

ACCEPTANCE REVIEW MEMO (ARM)

Licensee: Southwest X-Ray Corporation **License No.:** 49-27434-01
Docket No.: 030-32768 **Mail Control No.:** 471442
Type of Action: Renewal *Termination* **Date of Requested Action:** 07-11-07
Reviewer Assigned: Torres **ARM reviewer(s):** Torres

| Response | Deficiencies Noted During Acceptance Review |
|------------------|---|
| | [] Open ended possession limits. Limit possession. Submit inventory. [] Submit copies of most recent leak test results. [] Add - delete IC license condition. Add IC paragraph in cover letter. [] Split license from cover letter. Add SUNSI marking to license. [] Ask the licensee if they have any type-amount of EAct Material. |
| Done 7-20 | Send letter to licensee denying extension to renewal submittal. ✓ |

Reviewer's Initials: *RITC* **Date:** *7.20-07*

| | | | | |
|-------------------------------------|-----|--------------------------|----|---|
| <input type="checkbox"/> | Yes | <input type="checkbox"/> | No | Unrestricted release Group 2 or >: Transfer memo to FCDB within 10 days. |
| <input type="checkbox"/> | Yes | <input type="checkbox"/> | No | Decommissioning notification should be completed within 30 days. |
| <input checked="" type="checkbox"/> | Yes | <input type="checkbox"/> | No | Termination request < 90 days from date of expiration |
| <input type="checkbox"/> | Yes | <input type="checkbox"/> | No | Expedite (medical emergency, no RSO, location of use/storage not on license, RAM in possession not on license, other) |
| <input type="checkbox"/> | Yes | <input type="checkbox"/> | No | TAR needed to complete action. |

Branch Chief's and/or Sr. HP's Initials: _____ **Date:** _____

SUNSI Screening according to RIS 2005-31

Yes No **Non-Publicly Available, Sensitive** if any item below is checked

General guidance:

- _____ RAM = or > than Category 3 (Table 1, RIS 2005-31), use Unity Rule
- _____ Exact location of RAM (whether = or > than Category 3 or not)
- _____ Design of structure and/or equipment (site specific)
- _____ Information on nearby facilities
- _____ Detailed design drawings and/or performance information
- _____ Emergency planning and/or fire protection systems

Specific guidance for medical, industrial and academic (above Category 3):

- _____ RAM quantities and inventory
- _____ Manufacturer's name and model number of sealed sources & devices
- _____ Site drawings with exact location of RAM, description of facility
- _____ RAM security program information (locks, alarms, etc.)
- _____ Emergency Plan specifics (routes to/from RAM, response to security events)
- _____ Vulnerability/security assessment/accident-safety analysis/risk assess
- _____ Mailing lists related to security response

Branch Chief's and/or Sr. HP's Initials: *RITC* **Date:** *7-20-07*

471442

Pre-Licensing Screening

Applicant Information:

Control No. 471442

| | |
|-----------------------------------|---|
| Name: Southwest X-Ray Corporation | Type of Request: Renewal Program Code(s): |
| Location: WY | License No.: 49-27434-01 Docket No.: 030-32768 |

STEP 1—Radioactive Materials and Quantities Requested:

| | |
|---|-----------|
| Instructions for Step 1: Complete Step 1 for all applications. If all your responses in Step 1 are "No" then do not complete Step 2 (Screening Criteria). Sign and date the completed step-sheet and add it as the sensitive and non-publicly available OAR in ADAMS. If a "yes" response is indicated for any item in Step 1, also complete Step 2. If the type of use is subject to a Security Order or the requirements for increased controls, complete Step 3 (Item A or Item B) without delay. | Yes or No |
| A. The request is from a new applicant. | No |
| B. NUREG-1556, Volume 20, Section 4.9 indicates a licensing site visit is needed for the requested type of use, e.g., (1) Type A broad scope license, (2) panoramic irradiator containing > 10000 curies, (3) manufacturers or distributors using unsealed radioactive material or significant quantities of sealed material, (4) radioactive waste brokers, (5) radioactive waste incinerators, (6) commercial nuclear laundries, and (7) any other application that in the judgement of the reviewer and cognizant supervisor involves complex technical issues, complex safety questions, or unprecedented issues that warrant a site visit. | No |
| C. The applicant requested certain radionuclides and quantities that equal or exceed the Risk Significant Quantity (TBq) values in the table, below, that have been "highlighted" by the reviewer | No |

