



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

June 8, 2009

EA-09-020

Mr. Charles Johnson, President  
Allwest Geoscience, Inc.  
1751 Jenks Drive  
Corona, California 92880

SUBJECT: NOTICE OF VIOLATION (NRC INSPECTION REPORT 150-00004/09-001)

Dear Mr. Johnson:

This refers to the in-office inspection of Allwest Geoscience, Inc., located in Corona, California, conducted between January 15 and February 20, 2009. The purpose of the inspection was to review Allwest Geoscience, Inc.'s, portable gauge operations conducted in NRC jurisdiction under the provisions of 10 CFR 150.20, "Recognition of Agreement State licenses," (reciprocity) during calendar years 2008 and 2009. The findings of the inspection were discussed with you during a telephonic exit meeting on February 20, 2009, and documented in an inspection report dated March 20, 2009.

In the letter transmitting the inspection report, we provided you with the opportunity to address the apparent violation identified in the report by either attending a predecisional enforcement conference or by providing a written response before we made our final enforcement decision. In a letter dated April 17, 2009, you provided a response to the apparent violations.

Based on the information developed during the inspection and the information that you provided in your response to the inspection report dated March 20, 2009, the NRC has determined that a violation of NRC requirements occurred. The violation is cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding it is described in detail in the subject inspection report. The violation involved the failure to file a submittal containing an NRC Form 241, "Report of Proposed Activities in Non-Agreement States," a copy of your Agreement State specific license, and the appropriate fee as prescribed in 10 CFR 170.31, prior to engaging in licensed activities within NRC jurisdiction in calendar years 2008 and 2009.

The violation initially occurred on November 13, 2008, for calendar year 2008, when the licensee began conducting licensed activities at a Department of Veterans Affairs facility in Las Vegas, Nevada, an area of exclusive Federal jurisdiction within an Agreement State, without filing for reciprocity. A second example of the violation occurred when the licensee continued to conduct licensed activities at the same location without filing for reciprocity for calendar year 2009.

As a result of the failure to file for reciprocity, the general license required of an Agreement State specific licensee to conduct licensed activities in NRC jurisdiction was not established in

accordance with 10 CFR 150.20. The apparent root causes for the violation were the licensee's lack of familiarity with NRC regulations and the failure to confirm the jurisdiction of the location where licensed activities were to be conducted.

The NRC considers this violation significant because when an Agreement State licensee fails to file for reciprocity prior to conducting licensed activities in NRC jurisdiction, the NRC's ability to meet its regulatory responsibility to ensure that those activities are conducted in a safe and secure manner is impacted. Therefore, in accordance with the NRC Enforcement Policy, this violation has been categorized at Severity Level III. The NRC Enforcement Policy may be found on the NRC's Web site at [www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html](http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html).

In accordance with the NRC Enforcement Policy, a base civil penalty in the amount of \$3,500 is considered for a Severity Level III violation.

Because your facility has not been the subject of escalated enforcement actions within the last 2 years, the NRC considered whether credit was warranted for *Corrective Action* in accordance with the civil penalty assessment process in Section VI.C.2 of the Enforcement Policy. Based on your prompt and comprehensive corrective actions, the NRC has determined that *Corrective Action* credit is warranted. Your immediate corrective actions included halting licensed activities upon notification that reciprocity was required and promptly filing a submittal containing an NRC Form 241, "Report of Proposed Activities in Non-Agreement States," a copy of your Agreement State specific license, and the appropriate fee as prescribed in 10 CFR 170.31 for both calendar years 2008 and 2009. Your long-term corrective actions included review of applicable NRC regulations, additional communications with appropriate regulating agencies, and training for your staff and field personnel to ensure that NRC standards of safety and compliance are met.

Therefore, to encourage prompt and comprehensive correction of violations, I have been authorized, after consultation with the Director, Office of Enforcement, not to propose a civil penalty in this case. However, significant violations in the future could result in a civil penalty. In addition, issuance of this Severity Level III violation constitutes escalated enforcement action that may subject you to increased inspection effort.

