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OF COUNSEL
BRENT A. BOHMAN

TELECOPIER TRANSMITTAL COVER SHEET

SHARP FO-5000 AUTOMATIC TELECOPIER

DATE: 3/7/90 — 3 PAGES, INCLUDING THIS PAGE

FROM: Alan Fletcher — 1235.01 CLIENT AND MATTER NUMBER

PLEASE DELIVER TO:

	NAME	FIRM	CITY	TELECOPIER NUMBER
1.	Barbara Roberts	A.G.	SLC	538-3442
2.	Holland Shepherd	Dorsey	SLC	359-3940
3.				
4.				
5.				
6.				

MESSAGE: Fax herewith is a copy of the executed replacement letter of credit for NFS (the original is legal size; I cut it in half to fax). The original will be in my office tomorrow morning. If possible, I would like to exchange it for the CD that matures today. Thanks for your help. AF

FOR PRUITT, GUSHEE & FLETCHER OPERATOR'S USE ONLY

MESSAGE SENT DATE: _____ TIME: _____

THIS LETTER OF CREDIT SUPERSEDES AND REPLACES OUR LETTER OF CREDIT DATED 24JAN90 WHICH IS NOW CANCELLED.

THIS LETTER OF CREDIT IS NOT TRANSFERRABLE.

EXCEPT SO FAR AS OTHERWISE EXPRESSLY STATED, THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1983 REVISION) INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 400.

Documents to be forwarded to NCNB National Bank of North Carolina
One NCNB Plaza, International Dept, T21-3, Charlotte, NC 28255,
in one mail.
ISSUED BY MAIL

This is the operative instrument to be acted on.
This is IRREVOCABLE Letter of Credit number 35781 issued on 07MAR90
by NCNB National Bank of North Carolina, Charlotte, NC 28255 USA.

NCNB National Bank of North Carolina

Brenda Briggs

Authorized Signature

ADVISING BANK COPY

** TOTAL PAGE.002 **

Please File
M/017/001

NCNB

Documentary Letter of Credit 7

NCNB National Bank of North Carolina
Charlotte, NC 28255
Answerback NCNBBank
Telex Number 669-959
or 669-965

Important
Please mention this number in all correspondence

ISSUE DATE 07MAR90
L/C NUMBER

APPLICANT
NUCLEAR FUEL SERVICES, INC.
205 BANNER HILL ROAD
ERWIN, TN 37650
ATTN: DWIGHT FERGUSON

EXPIRY DATE / PLACE
31DEC90 CHARLOTTE, NC

Dept.

BENEFICIARY
UTAH BOARD OF OIL, GAS AND MINING
AND U.S. INTERIOR OFFICE OF SURFACE
MINING
STATE CAPITOL BUILDING
SALT LAKE CITY, UTAH 84114

CURRENCY AMOUNT
USD ******148,000.00

WE HEREBY AUTHORIZE YOU JOINTLY TO DRAW ON NCNB NATIONAL BANK OF NORTH CAROLINA, CHARLOTTE, NC BY ORDER AND FOR THE ACCOUNT OF NUCLEAR FUEL SERVICES, INC. UP TO AN AGGREGATE AMOUNT OF US$148,000.00 (ONE HUNDRED FORTY EIGHT THOUSAND AND 00/100 UNITED STATES DOLLARS) WHICH IS AVAILABLE FOR PAYMENT AT OUR COUNTERS AGAINST YOUR DRAFT AT SIGHT DRAWN JOINTLY BY BOTH THE STATE OF UTAH DIVISION OF OIL, GAS AND MINING AND U.S. INTERIOR OFFICE OF SURFACE MINING AND ACCOMPANIED BY A STATEMENT PURPORTEDLY SIGNED BY AN AUTHORIZED SIGNATURE OF BOTH THE STATE OF UTAH, DIVISION OF OIL, GAS AND MINING AND U.S. INTERIOR OFFICE OF SURFACE MINING READING AS FOLLOWS:

WE CERTIFY THAT THE DRAWING IS DUE TO A DETERMINATION MADE UNDER AND PURSUANT TO THE PROVISIONS OF SECTION 40-8-14(7), UTAH CODE ANNOTATED (1953, AS AMENDED), THAT NUCLEAR FUEL SERVICES, INC. HAS FAILED TO CARRY OUT ITS LAND RECLAMATION RESPONSIBILITIES AS DESCRIBED IN MINING AND RECLAMATION PLAN NO. ACT/017/001.

PARTIAL DRAWINGS ARE PERMITTED.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT WILL BE AUTOMATICALLY EXTENDED FOR ADDITIONAL PERIODS OF UP TO ONE (1) YEAR FROM THE N RELEVANT EXPIRY DATE, BUT IN NO EVENT BEYOND JANUARY 31, 1995, UNLESS NOT LESS THAN SIXTY (60) DAYS PRIOR TO THAT RELEVANT EXPIRY DATE, WE, NCNB NATIONAL BANK OF NORTH CAROLINA, NOTIFY YOU JOINTLY, AT THE ABOVE ADDRESS, THAT WE ELECT NOT TO RENEW THIS LETTER OF CREDIT.

DRAFTS DRAWN HEREUNDER MUST BEAR THE CLAUSE: "DRAWN UNDER NCNB NATIONAL BANK OF NORTH CAROLINA, CHARLOTTE, NC CREDIT NO. 36781 DATED MARCH 7, 1990".

WE HEREBY ENGAGE WITH YOU THAT DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT THAT SAME WILL BE DULY HONORED.

NCNB NATIONAL BANK OF NORTH CAROLINA, CHARLOTTE, NC AGREES TO INFORM YOU JOINTLY OF ANY EVENT WHICH WOULD JEOPARDIZE THE VALIDITY OF THEIR LETTER OF CREDIT, INCLUDING THE BANK'S ABILITY TO PAY PERSUANT TO THE TERMS HEREOF OR THE EXPIRATION OF THEIR LETTER OF CREDIT BY AGREEMENT BETWEEN NUCLEAR FUEL SERVICES, INC. AND THAT WE, NCNB NATIONAL BANK OF NORTH CAROLINA, CHARLOTTE, NC, SEND OUR NOTIFICATION TO YOU, JOINTLY, AT THE ABOVE-LISTED ADDRESS BY REGISTERED MAIL (RETURN RECEIPT REQUESTED) DATED NOT LESS THAN SIXTY (60) DAYS PRIOR TO EXPIRATION.