



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
612 EAST LAMAR BLVD, SUITE 400
ARLINGTON, TEXAS 76011-4125

June 18, 2008

CAL No. 4-08-002

CAN USA, Inc.
ATTN: Mr. Clayton Hinyup
Vice President
5132 Taravella Road
Marrero, Louisiana 70072

SUBJECT: CONFIRMATORY ACTION LETTER

Dear Mr. Hinyup:

This refers to a routine, unannounced inspection conducted on June 12, 2008, on the Main Pass 299 BB Offshore Platform, operated by Chevron USA located in federal waters in the Gulf of Mexico. Based on the observations by the inspector, the NRC has determined that potentially significant violations have occurred. Upon arriving at an offshore platform, the inspector observed a radiography camera with a guide tube and crank-out device attached and neither your radiographer nor your radiographer's assistant were in the area to maintain surveillance over the camera. Several minutes later, one of your employees appeared from another location, cranked out the source, and took a radiograph of a weld. Our inspection later determined that the individual was a radiographer's assistant and your radiographer was not observing the assistant as required by 10 CFR 34.46. Lastly, the inspection identified an issue involving storage of radioactive material on the platform that has been debriefed with you, and which is a similar to a violation identified last year (EA-07-151).

During conference calls on June 12, 13, and 17, 2008, between members of my staff and Mr. Dwight Witter, CAN USA Inc.'s Radiation Safety Officer, the NRC discussed the inspector's observations. During the conference call on June 17, Mr. Witter informed us that he had begun a review into the issues and that he provided refresher training to the radiographers and assistant radiographers who work in areas where the NRC maintains jurisdiction. The refresher training was conducted on June 16 in response to the preliminary information he received from the NRC on June 12 and 13. Our understanding is that Mr. Witter's refresher training included discussions of: (1) the roles of the individuals, (2) limitations on the use of untrained "helpers" who have no radiation safety training and no dosimetry, (3) the radiographer's required oversight over radiographer's assistants, (4) dosimetry requirements for each individual, (5) the requirements contained in 10 CFR 34.41(a) (the "2-person rule"), and (6) the requirements for controlling, maintaining surveillance over, and storage of licensed material.

Although our review of these issues has not concluded, our inspector's observations raise serious questions regarding your company's ability to conduct licensed activities in compliance with NRC requirements. The NRC believes that additional actions are needed. Therefore, the NRC is issuing this letter confirming that you will take specific actions to ensure the health and safety of the public and of your employees. Based on a telephone conversation between

Ms. Vivian Campbell, Chief, Nuclear Materials Safety Branch A and Mr. Michael Vasquez, Senior Enforcement Specialist of NRC Region IV and Mr. Dwight Witter of CAN USA Inc. on June 18, 2008, we understand that you will take the following actions which will be completed by the dates specified:

1. Within 7 days of the date of this letter, CAN USA will provide the NRC with a report describing the results of its investigation into the issues communicated by the NRC on June 17, 2008, and describing your corrective actions. CAN USA will maintain records of the refresher training it conducted on June 16, 2008.
2. Within 5 days of the date of this letter, CAN USA will develop and implement a detailed radiation safety and security checklist for radiography crews to complete prior to leaving for an offshore job. The checklist will include verification that the crew has all the equipment necessary to conduct radiographic operations in a safe manner and has been briefed by the Radiation Safety Officer or other appropriate licensee management on how the radiographic exposure device will be stored in compliance with applicable requirements. The licensee will maintain records of the completed checklist.
3. Within 3 days of the date of this letter, CAN USA will modify its procedures to require the radiographer on each crew to contact the CAN USA's Radiation Safety Officer or other company manager to discuss how the crew will comply with NRC requirements for the storage and security of radiographic devices. This procedure will also require radiography personnel to promptly notify the Radiation Safety Officer or other appropriate licensee management in cases where the radiographer finds that the customer's accommodations for the storage and security of licensed material are not sufficient for the licensee to comply with applicable requirements. The radiographer, in consultation with the Radiation Safety Officer, as appropriate, will take actions to ensure compliance with NRC requirements until the appropriate storage provisions can be obtained.
4. Based on available transportation, CAN USA will attempt to conduct audits of offshore radiographic operations on a monthly basis. When possible, the audits must be unannounced to the radiography crew. The audits must be conducted by the radiation safety officer or other company manager. CAN USA will continue performing these audits until the NRC has agreed they are no longer necessary.
5. As of the date of this letter, CAN USA shall notify NRC Region IV office by fax or email prior to any crew departing for a temporary job site offshore. This notification will include the planned duration (dates) of the job. Any schedule changes will be promptly communicated to the NRC by fax or email. The email address to use is R4_reciprocity@nrc.gov. CAN USA will continue providing this enhanced notification until the NRC has agreed they are no longer necessary.

