

20-5216-1  
70-139  
40-768 40-3144

AUG 22 1960

Engelhard Industries,  
Attleboro, Massachusetts

Attention: Mr. W. F. Nittendorf, General Manager

Gentlemen:

This refers to the inspection conducted on November 19, 1959, of your activities authorized under AEC Byproduct Material License No. 20-5216-1, and Source Material License Nos. C-3719 and C-4237, and Special Nuclear Material License No. SNM-185.

There were no items of noncompliance noted for License Nos. 20-5216-1 and C-4237. With respect to License Nos. C-3719 and SNM-185, it appears that certain of your activities were not conducted in full compliance with the requirements of the AEC's "Standards for Protection Against Radiation," Part 20, and "Control of Source Material", Part 40, Title 10, Code of Federal Regulations, in that:

1. Insufficient surveys were performed to determine compliance with the Commission's regulation 10 CFR 20, Sections 20.101, 20.102 and 20.103, as required by Section 20.201(b), "Surveys."
2. The entrance to the Fabrication Facility in which licensed materials are processed was not posted as required by Section 20.203(e), "Caution signs, labels and signals."
3. Licensed material containers in the vault areas and in the pickling areas were not labeled as required by Section 20.203(f)(1), (f)(2) and (f)(4), "Caution signs, labels and signals."
4. Records of air sample results were not maintained in the units specified in Section 20.201(b), as required by Section 20.401(c), "Records of surveys, radiation monitoring and disposal."

REGISTERED MAIL

RETURN RECEIPT REQUESTED

OFFICE ▶					
SURNAME ▶					
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Egelhard Industries

- 2 -

- 5. A total of 39,762 pounds of depleted source material was received when License No. C-3719 authorized receipt of only 10,000 pounds, in violation of Section 40.10, "Restriction on transfers."

With respect to Items 1 through 4, pursuant to the provisions of Section 2.201(a), "Notice of violation," of the AEC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, you are requested to notify this office, within thirty days of your receipt of this notice, of the steps taken or to be instituted to achieve correction of the alleged violations and the date when such correction has been or will be achieved.

In regard to Item 5, we note that following the inspection you obtained a Source Material License (No. C-5161) to cover the source material previously procured in excess of the specified limit in License No. C-3719. We further note that License No. C-4941 is superseded by License No. C-5161 which was issued on July 13, 1960, and authorizes receipt of 60,000 pounds of source material.

Enclosed is a sample sign containing the coloring, wording and symbol which meets the requirements of Section 20.203(e), (f)(1), and (f)(4). Signs more suitable for labeling and posting might be procured from a radioisotope supplier or a commercial sign company.

Very truly yours,

Lyall Johnson, Chief  
 Licensing Branch  
 Division of Licensing  
 and Regulation

Enclosures:

- 1. 10 CFR 2
- 2. 10 CFR 20
- 3. 10 CFR 40
- 4. Sign: "Caution - Radioactive Materials"

cc: Compliance Division, Hdqtrs.  
 Inspection Division, NYOO  
 Public Document Room

SIGNED CONCURRENCE COPY IN FILE 40-768

OFFICE ▶	DLR:RSB CGW:irm:LRR	CO	DLR:IB JRMason	DLR:LE LJohnson		
SURNAME ▶						
DATE ▶	8-19-60					

L&R:JCD  
70-139

AUG 22 1960

Engelhard Industries, Inc.  
D.E. Wakepeace Division  
Attleboro, Massachusetts

Attention: Mr. J. H. Durant  
Business Manager

Gentlemen:

As requested in your application of August 11, 1960, Section 8 of your License SHM-185 as amended, is hereby further amended to read as follows:

"8. Authorized use for the fabrication of reactor fuel elements and related activities using the procedures described in the licensee's applications of 7-30-57, as amended 2-5 and 12-9-58; 1-13 and 30, 3-3, 4-9, and (2) of 4-17, 5-28 (2), 6-3, 7-31, 8-3, 9-23 and 25, 10-8, 14, and 30, 11-2, 5, and 6, and 12-15 and 28, 1959, and 1-6 and (2) of 1-22 (1. incineration and 2. fabrication not including shipping procedures) 2-16 and 19, 3-8, 11, and 24, 7-26, and 8-11, 1960."

FOR THE ATOMIC ENERGY COMMISSION

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