

Gulf Pact Set With Scallop

The Gulf Oil Corporation said it had reached an agreement with Scallop Nuclear Inc., a unit of the Royal Dutch/Shell Group, under which the uranium supply and light water reactor fuel fabrication activities of the General Atomic Company would be operated for the account and benefit of Gulf Oil. Gulf and Scallop jointly own General Atomic.

Under the agreement, which is effective as of last Jan. 1, Gulf Oil has agreed to pay Scallop Nuclear about \$60 million. Gulf said that, by taking this action, it believed it would be in a better position to manage effectively the complex litigation in which General Atomic is involved.

Gulf said the agreement resolved all differences between it and Scallop and left intact all other activities of the General Atomic partnership on a 50-50 basis. General Atomic is involved in lawsuits with several utilities involving its alleged commitment and failure to supply them with uranium and fuel fabrication services.

The New York Times

Published: March 19, 1979

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