

NOTICE OF VIOLATION

Geo-Engineering & Testing, Inc.
Tamuning, Guam

Docket 030-36590
License 56-18173-02

During the technical review of the license amendment request dated March 9, 2011, submitted by Geo-Engineering & Testing, Inc., one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

- A. On August 8, 2005, the President of the United States signed the Energy Policy Act of 2005 (EPAAct) into law. Section 651(e) of the EPAAct expanded the definition of byproduct material to include naturally occurring and accelerator-produced radioactive materials (NARM), such as radium 226 contained in sealed sources, which were not previously regulated by the Nuclear Regulatory Commission (NRC).

In accordance with the NARM transition plan, a person in possession of NARM material would be required to submit a license amendment request within 6 months from the date the regulatory waiver is terminated. The regulatory waiver for Guam was terminated on September 30, 2008. The due date for submitting a license amendment request for NARM users in Guam was March 31, 2009. Geo-Engineering & Testing, Inc., submitted a license amendment request for NARM dated March 9, 2011.

10 CFR 30.3 requires, in part, that except for persons exempted, no person shall possess or use byproduct material except as authorized by a specific or general license issued pursuant to Title 10, Chapter 1, Code of Federal Regulations. Contrary to the above, from March 31, 2009, to May 27, 2011, Geo-Engineering & Testing, Inc., was in possession of one portable gauge containing a radium 226 sealed source without a valid NRC license, and was not exempt from the requirements for a license.

This is a Severity Level IV violation (Violation Example 6.3.d.).

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 will be achieved, is already adequately addressed on the docket in the amendment request dated March 9, 2011. 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," 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, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

ENCLOSURE 2

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 <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.

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

Dated this 27th day of May 2011.

ENCLOSURE 2