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 Inspection Report 150-00004/09-001 and the letter from the licensee dated April 17, 2009. Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure 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's Web site at <http://www.nrc.gov/reading-rm/pdr.html> or [www.nrc.gov/reading-rm/adams.html](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. If

personal privacy or proprietary information is necessary to provide an acceptable response, 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 information, 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) The NRC also includes significant enforcement actions on its Web site at [www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html](http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html).

Should you have any questions concerning this letter or the enclosed Notice, please contact Ms. Christi Maier or Mr. Mark Haire of my staff. Ms. Maier may be reached at (817) 860-8217 and Mr. Haire may be reached at (817) 860-8121.

Sincerely,

*/RA RJCaniano for/*

Elmo E. Collins  
Regional Administrator

Docket: 150-00004  
License: General License Pursuant to  
10 CFR 150.20 (CA License 5173-33)

Enclosure: Notice of Violation

cc:  
Gary W. Butner, Director  
Radiologic Health Branch  
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Sacramento, CA 95899-7414

Karen Beckley, Program Director  
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Hard copy:  
 RIV Materials Docket File (5th Floor)

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Publicly Available	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Sensitive	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Initials	MCM
Category/Item #	Keywords	EA-09-020, NOV, Allwest Geoscience			
RIV/DNMS/NMSB-B	DNMS/NMSB-A:BC	DNMS/NMSB-B:BC	ORA/ACES:ES	RC	
RBrowder	VHCampbell	JEWhitten	MCMaier	KSFuller	
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## NOTICE OF VIOLATION

Allwest Geoscience, Inc.  
Corona, California

Docket No. 150-00004  
General License pursuant  
to 10 CFR 150.20  
EA-09-020

During an NRC inspection conducted between January 15, and February 20, 2009, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

10 CFR 150.20(a)(1) provides, in part, that any person who holds a specific license from an Agreement State is granted an NRC general license to conduct the same activity in non-Agreement States and areas of exclusive Federal jurisdiction within Agreement States provided that the provisions of 10 CFR 150.20(b) have been met.

10 CFR 150.20(b)(1) requires, in part, that any person engaging in activities in a non-Agreement State or in an area of exclusive Federal jurisdiction within an Agreement State, shall at least 3 days before engaging in each activity for the first time in a calendar year, file a submittal containing an NRC Form 241, "Report of Proposed Activities in Non-Agreement States," a copy of its Agreement State specific license, and the appropriate fee as prescribed in 10 CFR 170.31 with the Regional Administrator for the Region in which the Agreement State that issued the license is located.

Contrary to the above, from November 13, 2008, through January 16, 2009, Allwest Geoscience, Inc., engaged in activities in an area of exclusive Federal jurisdiction within an Agreement State, and did not file a submittal containing an NRC Form 241, "Report of Proposed Activities in Non-Agreement States," a copy of its Agreement State specific license, and the appropriate fee as prescribed in 10 CFR 170.31 with the Regional Administrator for the Region in which the Agreement State that issued the license is located. Specifically, Allwest Geoscience, Inc., a California State licensee, conducted portable gauge operations at a Department of Veterans Affairs facility in Las Vegas, Nevada, an area of exclusive Federal jurisdiction within an Agreement State, without filing a reciprocity submittal for calendar years 2008 and 2009 with the Regional Administrator of the NRC Region IV office.

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

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to be taken to correct the violation and prevent recurrence, and the date when full compliance was achieved, is already adequately addressed on the docket in Inspection Report 150-00004/09-001 and letter from Licensee dated April 17, 2009. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation," EA-09-020 and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional

Administrator, Region IV, 612 E. Lamar Blvd., Suite 400, Arlington, Texas 76011-4125 within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

If you choose to respond, your response 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/pdr.html](http://www.nrc.gov/reading-rm/pdr.html) or [www.nrc.gov/reading-rm/adams.html](http://www.nrc.gov/reading-rm/adams.html). Therefore, to the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction.

Dated this 8th day of June 2009