UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
612 EAST LAMAR BOULEVARD, SUITE 400
ARLINGTON, TEXAS 76011-4125

March 24, 2009

Schellinger Construction Co., Inc.
ATTN: Rob Koelzer
Radiation Safety Officer
P.O. Box 39
250 Truck Route
Columbia Falls, Montana 59912

SUBJECT: LICENSE AMENDMENT

Please find enclosed Amendment No. 01 to NRC License No. 25-29318-01 **authorizing the use of one Seaman Nuclear Corporation Model C-300 portable gauge based on the result of the leak test received by this office which shows removable contamination to be less than 0.005 microcuries.** An environmental assessment for this action is not required, since this action is categorically excluded under 10 CFR 51.22(c)(14)(viii). You should review the enclosed document carefully and be sure that you understand all conditions. You can contact me at 817-860-8189 if you have any questions about this license.

NRC expects licensees to conduct their programs with meticulous attention to detail and a high standard of compliance. Because of the serious consequences to employees and the public that can result from failure to comply with NRC requirements, you must conduct your radiation safety program according to the conditions of your NRC license, representations made in your license application, and NRC regulations. In particular, note that you must:

1. Operate by NRC regulations 10 CFR Part 19, "Notices, Instructions and Reports to Workers: Inspection and Investigations," 10 CFR Part 20, "Standards for Protection Against Radiation," and other applicable regulations.

2. Notify NRC in writing of any change in mailing address.

3. By 10 CFR 30.36(d) and/or license condition, notify NRC, promptly, in writing, and request termination of the license:

    a. When you decide to terminate all activities involving materials authorized under the license whether at the entire site or any separate building or outdoor area;

    b. If you decide not to acquire or possess and use authorized material; or

    c. When no principal activities under the license have been conducted for a period of 24 months.

4. Request and obtain a license amendment before you:

    a. Change Radiation Safety Officers;

b. Order byproduct material in excess of the amount, radionuclide or form authorized on the license;

c. Add or change the areas or address(es) of use identified in the license application or on the license; or

d. Change the name or ownership of your organization.

5. Submit a complete renewal application or termination request at least 30 days before the expiration date on your license. You will receive a reminder notice approximately 90 days before the expiration date. Possession of radioactive material after your license expires is a violation of NRC regulations.

NRC will periodically inspect your radiation safety program. Failure to conduct your program according to NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC may result in enforcement action against you. This could include issuance of a notice of violation; imposition of a civil penalty; or an order suspending, modifying, or revoking your license as specified in the NRC Enforcement Policy. The NRC Enforcement Policy is available on the following internet address: http://www.nrc.gov/reading-rm/doc-collections/enforcement/.

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

/RA/

Roberto J. Torres, Senior Health Physicist
Nuclear Materials Safety Branch B

Docket: 030-37888
License: 25-29318-01
Control: 472051

Enclosure: As stated

U.S. NUCLEAR REGULATORY COMMISSION

Amendment No. 01

MATERIALS LICENSE

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

Licensee	
1. Schellinger Construction Co., Inc.	In accordance with E-mail dated March 24, 2009 3. License number 25-29318-01 is amended in its entirety to read as follows:
2. P.O. Box 39 250 Truck Route Columbia Falls, Montana 59912	4. Expiration date March 31, 2019 5. Docket No. 030-37888 Reference No.

6. Byproduct, source, and/or special nuclear material	7. Chemical and/or physical form	8. Maximum amount that licensee may possess at any one time under this license
A. Radium-226	A. Sealed sources (AEA Technology Model RAN.C1; Gammatron Model GT-GHP; or Radium Chemical Co., Drawing 21.94)	A. 5.5 millicuries total. No single source to exceed the maximum activity specified in the certificate of registration issued by NRC or an Agreement State.

9. Authorized use:

   A. To be used in a Seaman Nuclear Corporation, Model C-300 portable gauging device for measuring physical properties of materials.

CONDITIONS

10. Licensed material may be stored or used at the licensee's facilities located at:

    A. 250 Truck Route, Columbia Falls, Montana, and

    B. Temporary job sites anywhere in the United States where the U.S. Nuclear Regulatory Commission maintains jurisdiction for regulating the use of licensed material, including areas of exclusive Federal jurisdiction within Agreement States.

    If the jurisdiction status of a Federal facility within an Agreement State is unknown, the licensee should contact the federal agency controlling the job site in question to determine whether the proposed job site is an area of exclusive Federal jurisdiction. Authorization for use of radioactive materials at job sites in Agreement States not under exclusive Federal jurisdiction shall be obtained from the appropriate state regulatory agency.

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11. Licensed material shall only be used by, or under the supervision and in the physical presence of, individuals who have received the training described in application dated November 28, 2008 (ML090610144) and Appendix B submitted on February 23, 2009 during the pre-licensing visit (ML090610144).

12. The licensee is not authorized to conduct in-house training to portable gauge users unless specifically authorized by license condition.

