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

June 28, 2006

Dinesh P. Sheth
Radiation Safety Officer
Indo American Engineering, Inc.
P.O. Box 1813
Rock Springs, Wyoming 82902-1813

SUBJECT: NRC INSPECTION REPORT 030-35704/2006-001 AND NOTICE OF VIOLATION

Dear Mr. Sheth:

This refers to the inspection conducted on June 06, 2006, at your facility in Rock Springs, Wyoming. The inspection results were discussed with you at the conclusion of the onsite inspection.

This inspection was an examination of activities conducted under your license as they relate to radiation 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, observations of activities, independent measurements, and interviews with personnel.

Based on the results of this inspection, the NRC has determined that four Severity Level IV violations of NRC requirements occurred. These violations were evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at www.nrc.gov; select **What We Do**, **Enforcement**, then **Enforcement Policy**. The violations are cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding them are described in detail. The violations are being cited in the Notice because they were identified by the NRC during the inspection.

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 from 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 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response 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. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction.

Should you have any questions concerning this inspection or the enclosed Notice of Violation, please contact Anthony D. Gaines at (817) 860-8252 or the undersigned at (817) 860-8287.

Sincerely,

/RA/

Vivian H. Campbell, Chief
Nuclear Materials Inspection Branch

Docket No.: 030-35704
License No.: 49-27701-01

Enclosures:
1. Notice of Violation
2. NRC Information Notice 96-28

cc w/Enclosure 1:
Wyoming Radiation Control Program Director

bcc w/enclosure 1 (via ADAMS distrib):
LDWert
CLCain
VHCampbell
JEWhitten
ADGaines
KEGardin
NMIB
RIV Materials Docket File (5th floor)

SUNSI Review Completed: ADG ADAMS: X Yes ☐ No Initials: ADG

X Publicly Available ☐ Non-Publicly Available ☐ Sensitive X Non-Sensitive

DOCUMENT NAME: s:\dnms\!nmib\!ADG\063570401.wpd final r:_dnms

RIV:DNMS:NMIB	C:NMLB	C:NMIB
ADGaines	JEWhitten	VHCampbell
/RA/	***/RA/***	***/RA/***
06/27/06	06/28/06	06/28/06

OFFICIAL RECORD COPY T=Telephone E=E-mail F=Fax

ENCLOSURE 1

NOTICE OF VIOLATION

Indo American Engineering, Inc.
Rock Springs, Wyoming

Docket No. 030-35704
License No. 49-27701-01

During an NRC inspection conducted on June 06, 2006, four violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

A. 10 CFR 30.34(c) requires, in part, that each licensee confine his possession and use of byproduct materials to the locations and purposes authorized by the license.

Condition 10 of License No. 49-27701-01 requires that licensed material be used only at 2638 Commercial Way, Rock Springs, Wyoming.

Contrary to the above, from January 2005, to the date of this inspection, the licensee possessed three portable nuclear gauges which contained radioactive material at 649 N. Front Street, Rock Springs, Wyoming, a location not authorized by the license.

This is a Severity Level IV violation (Supplement VI).

B. 10 CFR 20.1302(a) requires, in part, that the licensee shall make or cause to be made, as appropriate, surveys of radiation levels in unrestricted and controlled areas to demonstrate compliance with the dose limits for individual members of the public in 10 CFR 20.1301.

Contrary to the above, the licensee failed to make or cause to be made, as appropriate, surveys of radiation levels in unrestricted and controlled areas to demonstrate compliance with the dose limits for individuals members of the public in 10 CFR 20.1301. Specifically, when the licensee moved their storage/use location in January 2005, the licensee did not make surveys of radiation levels in unrestricted and controlled areas for three portable nuclear gauges stored at the licensee's new field office in Rock Springs, Wyoming. Therefore, from January 2005, to the date of the inspection, the licensee had failed to make or cause to be made, as appropriate, surveys of radiation levels in unrestricted and controlled areas to demonstrate compliance with the dose limits for individuals members of the public in 10 CFR 20.1301.

This is a Severity Level IV violation (Supplement IV).

C. 10 CFR 20.1101 (a) requires that the licensee shall periodically (at least annually) review the radiation protection program content and implementation.

Contrary to the above, from January 2002 to the date of this inspection the licensee had not reviewed their radiation protection program content and implementation, a period that is greater than annually.

This is a Severity Level IV violation (Supplement IV).

D. 10 CFR 71.5(a) requires that a licensee who transports licensed material outside of the site of usage, as specified in the NRC license, or where transport is on public highways, or who delivers licensed material to a carrier for transport, shall comply with the applicable requirements of the Department of Transportation (DOT) regulations in 49 CFR Parts 107, 171 through 180, and 390 through 397, appropriate to the mode of transport .

49 CFR 172.702 requires that each hazmat employer shall ensure that each hazmat employee is trained and tested, and that no hazmat employee performs any function subject to the requirements of 49 CFR Parts 171-177 unless trained, in accordance with Subpart H of 49 CFR Part 172. The terms Hazmat Employer and Hazmat Employee are defined in 49 CFR 171.8.

49 CFR 172.704(a) specifies the elements of hazmat employee training as (1) general awareness/familiarization training, (2) function-specific training, and (3) safety training. 49 CFR 172.704(c) requires, in part, that a hazmat employee receive initial training and recurrent training at least once every 3 years.

Contrary to the above, the licensee did not provide training for its hazmat employees which satisfied the requirements in Subpart H to 49 CFR Part 172, in that the licensee did not provide recurrent training at least once every 3 years, and the licensee otherwise meets the definition of hazmat employer in 49 CFR 171.8. Specifically, the owner and only gauge user at the time of this inspection had not received hazmat training since 2001, a period greater than 3 years.

This is a Severity Level IV violation (Supplement V).

Pursuant to the provisions of 10 CFR 2.201, Indo American Engineering, Inc., is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555, with a copy to the Regional Administrator, Region IV, 611 Ryan Plaza Drive, Suite 400, Arlington, Texas 76011, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

Because your response 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, to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your

response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the 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 2.390(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 28th day of June 2006