

U.S. NUCLEAR REGULATORY COMMISSION

MATERIALS LICENSE

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 37, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

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| Licensee | | |
| 1. DLZ American Drilling, Inc. | | 3. License number 21-35256-01 |
| 2. 4041 Martel St. Melvindale, MI 48122 | | 4. Expiration date September 30, 2025 |
| | | 5. Docket No. 030-38854 Reference No. |
| 6. Byproduct, source, and/or special nuclear material | 7. Chemical and/or physical form | 8. Maximum amount that licensee may possess at any one time under this license |
| A. Cesium-137 | A. Sealed sources registered either with NRC under 10 CFR 32.210 or with an Agreement State and incorporated in a compatible gauging device as specified in Item 9 of this license | A. No single source to exceed the maximum activity specified in the certificate of registration issued by NRC or an Agreement State. Total activity not to exceed 18 millicuries |
| B. Americium-241 | B. Sealed sources registered either with NRC under 10 CFR 32.210 or with an Agreement State and incorporated in a compatible gauging device as specified in Item 9 of this license | B. No single source to exceed the maximum activity specified in the certificate of registration issued by NRC or an Agreement State. Total activity not to exceed 88 millicuries |
| 9. Authorized use: | | |
| A. and B. In Troxler Electronic Laboratories, Inc., Model 3440 portable gauging devices for measuring physical properties of materials. | | |

CONDITIONS

10. Licensed material may be used or stored at the licensee's facilities located at 4041 Martel Street, Melvindale, Michigan, and may be used at temporary job sites of the licensee anywhere in the United States where the U.S. Nuclear Regulatory Commission maintains jurisdiction for regulating the use of licensed material.
11. Licensed material shall only be used by, or under the supervision and in the physical presence of individuals who have successfully completed the training described in the application dated July 7, 2015.
12. The Radiation Safety Officer (RSO) for this license is Gopalan Govender, P.E.

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13. A. Sealed sources shall be tested for leakage and/or contamination at intervals not to exceed the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or by an Agreement State.
- B. In the absence of a certificate from a transferor indicating that a leak test has been made within the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or by an Agreement State prior to the transfer, a sealed source or detector cell received from another person shall not be put into use until tested and the test results received.
- C. Sealed sources need not be tested if they are in storage and are not being used. However, when they are removed from storage for use or transferred to another person, and have not been tested within the required leak test interval, they shall be tested before use or transfer. No sealed source shall be stored for a period of more than 10 years without being tested for leakage and/or contamination.
- D. The leak test shall be capable of detecting the presence of 0.005 microcurie (185 becquerels) of radioactive material on the test sample. If the test reveals the presence of 0.005 microcurie (185 becquerels) or more of removable contamination, a report shall be filed with the U.S. Nuclear Regulatory Commission in accordance with 10 CFR 30.50(c)(2), and the source shall be removed immediately from service and decontaminated, repaired, or disposed of in accordance with Commission regulations.
- E. Tests for leakage and/or contamination shall be performed by persons specifically licensed by the Commission or an Agreement State to perform such services. In addition, the licensee is authorized to collect leak test samples but not perform the analysis; analysis of leak samples must be performed by persons specifically licensed by the Commission or an Agreement State to perform such services.
- F. Records of leak test results shall be kept in units of microcuries and shall be maintained for 3 years.
14. Sealed sources or source rods containing licensed material shall not be opened or sources removed or detached from source rods or gauges by the licensee, except as specifically authorized.
15. The licensee shall conduct a physical inventory every 6 months, or at other interval approved by the U.S. Nuclear Regulatory Commission, to account for all sealed sources and/or devices received and possessed under the license.
16. Except for maintaining labeling as required by 10 CFR Part 20, or 71, the licensee shall obtain authorization from the U.S. Nuclear Regulatory Commission before making any changes in the sealed source, device or source-device combination that would alter the description or specifications as indicated in the respective certificate of registration issued either by the Commission pursuant to 10 CFR 32.210 or by an Agreement State.
17. Each portable gauge shall have a lock or outer locked container designed to prevent unauthorized or accidental removal of the sealed source from its shielded position. The gauge or its container must be locked when in transport. A minimum of two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal whenever the portable gauge is not under the control and constant surveillance of the licensee are required.

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18. Any cleaning, maintenance, or repair of the gauges that requires removal of the source rod from the gauge shall be performed only by the manufacturer or by other persons specifically licensed by the Commission or an Agreement State to perform such services.
19. The licensee is authorized to transport licensed material in accordance with the provisions of 10 CFR Part 71, "Packaging and Transportation of Radioactive Material."
20. Except as specifically provided otherwise in this license, the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the documents, including any enclosures, listed below. The U.S. Nuclear Regulatory Commission's regulations shall govern unless the statements, representations, and procedures in the licensee's application and correspondence are more restrictive than the regulations.
- A. Application dated July 7, 2015 (excluding request to self-appoint RSOs); and
- B. Letter dated August 19, 2015.

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

Date SEP 14 2015By *Sara A. Forster*
Sara A. Forster, M.S.
Materials Licensing Branch
Region III