Table of Risk Significant Quantities

(Category 2 Quantities, IAEA Safety Guide No. RS-G-1.9, Categorization of Radioactive Sources, August 2005)

| Radionuclide | Risk Significant Quantity (TBq ¹) | Risk Significant Quantity (Ci ¹) | Radionuclide | Risk Significant Quantity (TBq ¹) | Risk Significant Quantity (Ci ¹) |
|--------------|---|--|---------------------|---|--|
| Am-241 | 0.6 | 16 | Pm-147 | 400 | 11,000 |
| Am-241/Be | 0.6 | 16 | Pu-238 | 0.6 | 16 |
| Cf-252 | 0.2 | 5.4 | Pu-239/Be | 0.6 | 16 |
| Cm-244 | 0.5 | 14 | Ra-226 ² | 0.4 | 11 |
| Co-60 | 0.3 | 8.1 | Se-75 | 2 | 54 |
| Cs-137 | 1 | 27 | Sr-90 (Y-90) | 10 | 270 |
| Gd-153 | 10 | 270 | Tm-170 | 200 | 5,400 |
| Ir-192 | 0.8 | 22 | Yb-169 | 3 | 81 |

¹ The primary values are TBq. The curie (Ci) values are for informational purposes only.

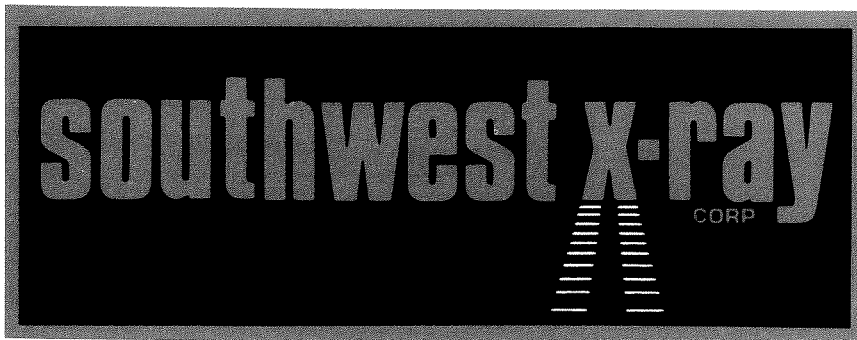
² The Atomic Energy Act, as amended by the Energy Policy Act of 2005, authorizes NRC to regulate Ra-226 and NRC is in the process of amending its regulations for discrete sources of Ra-226.

| | |
|--|---------------------------------|
| Calculations of the Total Activity or the Unity Rule are attached to document whether or not the screening criteria in Step 2 were also completed to evaluate the application. NOTE—If an amendment of an existing license is being requested, the calculations will include the previously authorized quantities for the radionuclide(s). | Yes, No, or Not Applicable (NA) |
| Total Activity—multiple activities are requested for a single radionuclide and the sum of the activities equals or exceeds the quantity of concern for the radionuclide | N/A |
| Unity Rule--multiple radionuclides are requested and the sum of the ratios equals or exceeds unity, e.g., [(total activity for radionuclide A) ÷ (risk significant quantity for radionuclide A)] + [(total activity for radionuclide B) ÷ (risk significant quantity for radionuclide B)] ≥ 1.0. | N/A |

Signature and Date for Step 1:

RITC 7/20/07

License Reviewer and Date



P.O. BOX 130 GLENROCK, WYOMING 82637 (307)234-0768

JULY 11, 2007

U.S.N.R.C.
REGION IV
JACKIE COOK
611 RYAN PLAZA DR.
SUITE 400
ARLINGTON, TX. 76011

RECEIVED

JUL 17 2007

DNMS

RE: SOUTHWEST X-RAY
LICENSE NO. 49-27434-01

I AM WRITING THIS LETTER TO RESPECTFULLY REQUEST A TEMPORARY EXTENSION,
TO SOUTHWEST X-RAY'S LICENSE. AS OUTLINED BY THE N.R.C. LICENSE
APPLICATION LETTER. THIS EXTENSION WILL ALLOW FOR A TIMELY MANNER TO
DECOMMISSION MY OPERATION. IN THE PROCESS MANDATED BY N.R.C. RULES
AND REGULATIONS. I APPRECIATE ANY ASSISTANCE YOU CAN PROVIDE IN THIS
MATTER.

SINCERLY

A handwritten signature in cursive script that reads "Michael McIntire".

