



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-4005**

January 10, 2005

Bob Barraugh, Technical Director
Blood Systems, Inc.
dba United Blood Services
P.O. Box 1672
Billings, Montana 59103

SUBJECT: NRC INSPECTION REPORT 030-33682/04-001 (FORM 591M)

Dear Mr. Barraugh:

This letter and the enclosed NRC Form 591M refer to the inspection conducted on December 27, 2004, at your facility in Billings, Montana. This inspection was an examination of activities conducted under the authority of Byproduct Materials License 25-29078-01 as they relate to safety and compliance with the Commission's rules and regulations and with the conditions of the license. At the conclusion of the inspection, a final exit briefing was conducted with you to discuss the inspection findings.

Within the scope of this inspection, no violations were identified; therefore, no response to this letter or the enclosed NRC Form 591M is required.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Please note that on October 25, 2004, the NRC suspended public access to ADAMS, and initiated an additional security review of publicly available documents to ensure that potentially sensitive information is removed from the ADAMS database accessible through the NRC's web site. Interested members of the public may obtain copies of the referenced documents for review and/or copying by contacting the Public Document Room pending resumption of public access to ADAMS. The NRC Public Document Room is located at NRC Headquarters in Rockville, MD, and can be contacted at 800-397-4209 or 301-415-4737 or pdr@nrc.gov.

Should you have any questions concerning this inspection, please contact the undersigned at (817) 860-8187.

Sincerely,

/RA/

Richard A. Leonardi, Jr., Senior Health Physicist
Nuclear Materials Inspection Branch

Docket No.: 030-33682
License No.: 25-29078-01

Blood Systems, Inc.
dba United Blood Services

- 2 -

Enclosure: As stated

cc w/enclosure:
Montana Radiation Control Program Director

Blood Systems, Inc.
dba United Blood Services

- 3 -

bcc w/enclosure (via ADAMS e-mail distribution):

CLCain

MRS Shaffer

JEWhitten

RALeonardi

KEGardin

NMIB

RIV Materials Docket File - 5th floor

ADAMS: Yes No Initials: RAL

Publicly Available Non-Publicly Available Sensitive Non-Sensitive

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SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

1. LICENSEE/LOCATION INSPECTED:

**Blood Systems, Inc.
dba United Blood Services
P.O. Box 1672
Billings, Montana 59103**

2. NRC/REGIONAL OFFICE

**USNRC Region IV
611 Ryan Plaza Drive, Suite 400
Arlington, Texas 76011-4005**

REPORT NUMBER(S) **2004-001**

3. DOCKET NUMBER(S)

030-33682

4. LICENSEE NUMBER(S)

25-29078-01

5. DATE(S) OF INSPECTION

December 27, 2004

LICENSEE:

The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as follows:

- 1. Based on the inspection findings, no violations were identified.
- 2. Previous violation(s) closed.
- 3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy, NUREG-1600, to exercise discretion, were satisfied.

_____ Non-Cited Violation(s) was/were discussed involving the following requirement(s) and Corrective Action(s):

- 4. During this inspection certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.

(Violations and Corrective Actions)

Licensee's Statement of Corrective Actions for Item 4, above.

I hereby state that, within 30 days, the actions described by me to the inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

Title	Printed Name	Signature	Date
LICENSEE'S REPRESENTATIVE			
NRC INSPECTOR	Richard A. Leonardi, Jr.	/RA/	01/10/05