



February 9, 2009

Docket No. 04008610

License No. STC-1333

Mark D. Stanek
Plant Manager
Stepan Company
100 West Hunter Avenue
Maywood, NJ 07607

SUBJECT: NRC INSPECTION REPORT NO. 04008610/2008001, STEPAN COMPANY,
MAYWOOD, NEW JERSEY SITE AND NOTICE OF VIOLATION

Dear Mr. Stanek:

On May 8 and November 21, 2008, Mark Roberts of this office conducted a safety inspection at the above address of activities authorized by the above listed NRC license. The inspection was an examination of your licensed activities as they relate to radiation safety and to compliance with the Commission's regulations and the license conditions. The inspection consisted of observations by the inspector, interviews with personnel, and a selective examination of representative records. Additional information provided in correspondence dated December 11, 2008, from the U.S. Corps of Engineers and the telephone conversation on February 6, 2009, between you and this office were also examined as part of the inspection. The findings of the inspection were discussed with you and John Garges at the conclusion of the inspection. The enclosed report presents the results of this inspection.

Based on the results of this inspection, it appears that your activities were not conducted in full compliance with NRC requirements. A Notice of Violation is enclosed that categorizes the violation by severity level. You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

Current NRC regulations are included on the NRC's website at www.nrc.gov; select: **Nuclear Materials; Medical, Academic, and Industrial Uses of Nuclear Material**; then **Regulations, Guidance, and Communications Page**. The current Enforcement Policy is included on the NRC's website at www.nrc.gov; select: **About NRC; How We Regulate; Enforcement**; then **Enforcement Policy**. You may also obtain these documents by contacting the Government Printing Office (GPO) toll-free at 1-866-512-1800. The GPO is open from 7:00 a.m. to 6:30 p.m. EST, Monday through Friday (except Federal holidays).

M. Stanek

2

Please contact Mark Roberts at (610) 337-5094 if you have any questions regarding this matter.

Sincerely,

Original signed by Randolph C. Ragland Jr.

Randolph C. Ragland Jr., Chief
Decommissioning Branch
Division of Nuclear Materials Safety

Enclosures:

1. Notice of Violation
2. Inspection Report No. 04008610/2008001

cc w/encls:

John Garges, Environmental Consultant
Christine Loundy, Senior Attorney
State of New Jersey

M. Stanek

2

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John Garges, Environmental Consultant
Christine Loundy, Senior Attorney
State of New Jersey

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OFFICE	DNMS/RI	N	DNMS/RI				
NAME	MRoberts/RCR f/		RRagland/RCR				
DATE	02/09/09		02/09/09				

Ltr – ML090410041
Rpt – ML090410053

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NOTICE OF VIOLATION

Stepan Company
Maywood, NJ

Docket No. 04008610
License No. STC-1333

During an NRC inspection conducted on May 8 and November 21, 2008, one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

- A. License Condition 12 of License No. STC-1333, Amendment No. 3, requires that the licensee conduct the monitoring program as proposed in the enclosure to the letter dated June 29, 1987. The monitoring program described in the enclosure to the June 29, 1987, letter, in part, requires that each of the nine monitoring wells be sampled during each half of every calendar year and each water sample analyzed for gross alpha activity or dissolved specific radionuclides.

Contrary to the above, Stepan Company did not sample and analyze water for each monitoring well during each half of every calendar quarter as required by the NRC License Condition No. 12, Amendment 3. Specifically, from September 2006 through February 9, 2009, Stepan Company did not sample and analyze water from Well #6, nor did they obtain relief from the requirement through a license amendment.

This is a Severity Level IV violation (Supplement VI).

Pursuant to the provisions of 10 CFR 2.201, Stepan Company is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with a copy to the Regional Administrator, Region I, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, any response which contests an enforcement action shall be submitted under oath or affirmation.

Your response will be placed in the NRC Public Document Room (PDR) and on the NRC Web site. To the extent possible, it should, therefore, not include any personal privacy, proprietary, or safeguards information so that it can be made publically available without redaction. However, if

Notice of Violation
Stepan Company

2

you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 9th day of February 2009