



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION IV
1600 E. LAMAR BLVD.
ARLINGTON, TX 76011-4511

May 4, 2017

Ms. Tara N. Schleeman, CSP
Health and Safety Manager
Pioneer Technical Services, Inc.
1101 South Montana Street
Butte, MT 59701

SUBJECT: NRC INSPECTION REPORT 030-33898/2017-001 AND NOTICE OF VIOLATION

Dear Ms. Schleeman:

This letter refers to the routine, unannounced inspection conducted on March 14 and 16, 2017, at your facilities in Bozeman and Butte, Montana. The inspection was an examination of activities conducted under your license as they relate to public health and safety, to confirm compliance with the U.S. Nuclear Regulatory Commission's (NRC) rules, regulations, and with the conditions of your license. Within these areas, the inspection consisted of a selected examination of procedures and representative records, observations of activities and facilities, independent radiation measurements, and interviews with personnel. The preliminary inspection findings were discussed with you at the conclusion of the onsite portion of the inspection. A final telephonic exit briefing was conducted with you on May 3, 2017.

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, which can be found at the NRC's Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violation is cited and described in the enclosed Notice of Violation (Notice). The violation is being cited in the enclosed Notice because it was identified by the NRC during the inspection. The violation involved the failure, for two portable nuclear gauges, to have a lock or outer locked container designed to prevent unauthorized or accidental removal of the sealed source from its shielded position.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The guidance in NRC Information Notice 96-28, "Suggested Guidance Relating to Development and Implementation of Corrective Action," may be helpful in preparing your response. You can find the Information Notice on the NRC website at: <http://pbadupws.nrc.gov/docs/ML0612/ML061240509.pdf>. Information regarding the reason for the violation, the corrective actions taken and planned to correct the violations and prevent recurrence, and the date when full compliance will be (was) achieved should be addressed. The NRC review of your response to the Notice will also determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter, its enclosure, and your response, 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 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 Janine F. Katanic, PhD, CHP, at 817-200-1151 or the undersigned at 817-200-1455.

Sincerely,

/RA by JLTompson Acting For/

Vivian H. Campbell, Chief
Materials Licensing and Inspection Branch
Division of Nuclear Materials Safety

Docket: 030-33898
License: 25-27524-01

Enclosure:
Notice of Violation

cc w/ enclosure:
Brian Watson, Administrator
Quality Assurance Division
Department of Public Health and Human Services
2401 Colonial Drive
P. O. Box 202953
Helena, MT 59620-2953

NRC INSPECTION REPORT 030-33898/2017-001 AND NOTICE OF VIOLATION DATED
MAY 4, 2017.**DISTRIBUTION:**

S. Morris, DRA
M. Shaffer, D/DNMS
L. Howell, DD/DNMS
R4DNMS_MLIB

ADAMS ACCESSION NUMBER:

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OFFICE	RIV:MLIB	C:MLIB			
NAME	JFKatanic	VHCampbell			
SIGNATURE	/RA/	/RA by JLThompson Acting For/			
DATE	05/04/17	05/04/17			

OFFICIAL RECORD COPY

NOTICE OF VIOLATION

Pioneer Technical Services, Inc.
Bozeman, Montana

Docket No. 030-33898
License No. 25-27524-01

During an NRC inspection conducted on March 14 and 16, 2017, at the Pioneer Technical Services, Inc., facilities in Bozeman and Butte, Montana, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

License Condition 17 of NRC License No. 25-27524-01, Amendment No. 11, dated July 21, 2016, requires that each portable nuclear 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, storage, or when not under the direct surveillance of an authorized user.

Contrary to the above, on March 14, 2017, the licensee failed to have a lock or outer locked container designed to prevent unauthorized or accidental removal of the sealed source from its shielded position. Specifically, on March 14, 2017, at its Field Office in Bozeman, Montana, the licensee had two portable nuclear gauges in storage, not under the direct surveillance of an authorized user, and for each gauge the licensee failed to have a lock or outer locked container designed to prevent unauthorized or accidental removal of the sealed source from its shielded position. One portable nuclear gauge had a lock on the container with the key in the lock, and one portable nuclear gauge had a lock on the gauge and a lock on the container, but both locks had the keys in them. The presence of a key in a lock fails to prevent unauthorized or accidental removal of the sealed source from its shielded position.

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

Pursuant to the provisions of 10 CFR 2.201, Pioneer Technical Services, Inc., is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, with a copy to the Regional Administrator, Region IV, 1600 E. Lamar Blvd., Arlington, Texas 76011, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level; (2) the corrective steps that have been taken and the results achieved; (3) the corrective steps that will be taken; and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued requiring information as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

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>.

Enclosure

To the extent possible, your response should not include any personal privacy or proprietary information so that it can be made available to the public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information).

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated this 4th day of May 2017