



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
1600 EAST LAMAR BOULEVARD
ARLINGTON, TEXAS 76011-4511

May 30, 2012

Baker Hughes Oilfield Operations, Inc.
dba Baker Atlas
ATTN: David Huber
Radiation Safety Officer
P.O. Box 670968
Houston, Texas 77267-0968

SUBJECT: LICENSE AMENDMENT

Please find enclosed Amendment No. 79 to NRC License No. 42-02964-01 **removing condition 19 which restricted Baker Hughes to possess licensed material in quantities below the minimum limit specified in 10 CFR 30.35(d). The NRC has received Baker Hughes' updated Standby Trust Agreement Schedule in letter dated May 17, 2012. Baker Hughes' financial assurance documents docketed with the NRC are in order.**

On a separate issue, please note that the information described in your amendment request letter dated April 1, 2011, needs to be incorporated in Baker Hughes' operating and emergency (O&E) procedures. In addition, the key elements described in section 8.10.12.4, "Use of Sealed Sources or Neutron Generators in Fresh Water Aquifers" (page 8-55 of NUREG-1556, Volume 14), need to be address in the O&E procedures. Please submit copy of Baker Hughes' revised O&E procedures for NRC review and approval. The NRC will reinstate your amendment request upon receipt of this information.

An environmental assessment for this licensing action is not required, since this action is categorically excluded under 10 CFR 51.22(c)(14)(xi). You should review the enclosed document carefully and be sure that you understand all conditions. You contact me at 817-200-1189 if you have any questions about this license.

NRC's Regulatory Issue Summary (RIS) 2005-31, provides criteria to identify security-related sensitive information and guidance for handling and marking of such documents. This ensures that potentially sensitive information is not made publicly available through ADAMS. The RIS may be located on the NRC Web site at: <http://www.nrc.gov/reading-rm/doc-collections/gen-comm/reg-issues/2005/>. Pursuant to NRC's RIS 2005-31, the enclosed materials license will not be made publicly available.

NRC will periodically inspect your radiation safety program. Failure to conduct your program according to NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC may 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 as specified in the NRC Enforcement Policy. The NRC Enforcement Policy is available on the following internet address: <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>.

An electronic version of the NRC's regulations is available on the NRC Web site at www.nrc.gov. Additional information regarding use of radioactive materials may be obtained on the NRC Web site at <http://www.nrc.gov/materials/miau/mat-toolkits.html>. This site also provides the link to the toolbox for updated information on the revised regulations for naturally-occurring and accelerator-produced radioactive materials (NARM).

The NRC's Safety Culture Policy Statement became effective in June 2011. While a policy statement and not a regulation, it sets forth the agency's *expectations* for individuals and organizations to establish and maintain a positive safety culture. You can access the policy statement and supporting material that may benefit your organization on NRC's safety culture Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/safety-culture.html>. We strongly encourage you to review this material and adapt it to your particular needs in order to develop and maintain a positive safety culture as you engage in NRC-regulated activities.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Thank you for your cooperation.

Sincerely,

/RA/

Roberto J. Torres, Senior Health Physicist
Nuclear Materials Safety Branch B

Docket: 030-06402
License: 42-02964-01
Control: 577556

Enclosure: As stated