

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.

MO 3120 *31 2624*

<p>Licensee</p> <p>1. Occidental Chemical Corporation</p> <p>2. 1600 South Madison Street Ludington, MI 49431</p>	<p>In accordance with letter dated June 11, 2009,</p> <p>3. License number 21-17772-01 is amended in its entirety to read as follows:</p> <hr/> <p>4. Expiration date July 31, 2014</p> <hr/> <p>5. Docket No. 030-13298 Reference No.</p>
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| <p>6. Byproduct, source, and/or special nuclear material</p> <p>A. Cesium-137</p> | <p>7. Chemical and/or physical form</p> <p>A. Sealed sources registered either with NRC under 10 CFR 32.210 or with an Agreement State and incorporated in a compatible gauging device as specified in Item 9 of this license.</p> | <p>8. Maximum amount that licensee may possess at any one time under this license</p> <p>A. No single source to exceed the maximum activity specified in the certificate of registration issued by NRC or an Agreement State. Total activity 1.5 Curies.</p> |
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9. Authorized use:
- A. For possession and use in Texas Nuclear Model 5179A, Kay-Ray/Sensall, Inc. Model Nos. 7062 BP, 7063, and 7700-1 and Ohmart Model Nos. HM-8, SHD, SHD45, SHLG-1, SH100, SR-1, SR1A, and SR1-A devices which have been evaluated and approved for licensing purposes and authorized for distribution under a license issued by the Nuclear Regulatory Commission or an Agreement State.

CONDITIONS

10. Licensed material shall be used only at the licensee's facilities located at Ludington Plant, South Madison Street, Ludington, Michigan, and 4668 Wilder Road, Bay City, Michigan.
11. The Radiation Safety Officer for this license is Jim Glover.
12. Licensed material shall be used by, or under the supervision of individuals who have received the training described in letter dated July 30, 2004. The licensee shall maintain records of individuals designated as users for 3 years following the last use of licensed material by the individual.

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13. A. Sealed sources shall be tested for leakage and/or contamination at intervals not to exceed 6 months or at such other intervals as specified by the certificate of registration referred to in 10 CFR 32.210.
- B. In the absence of a certificate from a transferor indicating that a leak test has been made within the interval specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or by an Agreement State, prior to the transfer, a sealed source received from another person shall not be put into use until tested.
- C. Sealed sources need not be 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.
- E. Tests for leakage and/or contamination, including leak test sample collection and analysis, shall be performed by the licensee or other persons specifically licensed by the U.S. Nuclear Regulatory 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.
14. Sealed sources containing licensed material shall not be opened or sources removed from source holders by the licensee, except as specifically authorized.
15. 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 sealed sources and/or devices received and possessed under the license. Records of inventories shall be maintained for 5 years from the date of each inventory, and shall include the radionuclides, quantities, manufacturer's name and model numbers, and the date of the inventory.
16. A. Each gauge shall be tested for the proper operation of the on-off mechanism (shutter) and indicator, if any, at intervals not to exceed 12-month intervals or at such longer intervals as specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission pursuant to 10 CFR 32.210 or the equivalent regulations of an Agreement State.
- B. Notwithstanding the periodic on-off mechanism (shutter) and indicator test, the requirement does not apply to gauges that are stored, not being used, and have the shutter lock mechanism in a locked position. The gauges exempted from this periodic test shall be tested before use.

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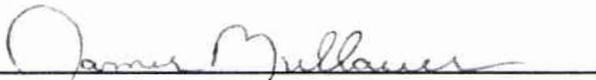
17. The following services shall not be performed by the licensee: installation, initial radiation surveys, relocation, removal from service, dismantling, alignment, replacement, disposal of the sealed source and non-routine maintenance or repair of components related to the radiological safety of the gauge (i.e., the sealed source, the source holder, source drive mechanism, on-off mechanism (shutter), shutter control, shielding). These services shall be performed only by persons specifically licensed by the U.S. Nuclear Regulatory Commission or an Agreement State to perform such services.
18. Prior to initial use and after installation, relocation, dismantling, alignment, or any other activity involving the source or removal of the shielding, the licensee shall assure that a radiological survey is performed to determine radiation levels in accessible areas around, above and below the gauge with the shutter open. This survey shall be performed only by persons authorized to perform such services by the Commission or an Agreement State.
19. The licensee shall operate each gauge within the manufacturer's specified temperature and/or environmental limits such that the shielding and shutter mechanism of the source holder are not compromised.
20. The licensee shall assure that the shutter mechanism of each device is locked in the closed position during periods when a portion of an individual's body may be subject to the direct radiation beam. The licensee shall review and modify as appropriate its "lock-out" procedures, whenever a new gauge is obtained, to incorporate the device manufacturer's recommendations.
21. In addition to the possession limits in Item 8, the licensee shall further restrict the possession of licensed material to quantities below the minimum limit specified in 10 CFR 30.35(d) for establishing decommissioning financial assurance.
22. The licensee is authorized to transport licensed material in accordance with the provisions of 10 CFR Part 71, "Packaging and Transportation of Radioactive Material."
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. This license condition applies only to those procedures that are required to be submitted in accordance with the regulations. Additionally, this license condition does not limit the licensee's ability to make changes to the radiation protection program as provided for in 10 CFR 35.26. 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.

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- A. Applications dated January 29, 2004 and January 22, 2009; and
- B. Letters dated January 28, 2004, July 30, 2004, June 4, 2007, February 5, 2009, **June 11, 2009**; and
- C. Facsimile letter received October 19, 2007, **and facsimile dated July 5, 2009.**

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

Date JUL 13 2009By 
James R. Mullauer, M.H.S.
Materials Licensing Branch
Region III