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

November 11, 1999

Re: Molycorp, Inc.
Docket Nos. 40-8794-MLC^A and 40-8778-MLA
ASLBP No. 99-769-08-MLA

Dear Judge Bechhoefer:

I am writing to advise that on Tuesday, November 9, 1999, representatives of Molycorp met with representatives of Canton Township, pursuant to Judge Bloch's Memorandum and Order dated August 25, 1999. In addition to its Pittsburgh counsel, Molycorp was represented at this meeting by James J. Dean, Manager, Eastern Division Assets, Asset Management Group, UNOCAL Corporation, Hoffman Estates, Illinois; John F. Ashburn, Jr., Assistant Counsel, Asset Management Group, UNOCAL Corporation, Hoffman Estates, Illinois; and David Fauver of Radiological Services, Inc., Bethesda, Maryland. UNOCAL is Molycorp's parent corporation. Mr. Fauver and RSI are currently assisting Molycorp in connection with its Washington decommissioning activities. The Township was represented by its Pittsburgh counsel, the Township Solicitor and one member of the Township Board of Supervisors and the head of the Township Planning Commission.

Unfortunately, representatives of the City of Washington were unable to attend the meeting on the 9th. Although Molycorp had previously offered a wide variety of dates on which it was available to meet with both the Township and the City, no meetings had heretofore been able to be scheduled. Although Molycorp believed that all parties had been available to meet on November 3, it later learned that the Township was no longer available on that date and, accordingly, the meeting was moved to the 9th. When Molycorp later learned that representatives of the City might be unable to clear their calendars for a meeting on the 9th, Molycorp suggested that the meeting nonetheless go forward in light of the upcoming November 15 deadline. Molycorp contacted the City's counsel to indicate that the meeting would go forward, and indicated that if the City had any questions, or required any materials or information, Molycorp would promptly respond. Molycorp was later advised, in advance of the meeting, that the City would not be attending.

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Unfortunately, Molycorp and Canton Township were unable to reach a settlement agreement during the recent meeting on November 9. However, Molycorp has agreed to provide the Township with copies of requested documents from Molycorp's Public Document Room in its Canton Township, Washington County facility. Molycorp established this Public Document Room in approximately 1996 or early 1997, and copies of all pertinent filings by Molycorp with the NRC relating both to its Washington and York decommissioning plans have been included in the Public Document Room as they became available. All of these documents have been available for inspection at Molycorp during normal business hours. Moreover, Molycorp believes that copies of these documents have also been made available by the NRC in the NRC's document repository located in Aliquippa, Pennsylvania.

The information requested by the Township and which has been made available by Molycorp goes well beyond the limited issues germane to the current requests for hearing -- Molycorp's proposal to temporarily store at its Canton Township facility certain decommissioning materials from Molycorp's York, Pennsylvania facility. Indeed, the material offered (and which has been available previously) also includes materials relating to Molycorp's York and Washington decommissioning plans, as well as health and/or environmental studies and assessments relating to these plans.

Molycorp expects to hand-deliver the documents to the Township's counsel on Friday, November 12. As of the date of this letter, I have not received any response from the City of Washington pursuant to my offer of information and materials. Moreover, to my knowledge, no representative of the City has taken the opportunity to come to Molycorp's Public Document Room and inspect the documents and information offered there.

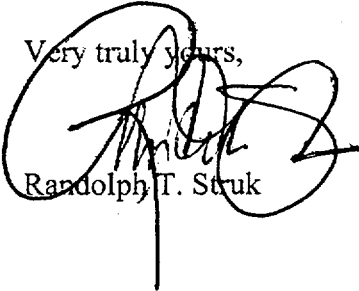
Because the parties have been unable to reach an amicable settlement, and at least currently there does not appear to be any basis to believe that such a settlement can soon be reached, if at all, Molycorp expects to proceed forward on the schedule currently set by this Court. Accordingly, Molycorp expects that both Canton Township and the City of Washington will submit their amended Requests for Hearing by or before November 15, 1999, and that Molycorp will submit its responses within ten days thereafter.

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If you have any questions, please call me.

Very truly yours,



Randolph T. Struk

RTS/cag

cc: Via Federal Express:
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Secretary, U.S.. Nuclear Regulatory Commission
Executive Director for Operations
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