



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

January 27, 1986



The Honorable Ivan W. Smith
Administrative Law Judge
Atomic Safety and Licensing Board Panel
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

In the Matter of
REICH GEO-PHYSICAL, INC.
Docket No. 30-14821 (EA-84-78)
ASLBP No. 85-508-01-0T

Dear Judge Smith:

As you are aware, your Supplement to Initial Decision of December 20, 1985, modified the Initial Decision of December 11, 1985, in this proceeding to approve the installment agreement between the licensee and the staff for payment of the civil penalty. I am pleased to report that Mr. Reich has signed the promissory note reflecting our agreement. A copy of the signed note is enclosed for your information.

Sincerely,

Stephen G. Burns
Deputy Chief Counsel
Regional Operations and Enforcement
Office of the Executive Legal
Director

cc: Keith A. Reich
Docketing and Service

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UNITED STATES
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Promissory Note in Repayment of Preexisting Debt

License No. 25-18304-01
EA 84-78

1. **Obligation** - For value received, Reich Geo-Physical, Inc. (hereafter referred to as the Maker) promises to pay to the order of the U.S. Nuclear Regulatory Commission the principal sum of 1,600.00 dollars, with interest accruing from December 11, 1985, at the rate of 7-7/8 percent per year. This note is being given for the purpose of refinancing and paying off an amount which constitutes the sum of the principal due and all unpaid interest and other charges owed to the United States on the civil penalty debt which has been assigned the control number captioned above. The Maker hereby acknowledges and admits the validity and amount of that preexisting debt, which the principal sum stated in this note is intended to repay. The Maker further acknowledges that execution of this note constitutes a waiver of the right to contest the amount of the civil penalty and the underlying violations on which it is based under Section 234c of the Atomic Energy Act of 1954, as amended, 42 U.S.C. §2282c.

2. **Installments** - This note is to be paid in monthly principal installments of not less than 200.00 dollars each starting May 11, 1986, plus interest on the unpaid principal balance, payable at the Nuclear Regulatory Commission, Washington, DC, on or before the 11th day of each month, beginning on May 11, 1986, and continuing until either the principal sum and all interest and other charges assessed under the provisions of this note have been fully paid, or this note is considered to be in default. Payments will be mailed to the following address: U.S. Nuclear Regulatory Commission, Division of Accounting and Finance, Mail Stop MNBB 11-104, Washington, DC 20555.

Following is a schedule of monthly installments exclusive of administrative charges and late-payment penalties:

<u>Due Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Installment</u>
May 11, 1986	\$200.00	\$52.50	\$252.50
June 11, 1986	200.00	9.19	209.19
July 11, 1986	200.00	7.88	207.88
Aug. 11, 1986	200.00	6.56	206.56
Sept. 11, 1986	200.00	5.25	205.25
Oct. 11, 1986	200.00	3.94	203.94
Nov. 11, 1986	200.00	2.63	202.63
Dec. 11, 1986	200.00	1.31	201.31

3. **Administrative Charges** - Administrative charges to cover the costs incurred by the United States in handling and processing past-due amounts will be assessed at the rate of \$12.00 for each payment more than thirty (30) days past due; an additional \$15.00 for each payment more than sixty (60) days past due; and an additional \$18.00 for each payment more than ninety (90) days past due.

Promissory Note in Repayment of Preexisting Debt - Page 2

4. Late Payment Penalties - Late payment penalties will be assessed on any amounts more than ninety (90) days past due, at the rate of six (6) percent per year.
5. Payment Crediting - The payments that the Maker makes under this note will be credited as of the date received by the U.S. Nuclear Regulatory Commission first to outstanding penalties and administrative charges; second to accrued interest; and third to the outstanding principal sum. Any payments that the Maker made to the United States on this debt during the period from the date from which interest accrues under this note (as specified in paragraph 1.) until the effective date of this note (as specified in paragraph 11.) shall be applied to the principal sum, interest, and other charges accruing under this note in accordance with the provisions of this paragraph.
6. Default, Acceleration, and Other Remedies - If any installment shall remain unpaid for a period of thirty (30) days or more, this note shall, at the option of the United States, be considered to be in default. In the event of default, the full amount of the principal sum, together with any accrued interest and other charges assessed under this note, less any payments actually received by the United States from the Maker, shall be due and payable in full immediately, without the need for further demands or notices to the Maker. Furthermore, in that event, the Maker agrees that the United States may exercise any collection options legally available to it, including, but not limited to, taking administrative offset, hiring a private debt collection agency, filing adverse credit reports to local and national credit bureaus, referring the Maker's account for legal action, and suspending or revoking any license or other privilege which the U.S. Nuclear Regulatory Commission has granted to the Maker.
7. Default Costs and Fees - In the event of default, the Maker agrees to pay all reasonable collection costs, court costs, and attorneys' fees incurred by the United States as a result of the default and any appropriate collection actions taken by the United States.
8. Confess Judgment Provision - The Maker, if permitted by Controlling Law (as specified in paragraph 9.), does hereby authorize and empower a United States Attorney, any of his assistants, or any attorney of any court of record, State or Federal, to appear for the Maker and to enter and confess judgment against the Maker for the entire amount of this obligation, with interest, less payments actually made, at any time after the same becomes due and payable, as herein provided, in any court of record, Federal or State; to waive the issuance and service of process upon the Maker in any suit on the obligation; to waive any venue requirement in such suit; to release all errors which may intervene in entering up such judgment or in issuing any execution thereon; and to consent to immediate execution on said judgment. The Maker does hereby ratify and confirm all that said attorney may do by virtue hereof.
9. Controlling Law - Except where controlled by Federal law, all disputes concerning this note shall be controlled by the law of the jurisdiction in which the Maker is incorporated at the time this note is signed.
10. Changes - The provisions of this note may not be changed except by a written agreement which specifies the agreed-upon changes and which is signed by the Maker and an authorized representative of the United States.

Promissory Note in Repayment of Preexisting Debt - Page 3

11. Legal Effect - This note shall not be effective or legally binding upon the Maker or the United States until the date it is signed by an authorized official of the Maker.

12. Signatures and Certifications - I, as an official of the Maker, do hereby certify that I have read and understood the terms of this note.

SIGNED: This 2nd day of January, 1986.

Keith A. Reich
Signature

Keith A Reich
Printed Name

P.O. Box 30295
Billings, Montana
Address 59107

I am an authorizing official for the Maker and do certify that the Maker is incorporated in the State of Montana at the time this note is signed and that the signature above is that of an individual authorized to enter into a promissory note for the Maker.

SIGNED:

Keith A. Reich
Signature

Keith A Reich
Printed Name

P.O. Box 30295
Billings, Montana
Address 59107