13. The Radiation Safety Officer (RSO) for this license is Rob Koelzer.

14. A. Sealed sources shall be tested for leakage and/or contamination at intervals not to exceed the intervals specified in the certificate of registration issued by U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or by an Agreement State.

    B. In the absence of a certificate from a transferor indicating that a leak test has been made within the intervals specified in the certificate of registration issued by U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or by an Agreement State prior to the transfer, a sealed source or detector cell received from another person shall not be put into use until tested.

    C. Sealed sources need not be leak tested if they are in storage and are not being used. However, when they are removed from storage for use or transferred to another person, and have not been tested within the required leak test interval, they shall be tested before use or transfer. No sealed source shall be stored for a period of more than 10 years without being tested for leakage and/or contamination.

    D. The leak test shall be capable of detecting the presence of 0.005 microcurie (185 becquerels) of radioactive material on the test sample. If the test reveals the presence of 0.005 microcurie (185 becquerels) or more of removable contamination, a report shall be filed with the U.S. Nuclear Regulatory Commission in accordance with 10 CFR 30.50(c)(2), and the source shall be removed immediately from service and decontaminated, repaired, or disposed of in accordance with Commission regulations. The report shall be filed within 5 days of the date the leak test result is known with the U.S. Nuclear Regulatory Commission, Region IV, 612 East Lamar Boulevard, Suite 400, Arlington, Texas 76011-4125, ATTN: Director, Division of Nuclear Materials Safety. The report shall specify the source involved, the test results, and corrective action taken.

    E. Tests for leakage and/or contamination shall be performed by persons specifically licensed by the U.S. Nuclear Regulatory Commission or an Agreement State to perform such services. In addition, the licensee is authorized to collect leak test samples but not perform the analysis; analysis of leak test samples must be performed by persons specifically licensed by the Commission or an Agreement State to perform such services.

    F. Records of leak test results shall be kept in units of microcuries and shall be maintained for 3 years.

15. Sealed sources or source rods containing licensed material shall not be opened or sources removed or detached from source rods or gauges by the licensee, except as specifically authorized by license condition.

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16. The licensee shall conduct a physical inventory every 6 months, or at other intervals approved by the U.S. Nuclear Regulatory Commission, to account for all sources and/or devices received and possessed under the license.

17. Except for maintaining labeling as required by 10 CFR Part 20 or 71, the licensee shall obtain authorization from the U.S. Nuclear Regulatory Commission before making any changes in the sealed source, device, or source-device combination that would alter the description or specifications as indicated in the respective Registration Certificates issued either by the Commission pursuant to 10 CFR 32.210 or by an Agreement State.

18. Each portable nuclear gauge shall have a lock or outer locked container designed to prevent unauthorized or accidental removal of the sealed source from its shielded position. The gauge or its container must be locked when in transport. A minimum of two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal whenever the portable gauge is not under the control and constant surveillance of the licensee are required.

19. Any non-routine maintenance (i.e., cleaning, maintenance, or repair of the gauges) that requires detaching or removal of the source or source rod from the gauge shall be performed only by the manufacturer or other persons specifically licensed by the U.S. Nuclear Regulatory Commission or an Agreement State to perform such services.

20. A. If the licensee uses unshielded sealed sources extended more than 3 feet below the surface, the licensee shall use surface casing that extends from the lowest depth to 12 inches above the surface and other appropriate procedures to reduce the probability of the source or probe becoming lodged below the surface. If it is not feasible to extend the casing 12 inches above the surface, the licensee shall implement procedures to ensure that the cased hole is free of obstruction before making measurements.

    B. If a sealed source or probe containing sealed sources becomes lodged below the surface and it becomes apparent that efforts to recover the sealed source or probe may not be successful, the licensee shall notify the U.S. Nuclear Regulatory Commission and submit the report required by 10 CFR 30.50(b)(2) and (c). The licensee shall not abandon the sealed source or probe without obtaining the Commission's prior written consent. Notification and reporting requirements should be made to the NRC Emergency Operations Center at 301-816-5100.

21. The licensee is authorized to transport licensed material only in accordance with the provisions of 10 CFR Part 71, "Packaging and Transportation of Radioactive Material."

22. The licensee will implement and maintain the Operating, Emergency and Security procedures described in the errata to Appendix H of NUREG-1556, Volume 1, Revision 1, and will provide copies of these procedures to all gauge users and at each job site.

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23. Except as specifically provided otherwise in this license, the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the documents, including any enclosures, listed below. The U.S. Nuclear Regulatory Commission's regulations shall govern unless the statements, representations, and procedures in the licensee's application and correspondence are more restrictive than the regulations.

    A. Application dated November 28, 2008 (ML090610144)
    B. Appendix B submitted on February 23, 2009 (ML090610144)

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

Date March 24, 2009

By **/RA/**

Roberto J. Torres, Senior Health Physicist
Nuclear Materials Safety Branch B
Region IV
Arlington, Texas 76011