

Stepan

Stepan Company

100 West Hunter Avenue
Maywood, New Jersey 07607
Telephone 201 845 3030
FAX 201 712-7235



Post Docket: 40-8610

October 20th, 2005

Mr. Amir Kouhestani
Project Manager
U.S. Nuclear Regulatory Commission
One White Flint North
11555 Rockville Pike
Mail Stop T7 E18
Rockville, MD 20852-2738

Re: Stepan Company

Dear Amir:

This letter is in response to your request during the inspection of Stepan Company's Maywood facility on September 29th, 2005, regarding the U.S. Army Corps of Engineer's ("USACE") remediation schedule at the Maywood site and the vicinity properties located in Maywood, New Jersey ("Maywood Site").

Under the terms of the Settlement Agreement between the United States and Stepan Company dated November 12th, 2004 ("Agreement"), the USACE agreed to take title to and responsibility for the radioactive waste cleanup at the Maywood Site. The USACE has already begun such work at the Maywood Site, including work on portions of Stepan's Maywood facility.

Pursuant to the Agreement, Stepan was required to notify the USACE of the location of the new warehouse by January 1st, 2005. Stepan provided such information to the USACE on December 22nd, 2004. According to information provided by the USACE, the USACE will continue to remediate the new warehouse location. Stepan is obligated to remove the existing warehouse by October 1st, 2006, provided that the new warehouse location has been remediated by the USACE by January 1st, 2006. Stepan continues to perform the necessary work for the construction of the new warehouse, including design work and obtaining all permits and regulatory approvals necessary to construct the new warehouse.

Once the new warehouse site is remediated, the USACE has informed Stepan that the USACE will begin remediation work on the lawn area around the current Stepan office building. Once the office building area remediation is complete, a temporary parking lot will be constructed and Stepan's current parking lot will be remediated. Next, the property under and around the current warehouse will be remediated which will be followed by other areas of the Maywood Site.



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Please note that Stepan is required to satisfy its obligations with respect to the warehouse and to provide access to facilitate the remediation. However, pursuant to the Agreement, the pace and timing of the radioactive cleanup at the Maywood Site remain in the sole unreviewable discretion of the USACE.

I trust this information responds to your request. If you have any questions, please contact me at 201/712-7644 or you may wish to contact the USACE with any additional questions regarding the work and schedule.

Thank you.

Very truly yours,

Don Watson
Plant Manager – Maywood Plant



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