



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

June 15, 2005

Mr. Mark Hylen, President
Kakivik Asset Management, LLC
5401 Fairbanks Street, Suite 3
Anchorage, Alaska 99518

SUBJECT: NRC INSPECTION REPORT 030-35371/05-001 (FORM 591M)

Dear Mr. Hylen:

This letter and the enclosed NRC Form 591M refers to the inspection conducted on June 8, 2005, at your facility in Kuparuk, Alaska. This inspection was an examination of activities conducted under your license as they relate to safety and compliance with the Commission's rules and regulations and with the conditions of your license. Within these areas, the inspection consisted of selected examination of procedures and representative records, observation of licensed activities, and interviews with personnel. The inspection findings were discussed with Mr. Joey Labbs of your staff at the conclusion of the inspection. A final telephonic exit was conducted with you on June 14, 2005.

Within the scope of this inspection no violations or deviations 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>.

Should you have any questions concerning this inspection, please contact Mr. James Thompson at (817) 276-6538 or the undersigned at (817) 860-8287.

Sincerely,

/RA/

Mark R. Shaffer, Chief
Nuclear Materials Inspection Branch

Docket No.: 030-35371
License No.: 50-27667-01

Enclosure: As stated

cc w/enclosure:
Alaska Radiation Control Program Director

bcc w/enclosure (via ADAMS distrib):

LDWert

CLCain

MRShaffer

JEWhitten

JLThompson

KEGardin

NMIB

RIV Materials Docket File (5th floor)

SISP Review Completed: JLT

ADAMS: ☒ Yes ☐ No Initials: JLT

☒ Publicly Available ☐ Non-Publicly Available ☐ Sensitive ☒ Non-Sensitive

DOCUMENT NAME: s:\dnms\!nmib\!thompson\53537101.wpd

RIV:DNMS:NMIB	C:NMIB
JLThompson	MRShaffer
/RA/	/RA/
06/14/05	06/15/05

OFFICIAL RECORD COPY

T=Telephone

E=E-mail

F=Fax

SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

1. LICENSEE/LOCATION INSPECTED:

**Kakivik Asset Management
Kuparuk River Unit
Kuparuk, Alaska**

2. NRC/REGIONAL OFFICE

**USNRC Region IV
611 Ryan Plaza Drive, Suite 400
Arlington, Texas 76011-4005**REPORT NUMBER(S) **05-001**

3. DOCKET NUMBER(S)

030-35371

4. LICENSEE NUMBER(S)

50-27667-01

5. DATE(S) OF INSPECTION

June 8, 2005

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	James L. Thompson	/RA/	06/14/05