

July 13, 2006

Mr. Edmond DeRosa
Radiation Safety Officer
Neutron Products, Inc.
P. O. Box 68
Dickerson, MD 20842

SUBJECT: NRC INSPECTION REPORT 150-00019/06-001 (FORM 591M PART 1)

Dear Mr. DeRosa:

This letter refers to the routine inspection conducted on June 27, 2006, at Crane Army Ammunition Activity, Crane, IN. The inspection results were discussed with Mr. Jerry Fogle of your staff during the exit meeting conducted on June 27, 2006.

The inspection was an examination of activities conducted under 10 CFR 150.20 and your license as they relate to radiation safety and to compliance with the Commission's rules and regulations and with the conditions of your license. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, independent measurements, and observation of activities in progress. Within the scope of this inspection no violations of NRC requirements 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 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>.

Should you have any questions concerning this inspection or enclosed report, please contact Robert Hays of my staff at (630) 829-9819.

Sincerely,

/RA/

John R. Madera, Chief
Materials Inspection Branch

Docket No. 150-00019
License No. MD-31-025-03

Enclosure:
Inspection Report No. 150-00019/06-001

cc w/encl: State of Indiana

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DATE	07/12/06		07/12/06		07/13/06		

OFFICIAL RECORD COPY

SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

1. LICENSEE/LOCATION INSPECTED:

**Neutron Products, Inc.
22301 Mt. Ephraim Rd.
Dickerson, MD 20842**

2. NRC/REGIONAL OFFICE

**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
2443 WARRENVILLE ROAD, SUITE 210
LISLE, IL 60532-4352**

REPORT LI0000

3. DOCKET NUMBER(S)

150-00019

4. LICENSEE NUMBER(S)

MD-31-025-03

5. DATE(S) OF INSPECTION

June 27, 2006

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	Robert P. Hays		7/12/06

Docket File Information
**SAFETY INSPECTION REPORT
AND COMPLIANCE INSPECTION**

1. LICENSEE Neutron Products, Inc. REPORT NUMBER(S) LI0000		2. NRC/REGIONAL OFFICE Region III	
3. DOCKET NUMBER(S) 150-00019	4. LICENSE NUMBER(S) MD-31-025-03	5. DATE(S) OF INSPECTION June 27, 2006	
6. INSPECTION PROCEDURES USED 87126 (09/28/05)	7. INSPECTION FOCUS AREAS 03.01 - 03.07		

SUPPLEMENTAL INSPECTION INFORMATION

1. PROGRAM CODE(S) 03226	2. PRIORITY 2	3. LICENSEE CONTACT Ed DeRosa, RSO	4. TELEPHONE NUMBER 301-349-5001
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Main Office Inspection
 Field Office
 Temporary Job Site

Next Inspection Date: **TBD**

Crane Army Ammunition Activity, Crane IN

PROGRAM SCOPE

The licensee was licensed by the State of Maryland to perform preventative maintenance, source exchanges, leak tests, shutter tests, and other services as authorized by Maryland License No. MD-31-025-03. The licensee was authorized under 10 CFR 150.20, to conduct licensed activities at the Crane Army Ammunition Activity, Crane, IN, facility as a temporary job site. One service technician was working at the temporary job site at the time of the inspection.

Performance Observations

During the inspection, the licensee's service technician demonstrated/discussed: (1) survey meter use and calibration; (2) current license; (3) licensed service procedures; (4) leak test procedures; (4) monthly and quarterly dosimetry; and (5) service technician's proof of authorization to perform service.