MICHAEL McINTIRE
R.S.O.
SOUTHWEST X-RAY

Southwest X-ray

Fax Cover This is a confidential message, intended solely for the person to whom it is addressed. If you receive this message in error, please forward it to the correct person, or mail it back to us. Thank you.

To Jacqueline Cook
Company U.S. NRC
Fax No. 817-860-8263
From MAC
Date/Time 7-29-07 11:00 AM
Subject _____
Pages 2, including this one

Here is The Information
you Requested

Any Questions Please
Call me AT 307-234-0768

Sincerely
 Michael McTigue
 Michael McTigue
 T.S.O.
 Southwest X-Ray

| | | | |
|---|---|---------------------------------------|----------------------------|
| NRC FORM 314 (8-2004) 10 CFR 30.380(f)(1); 40.420(f)(1); 70.340(f)(1); and 72.540(f)(1) | U.S. NUCLEAR REGULATORY COMMISSION | APPROVED BY OMB: NO. 3150-0028 | EXPIRES: 06/30/2007 |
| CERTIFICATE OF DISPOSITION OF MATERIALS | | | |

Estimated burden per response to comply with this mandatory collection request 30 minutes. This submittal is used by NRC as part of the basis for its determination that the facility is released for unclassified use. Send comments regarding burden estimates to the Records and FOIA/Privacy Services Branch (1-5 F52), U.S. Nuclear Regulatory Commission, Washington, DC 20565-0001, or by Internet e-mail to infocoll@nrc.gov, and to the Desk Officer, Office of Information and Regulatory Affairs, NE08-10202, (3150-0028), Office of Management and Budget, Washington, DC 20503. If a means used to impose an information collection does not display a currently valid OMB control number, the NRC may not conduct or sponsor, and a person is not required to respond to, the information collection.

| | | |
|--|--------------------------------------|-----------------------------------|
| LICENSEE NAME AND ADDRESS SOUTHWEST X-RAY CORP. P.O. BOX 130 GLENROCK, WY. 82637 | LICENSE NUMBER 49-27434-01 | DOCKET NUMBER 030-32768 |
| LICENSE EXPIRATION DATE 7-31-07 | | |

This license has expired. **A. LICENSE STATUS (Check the appropriate box)** This license has not yet expired; please terminate it.

B. DISPOSAL OF RADIOACTIVE MATERIAL

(Check the appropriate boxes and complete as necessary. If additional space is needed, provide attachments)

The licensee, or any individual executing this certificate on behalf of the licensee, certifies that:

1. No radioactive materials have ever been procured or possessed by the licensee under this license.

2. All activities authorized by this license have ceased, and all radioactive materials procured and/or possessed by the licensee under this license number cited above have been disposed of in the following manner:

a. Transfer of radioactive materials to the licensee listed below:
 TRANSFER TO SOUTHWEST X-RAY PENDING NEW LICENSE.

b. Disposal of radioactive materials:

1. Directly by the licensee:

2. By licensed disposal site:

3. By waste contractor:

c. All radioactive materials have been removed such that any remaining residual radioactivity is within the limits of 10 CFR Part 20, Subpart E, and is ALARA.

C. SURVEYS PERFORMED AND REPORTED

1. A radiation survey was conducted by the licensee. The survey confirms:

a. the absence of licensed radioactive materials

b. that any remaining residual radioactivity is within the limits of 10 CFR 20, Subpart E, and is ALARA.

2. A copy of the radiation survey results:

a. is attached; or b. is not attached (Provide explanation); or c. was forwarded to NRC on: _____ Date _____

3. A radiation survey is not required as only sealed sources were ever possessed under this license, and

a. The results of the latest leak test are attached; and/or b. No leaking sources have ever been identified.


The person to be contacted regarding the information provided on this form:

| | | | |
|---------------------------------|----------------------------------|--|----------------|
| NAME MICHAEL McINTIRE | TITLE PRESIDENT R.S.O. | TELEPHONE (Include Area Code) (307) 234-0768 | E-MAIL ADDRESS |
|---------------------------------|----------------------------------|--|----------------|

Mail all future correspondence regarding this license to:

C. CERTIFYING OFFICIAL

I CERTIFY UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT

| | | |
|--|---|------------------------|
| PRINTED NAME AND TITLE MICHAEL McINTIRE R.S.O. | SIGNATURE  | DATE 7-29-07 |
|--|---|------------------------|

WARNING: FALSE STATEMENTS IN THIS CERTIFICATE MAY BE SUBJECT TO CIVIL AND/OR CRIMINAL PENALTIES. NRC REGULATIONS REQUIRE THAT SUBMISSIONS TO THE NRC BE COMPLETE AND ACCURATE IN ALL MATERIAL RESPECT. 18 U.S.C. SECTION 1001 MAKES IT A CRIMINAL OFFENSE TO MAKE A WILLFULLY FALSE STATEMENT OR REPRESENTATION TO ANY DEPARTMENT OR AGENCY OF THE UNITED STATES AS TO ANY MATTER WITHIN ITS JURISDICTION.

