

NRC FORM 591M PART 1  
(4-2008)  
10 CFR 2.201

U.S. NUCLEAR REGULATORY COMMISSION

**SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION**

1. LICENSEE/LOCATION INSPECTED:  
Schlumberger Technology Corporation  
300 Schlumberger Drive  
Sugar Land, TX 77478  
Site: Mile 22 1/2 Spur Road, Kenai, AK  
REPORT NO: 2011-002

2. NRC/REGIONAL OFFICE  
  
U.S. Nuclear Regulatory Commission  
Region IV, 612 East Lamar Blvd, Suite 400  
Arlington, Texas 76011-4125

3. DOCKET NUMBER  
030-06388

4. LICENSE NUMBER  
42-00080-03

5. DATE OF INSPECTION  
August 10 to 24, 2011

**LICENSEE:**

The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as follows:

- 1. Based on the inspection findings, no violations were identified.
- 2. Previous violation(s) closed.
- 3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-replicative, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy to exercise discretion, were satisfied.
- Non-Cited Violation(s) was/were discussed involving the following requirement(s) and Corrective Action(s):

4. During this inspection certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.

10 CFR 39.31 (a)(1) States that the licensee may not use a source, source holder, or logging tool that contains licensed material unless the smallest component that is transported as a separate piece of equipment with the licensed material inside bears a durable, legible, and clearly visible marking or label. The marking or label must contain the radiation symbol specified in § 20.1901(a), without the conventional color requirements, and the wording "DANGER (or CAUTION) RADIOACTIVE MATERIAL."

Contrary to the above, the licensee routinely used logging tools that contained licensed material and the smallest component that was transported as a separate piece of equipment with the licensed material inside did not bear a durable, legible, and clearly visible marking or label that contained the radiation symbol specified in § 20.1901(a) and the wording "DANGER (or CAUTION) RADIOACTIVE MATERIAL." Specifically, the licensee routinely transported pulsed neutron generator logging tools from their field office in Kenai, Alaska, to jobsites with licensed material inside and the pulsed neutron generator logging tool did not bear a durable, legible, and clearly visible marking or label that contained the radiation symbol specified in § 20.1901(a) and the wording "DANGER (or CAUTION) RADIOACTIVE MATERIAL."

The RSO stated that the reason for the violation was that the Kenai field office was using an obsolete label. The label had been replaced by a label that not only had the UN number and correct shipping information, but also the radiation symbol (trefoil) and the words "Caution Radioactive Material," which satisfies 10 CFR 39.31(a)(1). The licensee's corrective actions included having the Kenai field office replace the obsolete labels with the current version; and the RSO will send an alert to all locations to check their stock of labels and replace as necessary with the current version.

**Licensee's Statement of Corrective Actions for Item 4, above.**

I hereby state that, within 30 days, the actions described by me to the inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

Title	Printed Name	Signature	Date
LICENSEE'S REPRESENTATIVE	Raymond Dickes		8/25/11
NRC INSPECTOR	Anthony D. Gaines		08/25/2011
BRANCH CHIEF	Michael Valdez		10/7/2011

NRC FORM 591M PART 1 (Rev. by RIV 3/09)

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

F A C S I M I L E

**Name:** Raymond Dickes **License No.:** 42-00090-03  
**Licensee:** Schlumberger Technology Corporation **Docket No.:** 030-06388  
**Fax No.:** 281-285-8526  
**Phone No.:** 281-285-8775  
**From:** Anthony Gaines  
**Date:** August 25, 2011  
**Subject:** Form 591 with one violation  
**Pages:** 1 + transmittal

Mr. Dickes,

I am faxing you a NRC Form 591M which documents the inspection I performed on August 10, 2011, at your Kenai, Alaska field office. The 591 has one violation that was characterized in accordance with our Enforcement Policy as a Severity Level IV violation. Please read the violation and your corrective actions carefully and if you agree with them, please sign the 591 and fax it back to me as soon as possible at 817-860-8263. If you have any questions about the violation or the 591 please call me at 817-860-8252.

A handwritten signature in cursive script that reads "Anthony D. Gaines".

Anthony D. Gaines  
Nuclear Materials Safety Branch A