

March 15, 2007

EA-05-044

Mr. Raymond N. Dickes  
Radiation Safety Officer, Explosives Safety Officer, Oilfield Services  
Schlumberger Technology Corporation  
200 Gillingham Lane  
Sugar Land, TX 77478

SUBJECT: SELF-DISCLOSURE OF EXPORTS OF BYPRODUCT MATERIAL TO AN  
EMBARGOED DESTINATION AND FAILURE TO REPORT EXPORTS OF  
WELL LOGGING SOURCES CONTAINING AMERICIUM-241 – TWO  
NON-CITED VIOLATIONS OF 10 CFR 110.23

Dear Mr. Dickes:

This refers to two Schlumberger Technology Corporation (STC) letters dated January 31, 2005, notifying the NRC of (1) certain exports of byproduct material contained in petroleum exploration equipment to an embargoed destination and (2) of your failure to report exports of well logging sources americium-241 covered by general license for calendar years 2000, 2001, 2002, and 2003. Specifically, contrary to <sup>1</sup>10 CFR 110.23(a)(1), on 09/19/04, 09/20/04, and 10/28/04, STC shipped well logging devices (byproduct material contained in petroleum exploration equipment) to an embargoed destination (Libya), and each of these 3 shipments contained 10 curies of americium-241/beryllium-370 and 1.7 curies of cesium-137. The total activity of the byproduct material exported to Libya was 30 curies of americium-241/beryllium-370 and 5.1 curies of cesium-137. Additionally, contrary to <sup>2</sup>10 CFR 110.23(b), between April 20, 2000, and December 29, 2003, STC made 347 shipments of well logging sources containing americium-241 under the general license established by 10 CFR 110.23(a) to 27 countries but failed to include 202 of those shipments in reports of all americium shipments during the previous calendar year by February 1<sup>st</sup> of each year. (The January 31, 2005, report correctly included the 2004 data.)

Based on the information you provided, the NRC has determined that two Severity Level IV violations of NRC requirements occurred. These violations are being treated as non-cited violations consistent with Section VI.A of the Enforcement Policy (included on the NRC's Web site at [www.nrc.gov](http://www.nrc.gov); select **About NRC, How We Regulate, Enforcement, then Enforcement Policy**) because (a) you identified the violations, (b) you initiated prompt and comprehensive

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<sup>1</sup> 10 CFR Part 110, Appendix L, lists americium-241 and cesium-137 as byproduct materials under NRC export/import licensing authority. 10 CFR 110.23(a) allows for the exports of byproduct material under a general license with specific exceptions. 10 CFR 110.23(a)(1) prohibits the export of byproduct material to any embargoed country listed in 10 CFR 110.28, and 10 CFR 110.28 lists Cuba, Iran, Iraq, Libya, North Korea, and Sudan as embargoed destinations.

<sup>2</sup> 10 CFR 110.23(b) states that persons making exports under the general license established by paragraph (a) of this section shall submit by February 1<sup>st</sup> of each year one copy of a report of all americium and neptunium shipments during the previous calendar year.

corrective actions to prevent recurrence, (c) the violations were not repetitive as a result of inadequate corrective actions, and (d) the violations were not willful. If you contest the violation or its significance, you should provide a response within 30 days of the date of this letter, with the basis for your denial, to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001, with copies to: (1) Director, Office of International Programs; and (2) the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence, and the date when full compliance was achieved is already adequately addressed on the docket in both of your letters dated January 31, 2005. Therefore, you are not required to respond to this letter unless the description herein does not accurately reflect your corrective actions or your position.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and your response, if you choose to provide one, 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 Website 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.

Sincerely,

*/RA/*

Cynthia A. Carpenter, Director  
Office of Enforcement

cc: (See page 3)

R. N. Dickes

-3-

cc:

U.S. Department of Energy  
Office of Non-Proliferation Policy  
ATTN: Sean Oehlbert  
1000 Independence Avenue, SW  
Washington, DC 20585

Defense Threat Reduction Agency (OP-CSNSP)  
ATTN: Mr. David McDarby  
8725 John J. Kingman Road, MSC-6201  
Fort Belvoir, VA 22060-6201

Customs & Border Protection  
Attn: Christopher Baugues  
LSS Technical Data Assessment & Teleforensics Center  
12379 Sunrise Valley Drive, Suite C  
Reston, Virginia 20191

U.S. Department of Energy, NA-243  
Office of International Regimes and Agreements  
ATTN: Mr. Richard S. Goorevich  
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Bureau of Industry and Security  
Office of Nuclear and Missile Technology  
ATTN: Steve Claggett  
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Washington, DC 20230

NAC/NMMSS  
ATTN: Michelle Romano  
NMMSS  
P.O. Box 922088  
Norcross, GA 30010

corrective actions to prevent recurrence, (c) the violations were not repetitive as a result of inadequate corrective actions, and (d) the violations were not willful. If you contest the violation or its significance, you should provide a response within 30 days of the date of this letter, with the basis for your denial, to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001, with copies to: (1) Director, Office of International Programs; and (2) the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

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Sincerely,

*/RA/*

Cynthia A. Carpenter, Director  
Office of Enforcement

cc: (See page 3)

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