UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

October 6, 2011

Docket No. 03035744 License No. 47-25566-01
Control No. 575682

Jon C. Brown
Vice President
Nicholas Energy Company
P. O. Box 707
Summersville, WV 26651-0707

SUBJECT: NICHOLAS ENERGY COMPANY, LICENSE RENEWAL, CONTROL NO. 575682

Dear Mr. Brown:

This refers to your request dated September 22, 2011, for renewal of your NRC license. Enclosed with this letter is the renewed license. **Pursuant to my telephone conversation of October 6, 2011, with William Newsome of your staff, the renewed license includes six devices that you had previously acquired under the general license in 10 CFR 31.5(a). Please note that 10 CFR 31.5(c)(8) requires that within 30 days of this letter, you make a notification to NRC as specified in the regulation. You should also notify the vendor of the devices of this transfer so that they can update their records accordingly.**

Please review the enclosed document carefully and be sure that you understand all conditions. If there are any errors or questions, please notify the U.S. Nuclear Regulatory Commission, Region I Office, Licensing Assistance Team, (610) 337-5239, so that we can provide appropriate corrections and answers.

The NRC expects licensees to conduct their programs with meticulous attention to detail and high standards of safety and 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 program according to NRC regulations, the conditions of your NRC license, and the representations made in your application. In particular, note that you must:

1. Operate in accordance with NRC regulations 10 CFR Part 19, "Notices, Instructions and Reports to Workers; Inspections," 10 CFR Part 20, "Standards for Protection Against Radiation," and other applicable regulations.

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

3. In accordance with 10 CFR 30.36(d), notify the NRC, promptly, in writing, and request termination of the license

   a) when you decide to terminate all activities involving materials authorized under the license; or

b) if you decide not to acquire or possess and use authorized material.

4. Request and obtain a license amendment before you:

a) change Radiation Safety Officers;

b) order byproduct material in excess of the amount, or radionuclide, or form different than authorized on the license;

c) add or change the areas of use, or addresses 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 of your license. You will receive a reminder notice approximately 90 days before the expiration date. Possession of byproduct material after your license expires is a violation of NRC regulations.

You will be periodically inspected by the NRC. Failure to conduct your program safely and in accordance with NRC regulations, license conditions, and the representations made in your license application and supplemental correspondence with NRC will 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.

An environmental assessment for this action is not required, since this action is categorically excluded under 10 CFR 51.22(c)(14).

Current NRC regulations and guidance are included on the NRC's website at www.nrc.gov; select **Nuclear Materials; Med, Ind, & Academic Uses;** then **Licensee Toolkits, see our toolkit index page.** You may also obtain these documents by contacting the Government Printing Office (GPO) toll-free at 1-866-512-1800. The GPO is open from 7:00 a.m. to 6:30 p.m. EST, Monday through Friday (except Federal holidays).

Thank you for your cooperation.

Sincerely,

Original signed by Sattar Lodhi, Ph.D.

Sattar Lodhi, Ph.D.
Senior Health Physicist
Materials Security and Industrial Branch
Division of Nuclear Materials Safety

Enclosure:
Amendment No. 05

cc:
William G. Newsome, Radiation Safety Officer

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SUNSI Review Complete: SLodhi

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