



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET SW SUITE 23T85
ATLANTA, GEORGIA 30303-8931**

Kanawha Stone Company, Inc.
ATTN: Art King
President/Owner
P.O. Box 503
Nitro, West Virginia 25143

SUBJECT: NRC INSPECTION REPORT NO. 47-25023-01/00-01 AND NOTICE OF VIOLATION

Dear Mr. King:

This refers to the inspection conducted on August 8, 2000, at the temporary job site located at the Bragg Exit on Highway 27 in West Virginia and on September 12, 2000 at your facility located on Jacobson Drive, Rock Branch Industrial Park, Poca, West Virginia. The inspection was an examination of activities conducted under your license with respect to radiation safety and compliance with NRC regulations and the conditions of your license. It included selective examinations of procedures and representative records, interviews with personnel, and direct observations by the inspector. At the conclusion of the inspection, the findings were discussed with you and other members of your staff.

Based on the results of this inspection, the NRC has determined that a violation of NRC requirements occurred. The violation is cited in the enclosed Notice of Violation (Notice). The violation involves your transfer of byproduct material to a company not authorized in a specific or general license issued pursuant to the regulations to possess the byproduct material. Although your corrective actions were prompt and adequate, please be advised that we expect our licensees to self-identify and correct compliance problems in a timely manner so that regulatory intervention can be avoided.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. For your consideration and convenience, an excerpt of the NRC Information Notice 96-28, "SUGGESTED GUIDANCE RELATING TO DEVELOPMENT AND IMPLEMENTATION OF CORRECTIVE ACTION," is enclosed. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with Section 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response will be made publicly available. Therefore, to the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

Should you have any questions concerning this matter, please contact us.

Sincerely,

/RA/

Jay L. Henson, Chief
 Materials Licensing/Inspection Branch 2
 Division of Nuclear Materials Safety

Docket No. 030-30838
 License No. 47-25023-01

Enclosures: (1) Notice of Violation
 (2) IN 96-28

cc w/encl:
 State of West Virginia

Distribution w/encl :
 PUBLIC
 DNMS Docket File

OFFICE	RII:DNMS						
SIGNATURE	/RA/						
NAME	RGibson						
DATE	10/12/00	10/ /2000	10/ /2000	10/ /2000	10/ /2000	10/ /2000	10/ /2000
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.790(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 12th day of October 2000