

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

_____)	
In re:)	Chapter 11
)	
W.R. GRACE & CO., <u>et al.</u> ,)	Case No. 01-01139 (JFK)
)	(Jointly Administered)
Debtors.)	
_____)	

UNITED STATES' NOTICE OF LODGING SETTLEMENT AGREEMENT
PENDING SOLICITATION OF PUBLIC COMMENT

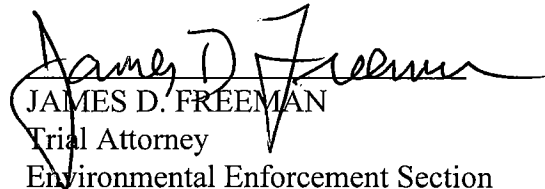
The United States of America hereby lodges with the Court a Settlement Agreement which, if entered by the Court, would resolve its Proofs of Claim for environmental response costs at the Libby Asbestos Site pursuant to Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. § 9607. Under the terms of the Settlement Agreement, Debtors will pay the United States \$250 million within 30 days of Bankruptcy Court approval.

Pursuant to Section 122(d)(2) of CERCLA and Department of Justice policy, 28 C.F.R. § 50.7, the United States is required to publish notice of this proposed settlement in the Federal Register, and solicit public comment on the proposed settlement, prior to its entry by this Court. Accordingly, the Department of Justice will publish in the Federal Register a notice that the proposed Settlement Agreement has been lodged with the Court. The notice will solicit public comment for a period of 30 days. The United States requests that the Court not sign the proposed Settlement Agreement at this time. Instead, the Settlement Agreement should remain lodged with the Court while the United States provides an opportunity for public comment.

Following conclusion of the public comment period, the United States will evaluate any comments received and provide a response to the Court, including a request to enter the agreement, if the comments do not disclose facts or considerations which in the United States' judgement indicate that the proposed settlement is inappropriate, improper or inadequate.

Respectfully submitted,

RONALD J. TENPAS
Assistant Attorney General
Environment and Natural Resources
Division

A handwritten signature in black ink, appearing to read "James D. Freeman", is written over the printed name and title of James D. Freeman.

JAMES D. FREEMAN
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