U.S. NUCLEAR REGULATORY COMMISSION

# 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. Hilty Quarries, Inc. | 3. License number 24-32757-01 |
| 2. P.O. Box 407<br>Clinton, Missouri 64735 | 4. Expiration date October 31, 2019 |
| | 5. Docket No. 030-38089<br>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. Cesium-137 | 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. | A. No single source to exceed 9 millicuries each. Total activity not to exceed 18 millicuries |
| B. Americium-241 | B. 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. | B. No single source to exceed 44 millicuries each. Total activity not to exceed 88 millicuries |

9. Authorized use:

A. and B. For use in Troxler Model No. 3400 Series portable gauging devices for measuring physical properties of materials.

## CONDITIONS

10. Licensed material may be used or stored at the licensee's facilities located at 190 NW 251 Road, Clinton, Missouri and may be used at temporary job sites of the licensee anywhere in the United States where the U. S. Nuclear Regulatory Commission maintains jurisdiction for regulating the use of licensed material.

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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 the facsimile dated September 16, 2009, (including attached application dated August 26, 2009).

12. The Radiation Safety Officer (RSO) for this license is Joe Hilty.

13. 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), 40.36 (b) and 70.25 (d) for establishing financial assurance for decommissioning.

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 NRC 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 NRC 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 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 shall be performed by persons specifically licensed by the 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 samples must be performed by persons specifically licensed by the Commission or an Agreement State to perform such services.

    F. Records of leak tests 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.

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.

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17. Except for maintaining labeling as required by 10 CFR Part 20 or 71, the licensee shall obtain authorization from NRC 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 Certificates of Registration 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 cleaning, maintenance, or repair of the gauges that requires detaching 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 a 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.

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. 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 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 July 27, 2009 (excluding attachment); and

    B. Facsimiles dated September 16, 2009 (including attached application dated August 26, 2009), and October 14, 2009.

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

Date OCT 28 2009

By Colleen Carol Casey

Colleen Carol Casey
Materials Licensing Branch
Region III