



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

June 5, 2006

Prairie Lakes Health Care Systems, Inc.  
ATTN: William K. Bishop, M.D.  
Radiation Safety Officer  
P.O. Box 1210  
401 9<sup>th</sup> Avenue Northwest  
Watertown, SD 57201-6210

SUBJECT: LICENSE AMENDMENT

Please find enclosed Amendment No. 24 to NRC License No. 40-16775-01 **removing Sr-90 from your license and acknowledging the decommissioning of your Cs-137 storage facility.**

NRC's Regulatory Issue Summary (RIS) 2005-31, provides criteria to identify security-related sensitive information and guidance for handling and marking of such documents. This ensures that potentially sensitive information is not made publicly available through ADAMS. The RIS may be located on the NRC Web site at: <http://www.nrc.gov/reading-rm/doc-collections/gen-comm/reg-issues/2005/> and the link for frequently asked questions may be located at: <http://www.nrc.gov/reading-rm/sensitive-info/faq.html>. Pursuant to NRC's RIS 2005-31, the enclosed materials license will be made publicly available.

An environmental assessment for this action is not required, since this action is categorically excluded under 10 CFR 51.22(c)(14)(iv). You should review the enclosed document carefully and be sure that you understand all conditions. If there are any errors or if you have any questions, please contact me at 925-673-9646.

In addition, please note that NRC Form 313 requires the applicant, by signature, to verify that the applicant understands that all statements contained in the application are true and correct to the best of the applicant's knowledge. The signatory for the application should be the licensee or certifying official rather than a consultant. Since the NRC also accepts a letter requesting amendment of an NRC license, the signatory for such a request should also be the licensee or certifying official rather than a consultant.

NRC will periodically inspect your radiation safety program. Failure to conduct your program according to NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC may result in enforcement action against you. This could include issuance of a notice of violation; imposition of a civil penalty; or an order suspending, modifying, or revoking your license as specified in the NRC Enforcement Policy. The NRC Enforcement Policy is available on the following internet address: <http://www.nrc.gov/what-we-do/regulatory/enforcement/enforc-pol.pdf>.

The NRC no longer publishes the NRC Rules and Regulations loose leaf supplements due to budget constraints. However, an electronic version of the NRC's regulations is available on the NRC Web site at [www.nrc.gov](http://www.nrc.gov). To view these regulations, highlight "Electronic Reading Room" and choose "Regulations" on the drop down menu. An electronic version of the NUREG-1556

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Series publications is also available on the NRC Web site. To view these guidance documents, highlight "Electronic Reading Room," choose "All Document Types" on the drop down menu. Scroll down to "NUREG-Series Publications" and select "Publications Prepared by the NRC Staff." Then, choose "NUREG-1556" from the table and select the appropriate volume(s) for your license type.

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

Thank you for your cooperation.

Sincerely,

**\RA\**

James L. Montgomery, Health Physicist  
Nuclear Materials Licensing Branch

Docket: 030-11624  
License: 40-16775-01  
Control: 470923

Enclosures: As stated

**MATERIALS LICENSE**

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

<p style="text-align: center;">Licensee</p> <p>1. Prairie Lakes Health Care Systems, Inc.</p> <p>2. P.O. Box 1210 401 9th Avenue Northwest Watertown, South Dakota 57201-6210</p>	<p>In accordance with letter dated February 24, 2006</p> <p>3. License number 40-16775-01 is amended in its entirety to read as follows:</p> <hr/> <p>4. Expiration date June 30, 2013</p> <hr/> <p>5. Docket No. 030-11624 Reference No.</p>
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|---|--|--|
| <p>6. Byproduct, source, and/or special nuclear material</p> <p>A. Any byproduct material permitted by 10 CFR 35.100</p> <p>B. Any byproduct material permitted by 10 CFR 35.200</p> <p>C. Any byproduct material permitted by 10 CFR 35.300</p> <p>D. Any byproduct material permitted by 10 CFR 35.400</p> <p>E. Any byproduct material permitted by 10 CFR 31.11</p> | <p>7. Chemical and/or physical form</p> <p>A. Any</p> <p>B. Any</p> <p>C. Any</p> <p>D. Sealed Sources (Isotope Products Laboratories Model 67-800 series; AEA Technology Model CDC.T1; Amersham Corporation Model CDC.CY102; Best Medical International, Inc. Model 81-01)</p> <p>E. Prepackaged Kits</p> | <p>8. Maximum amount that licensee may possess at any one time under this license</p> <p>A. As needed</p> <p>B. As needed</p> <p>C. 2 curies</p> <p>D. 1500 millicuries</p> <p>E. 50 millicuries</p> |
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9. Authorized use:
- A. Any uptake, dilution and excretion study permitted by 10 CFR 35.100.
  - B. Any imaging and localization study permitted by 10 CFR 35.200.
  - C. Any use permitted by 10 CFR 35.300.
  - D. Any manual brachytherapy procedure permitted by 10 CFR 35.400.
  - E. In vitro studies.

