

May 23, 2006
EN 06-019

OFFICE OF ENFORCEMENT
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: GeoMechanics, Inc. (EA 06-064)
Elizabeth, PA 15037-0386
Docket No. 030-12568

Subject: PROPOSED IMPOSITION OF CIVIL PENALTY - \$3,250

This is to inform the Commission that a Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$3,250 will be issued on or about May 26, 2006, to GeoMechanics, Inc. This action is based on a Severity Level (SL) III violation of 10 CFR 30.34(l) involving the failure to maintain a minimum of two independent physical controls that formed tangible barriers to secure a portable gauge from unauthorized removal during a period when the gauge was not under direct control or surveillance. Specifically, on September 18, 2005, while parked unattended overnight at a South Charleston, West Virginia location, the licensee used only one physical control (namely a single chain and lock) to secure a gauge to a vehicle. The nuclear gauge was subsequently stolen. On September 23, 2005, the gauge was found abandoned on a public highway in Danville, West Virginia. There was no apparent damage to the gauge, the sources were in their shielded position, and the source rod was locked at the time of discovery. The lost nuclear gauge remained uncontrolled in the public domain for approximately five days.

Although application of the normal civil penalty assessment process would not have resulted in a civil penalty in this case, the revised Enforcement Policy, published December 18, 2000, (effective February 16, 2001) provides that, notwithstanding normal application of the civil penalty assessment process, a civil penalty of at least the base amount should normally be proposed in cases involving the loss of a sealed source. In this case, the failure to maintain a minimum of two independent physical controls that formed tangible barriers to secure the portable gauge from unauthorized removal may have contributed to the theft of the gauge. Therefore, the staff is proposing imposition of the base civil penalty in the amount of \$3,250 to reflect the significance of the violations and to emphasize the importance of maintaining control of licensed material (see Section VII.A.1(g) of the Enforcement Policy).

It should be noted that the licensee has not been specifically informed of the enforcement action. The schedule of issuance and notification is:

Mailing of Notice	May 26, 2006
Telephone Notification of Licensee	May 26, 2006

The Commonwealth of Pennsylvania will be notified.

The licensee has 30 days from the date of the Notice in which to respond. Following NRC evaluation of the response, the civil penalty may be remitted, mitigated, or imposed by Order.

Contacts: Sally Merchant, OE, 415-2747; David Solorio, OE, 415-0149

Distribution

OWFN

Chairman Diaz
Comm. McGaffigan
Comm. Merrifield
Comm. Lyons
Comm. Jaczko

SECY
OCA
PA
IP

OWFN

EDO
DEDR
DEDE
OE
OGC
NRR
NSIR
OI
SP

TWFN

OCFO
OP CENTER
NMSS
OIG
OCIO
RES
ACRS

Regional Offices

RI RII
RIII RIV

MAIL
ADAMS

E:\Filenet\ML061430022.wpd

ADAMS ACCESSION No.: **ML061430022**

OE:ES
SMerchant
05/18/06

OE:SC
DSolorio
05/22/06

**PRELIMINARY INFORMATION - NOT FOR PUBLIC DISCLOSURE UNTIL
VERIFICATION THAT LICENSEE HAS RECEIVED ACTION**