471442



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-4005

July 20, 2007

Southwest X-Ray Corporation
ATTN: Michael R. McIntire
Radiation Safety Officer
P.O. Box 130
Glenrock, WY 82637

SUBJECT: REQUEST FOR TEMPORARY EXTENSION OF RENEWAL APPLICATION

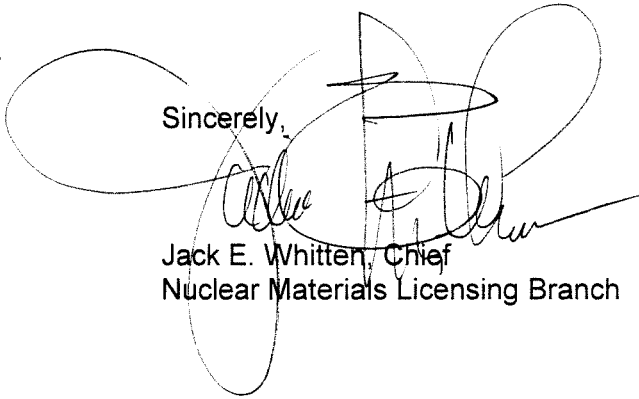
In letter dated July 11, 2007, you requested the U.S. Nuclear Regulatory Commission (NRC) to grant a temporary extension for submitting Southwest X-Ray Corporation's application for license renewal. Unfortunately, according to NRC regulations, we cannot grant such an extension. According to our records, NRC License No. 49-27434-01, issued to Southwest X-Ray Corporation, is set to expire on July 31, 2007. Please note that possession of radioactive material without a valid license is a violation of NRC regulations subject to enforcement action. Based on your request, you have several options you may pursue to remain in compliance with NRC regulations.

1. Submit a complete renewal application by July 31, 2007 (NRC Form 313, Application for Material License, and supplemental information), following the guidance described in NUREG-1556, Volume 2. Note that if you plan on terminating the license in the near future, you will need to request authorization for "storage only, pending disposal", or
2. Submit only a signed NRC Form 313, Application for Material License, and provide a timeline establishing a date in which the supplemental information is going to be submitted. Please note that the signed NRC Form 313 must be received by the NRC, on or before July 31, 2007, or
3. Divest yourself of all radioactive material before July 31, 2007. The transfer of radioactive material should be to an authorized recipient. Once the material is disposed of properly you can request termination of License No. 49-27434-01 using NRC Form 314, Certificate of Disposition of Material. If you request termination of your license, please submit copies of the latest leak test results of all the devices containing radioactive material that you had in your immediate possession before you transferred or disposed of these devices and before you requested NRC to terminate your license.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter 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,

A large, stylized handwritten signature in black ink, appearing to read 'J. Whitten', is written over the typed name and title.

Jack E. Whitten, Chief
Nuclear Materials Licensing Branch

Docket: 030-32768
License: 49-27434-01
Control: 471442

BETWEEN: License Fee Management Branch, ARM and Regional Licensing Sections

: (FOR LFMS USE)
: INFORMATION FROM LTS
: -----
:
: Program Code: 03320
: Status Code: 2
: Fee Category: 30 EX 2B
: Exp. Date: 20070731
: Fee Comments: _____
: Decom Fin Assur Req'd: N
:

LICENSE FEE TRANSMITTAL

A. REGION

1. APPLICATION ATTACHED
 Applicant/Licensee: SOUTHWEST X-RAY CORPORATION
 Received Date: 20070717
 Docket No: 3032768
 Control No.: 471442
 License No.: 49-27434-01
 Action Type: Termination

2. FEE ATTACHED
 Amount: _____
 Check No.: /

3. COMMENTS

Signed Colleen Murrah
 Date 7-27-07

B. LICENSE FEE MANAGEMENT BRANCH (Check when milestone 03 is entered /_/)

1. Fee Category and Amount: _____

2. Correct Fee Paid. Application may be processed for:
 Amendment _____
 Renewal _____
 License _____

3. OTHER _____

Signed _____
 Date _____