



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION IV
1600 E. LAMAR BLVD.
ARLINGTON, TX 76011-4511

January 15, 2015

Derek Pontius, Owner-President
MET-CHEM Testing Laboratories of Utah, Inc.
369 West Gregson Ave
Salt Lake City, UT 84115-3440

SUBJECT: NRC INSPECTION REPORT NO. 030-32304/2014-001 AND NOTICE OF VIOLATION

Dear Mr. Pontius:

This letter refers to the routine, unannounced inspection conducted on November 19, 2014, at your facility at 369 West Gregson Avenue, in Salt Lake City, Utah with continuing in office review through January 5, 2015. The in-office review included additional telephonic discussions regarding your actions in addressing the violation identified below. The inspection was an examination of activities conducted under your license as they relate to safety and compliance with the Commission's rules and regulations and with the conditions of the license. Within these areas, the inspection consisted of selected examination of procedures and representative records, observation of licensed activities, and interviews with your staff. Preliminary inspection findings were discussed with you at the conclusion of the onsite inspection. A final telephonic exit briefing was conducted with you on January 5, 2015.

Based on the results of this inspection, the NRC has determined that one Severity Level IV violation of NRC requirements occurred. The violation was evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violation is cited in the enclosed Notice of Violation (Notice) because it was identified by the NRC during the inspection. The violation involved the failure to obtain written consent by the NRC prior to a change in ownership, and is described in detail in the enclosed Notice.

The NRC has concluded that information regarding: (1) the reason for the violation; (2) the corrective actions that have been taken and the results achieved; and (3) the date when full compliance was achieved, is already adequately addressed on the docket in the letter from MET-CHEM Testing Laboratories of Utah, Inc received January 8, 2015 (ADAMS Accession Number ML15008A297). Therefore, you are not required to respond to this letter unless the description herein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response

D. Pontius

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(if any) should not include any personal privacy or proprietary information, so that it can be made available to the Public without redaction.

Should you have any questions regarding this letter or the enclosed Notice, please contact Dr. Lizette Roldán-Otero at (817) 200-1596 or the undersigned at (817) 200-1130.

Sincerely,

/RA/

G. Michael Vasquez, Chief
Nuclear Materials Safety Branch A
Division of Nuclear Materials Safety

Docket No.: 030-32304
License No.: 43-27362-01

Enclosure:
Notice of Violation (Notice)

cc w/enclosure:

Utah Division of Radiation Control
Rusty Lundberg, Director
P.O. Box 144850
Salt Lake City, UT 84116

Should you have any questions regarding this letter or the enclosed Notice, please contact Dr. Lizette Roldán-Otero at (817) 200-1596 or the undersigned at (817) 200-1130.

Sincerely,

/RA/

G. Michael Vasquez, Chief
Nuclear Materials Safety Branch A
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Rusty Lundberg, Director
P.O. Box 144850
Salt Lake City, UT 84116

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X SUNSI Review By: LXR3		ADAMS <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Publicly Available <input type="checkbox"/> Non-Publicly Available		<input checked="" type="checkbox"/> Non-Sensitive <input type="checkbox"/> Sensitive		Keyword:
OFFICE	NMSB-A	NMSB-A					
NAME	L.Roldan-Otero	M. Vasquez					
SIGNATURE	/RA/	/RA/					
DATE	01/15/2015	01/15/2015					

OFFICIAL RECORD COPY

NOTICE OF VIOLATION

MET-CHEM Testing Laboratories of Utah, Inc.
Salt Lake City, Utah

Docket: 030-32304
License: 43-27362-01

During the U.S. Nuclear Regulatory Commission (NRC) inspection conducted on November 19, 2014, one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

10 CFR 30.34(b) requires, in part, that no license issued or granted pursuant to the regulations shall be transferred, assigned, or in any manner disposed of, either voluntarily or involuntarily, directly or indirectly, through transfer of control of any license to any person, unless the Commission shall, after securing full information, find that the transfer is in accordance with the provisions of the Act and shall give its consent in writing.

Contrary to the above on January 14, 2014, the licensee performed a direct transfer of control of NRC License 43-27362-01, without receiving the Commission's consent in writing. Specifically, Metaltech NDT, LLC acquired all of the assets of MET-CHEM Testing Laboratories of Utah, Inc. This constituted a direct change of control under 10 CFR 30.34(b), without prior NRC approval and consent in writing.

This is a Severity Level IV violation (Section 6.3.d.7)

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 was achieved, is already adequately addressed on the docket in the letter from MET-CHEM Testing Laboratories of Utah, Inc., received January 8, 2015 (ADAMS Accession Number ML15008A297). 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).

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room or in the NRC's Agencywide Documents Access and Management 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 of receipt.

Dated this 15th day of January

Enclosure