CONDITIONS

10. Licensed material may be used or stored only at the licensee's facilities located at 400 10<sup>th</sup> Avenue Northwest, Watertown, South Dakota.

**MATERIALS LICENSE  
SUPPLEMENTARY SHEET**

License Number  
40-16775-01

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030-11624

Amendment No. 24

11. The Radiation Safety Officer for this license is William K. Bishop, M.D.
12. Licensed material is only authorized for use by, or under the supervision of:
- A. Individuals permitted to work as an authorized user in accordance with 10 CFR 35.13 and 35.14.
- B. The following individuals are authorized users for the materials and uses indicated:
- | <u>Authorized Users</u>  | <u>Material and Use</u>                         |
|--------------------------|---|
| Zeke L. Hendricks, M.D.  | 35.100; 35.200; <i>In vitro</i> studies         |
| Stephen J. Steska, M.D.  | 35.100; 35.200; <i>In vitro</i> studies         |
| William K. Bishop, M.D.  | 35.100; 35.200; 35.300; <i>In vitro</i> studies |
| Jeffrey S. Brindle, M.D. | 35.300; 35.400                                  |
13. In addition to the possession limits in Item 8, the licensee shall further restrict the possession of licensed material to quantities below the minimum limit specified in 10 CFR 30.35(d) for establishing decommissioning financial assurance.
14. For sealed sources not associated with 10 CFR Part 35 use, the following conditions apply:
- A. Sealed sources shall be tested for leakage and/or contamination at intervals not to exceed the intervals specified in the certificate of registration issued by U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or under equivalent regulations of an Agreement State.
- B. Notwithstanding Paragraph A of this Condition, sealed sources designed to primarily emit alpha particles shall be tested for leakage and/or contamination at intervals not to exceed 3 months.
- C. In the absence of a certificate from a transferor indicating that a leak test has been made within the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or under equivalent regulations of an Agreement State, prior to the transfer, a sealed source received from another person shall not be put into use until tested and the test results received.
- D. Sealed sources need not be leak tested if they contain only hydrogen-3; or they contain only a radioactive gas; or the half-life of the isotope is 30 days or less; or they contain not more than 100 microcuries of beta- and/or gamma-emitting material or not more than 10 microcuries of alpha-emitting material.
- E. Sealed sources need not be tested if they are in storage and are not being used; however, when they are removed from storage for use or transferred to another person and have not been tested within the required leak test interval, they shall be tested before use or transfer. No sealed source

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shall be stored for a period of more than 10 years without being tested for leakage and/or contamination.

- F. The leak test shall be capable of detecting the presence of 0.005 microcurie (185 becquerels) of radioactive material on the test sample. If the test reveals the presence of 0.005 microcurie (185 becquerels) or more of removable contamination, a report shall be filed with the U.S. Nuclear Regulatory Commission in accordance with 10 CFR 30.50(c)(2), and the source shall be removed immediately from service and decontaminated, repaired, or disposed of in accordance with Commission regulations. The report shall be filed within 5 days of the date the leak test result is known with the U.S. Nuclear Regulatory Commission, Region IV, 611 Ryan Plaza Drive, Suite 400, Arlington, Texas 76011, ATTN: Director, Division of Nuclear Materials Safety. The report shall specify the source involved, the test results, and corrective actions taken.
- G. Tests for leakage and/or contamination, including leak test sample collection and analysis, shall be performed by the licensee or by other persons specifically licensed by the U.S. Nuclear Regulatory Commission or an Agreement State to perform such services.
15. The licensee shall conduct a physical inventory every six months, or at other intervals approved by the U.S. Nuclear Regulatory Commission, to account for all sources and/or devices received and possessed under the license.
16. Sealed sources or detector cells containing licensed material shall not be opened or sources removed from source holders by the licensee.
17. The licensee is authorized to transport licensed material in accordance with the provisions of 10 CFR Part 71, "Packaging and Transportation of Radioactive Material."

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18. Except as specifically provided otherwise in this license, the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the documents, including any enclosures, listed below. This license condition applies only to those procedures that are required to be submitted in accordance with the regulations. Additionally, this license condition does not limit the licensee's ability to make changes to the radiation protection program as provided for in 10 CFR 35.26. The U.S. Nuclear Regulatory Commission's regulations shall govern unless the statements, representations, and procedures in the licensee's application and correspondence are more restrictive than the regulations.
- A. Application dated December 23, 2002
  - B. Letter dated June 18, 2003
  - C. Letter dated July 28, 2004



FOR THE U.S. NUCLEAR REGULATORY COMMISSION

Date: June 5, 2006By: IRA  
James L. Montgomery, Health Physicist  
Nuclear Materials Licensing Branch  
Region IV  
Arlington, Texas 76011