Pursuant to Section 182 of the Atomic Energy Act, 42 U.S.C. 2232, you are required to:

- 1) Notify me immediately if your understanding differs from that set forth above;
- 2) Notify me if for any reason you cannot complete the actions within the specified schedule and advise me in writing of your modified schedule in advance of the change; and

- 3) Notify me in writing when you have completed the actions addressed in this Confirmatory Action Letter.

Issuance of this Confirmatory Action Letter does not preclude issuance of an order formalizing the above commitments or requiring other actions on the part of the licensee; nor does it preclude the NRC from taking enforcement action for violations of NRC requirements that may have prompted the issuance of this letter. In addition, failure to take the actions addressed in this Confirmatory Action Letter may result in enforcement action.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, and any response you provide 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 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. 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).

Sincerely,

/Chuck A. Casto for /RA/

Elmo E. Collins
Regional Administrator

Docket No. 150-00017
License No. General License Pursuant
to 10 CFR 150.20

cc:
Dwight Witter, Radiation Safety Officer
CAN USA, Inc.
5132 Taravella Road
Marrero, Louisiana 70072

State of Louisiana Radiation Control
Program Director

bcc (via E-Mail distribution):

RIDSSECYMAILCENTER
 RIDSEDOMAILCENTER
 RIDSOGCMAILCENTER
 RIDSNMSSOD
 RIDSOIMAILCENTER
 RIDSOCFOMAILCENTER
 RIDSRGN3MAILCENTER
 OEWEB

RIDSOCAMAILCENTER
 RIDSOEMAILCENTER
 RIDSFSMEMAILCENTER
 RIDSOPAMAIL
 RIDSOIGMAILCENTER
 RIDSRGN1MAILCENTER

V Campbell - VHC
 Fuller – KSF
 Maier - WAM
 A Howell
 Spitzberg – DBS
 R Leonardi
 T Gaines – ADG1
 A Tull, FSME

C Maier
 Collins – EEC
 Dricks - VLD
 Cain – CLC
 R Erickson – RRE
 L Sreenivas- OE
 M Burgess - MLB5
 N Hilton, OE

Vasquez - GMV
 C Casto
 M Herrera
 Whitten - JEW1
 L McLean – MLM1
 Suzanne Woods, OE
 S Merchant - OE

SUNSI Review Completed: gmV ADAMS: Yes No Initials: gmV
 Publicly Available Non-Publicly Available Sensitive Non-Sensitive
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SES	C:NMSB-A	D:DNMS	D:ACES/RC	DRA
M Vasquez	V Campbell	A Howell	KSFuller	C Casto
<i>/RA/</i>	<i>/RA/</i>	<i>/RA/ by CCain</i>	<i>/RA/ by H Freeman</i>	<i>/RA/</i>
6/18/2008	6/18/2008	6/18/2008	6/18/2008	6/18/2008
RA				
E Collins				
<i>/CACasto for /RA/</i>				
06/18/2008				

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