Atlas minimize outside expenditures, including legal fees, etc. In addition, Atlas has been engaged in extensive settlement negotiations with the NRC, the Department of the Interior, specifically the U.S. Fish and Wildlife Service, the State of Utah, the U.S. Trustee, several environmental organizations and others regarding a proposed plan to dedicate Atlas' Moab, Utah assets to a trust for use in remediating the Mill site. Pursuant to the proposed plan, Atlas would be released from its license under relevant provisions of the Atomic Energy Act. At present, the proposed plan, which has been agreed to in its general terms, is before the parties to finalize the details. Once finalized by the parties, the plan will be submitted to the bankruptcy court for approval as part of the bankruptcy plan.

¹ Atlas is presently involved in an administrative proceeding before Judge Moore regarding Grand Canyon Trust's et al. motion to intervene in a separate licensing matter regarding the Mill site. Atlas is also involved in litigation with the Grand Canyon Trust, et al. before the U.S. District Court for the District of Utah, Central Division, Civ. No. 2:98CV08035.

III. Conclusion

In light of the foregoing, Atlas respectfully requests that the hearing, if granted, be placed in abeyance pending the outcome of the bankruptcy proceeding.

Respectfully submitted this 8th day of April, 1999.



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ON BEHALF OF ATLAS CORPORATION

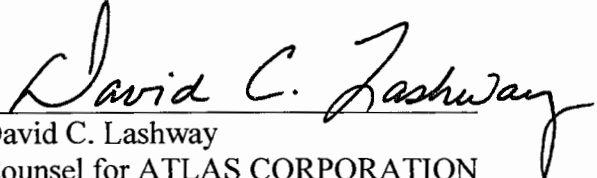
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