

**SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION**

1. LICENSEE/LOCATION INSPECTED:  
Hilcorp Alaska, Inc.  
Central Facilities Plant, Milne Point  
Prudhoe Bay, Alaska

2. NRC/REGIONAL OFFICE  
U.S. Nuclear Regulatory Commission  
Region IV, 1600 East Lamar Blvd  
Arlington, Texas 76011-4511

REPORT NO.: 2017-001

3. DOCKET NUMBER  
030-38779

4. LICENSE NUMBER  
50-35182-01

5. DATE(S) OF INSPECTION  
August 23, 2017

**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-repetitive, 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.

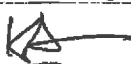
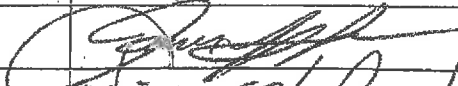

10 CFR 20.1902(e) requires, in part, that the licensee shall post each area or room in which there is used or stored an amount of licensed material exceeding 10 times the quantity of such material specified in appendix C to Part 20 with a conspicuous sign bearing the radiation symbol and the words "CAUTION, RADIOACTIVE MATERIAL(S)".

Contrary to the above, on the date of inspection on August 23, 2017, the licensee failed to have areas posted with the above stated signage in which licensed material exceeding 10 times the quantity of such material specified in appendix C to Part 20 was stored and used. Specifically, three fixed nuclear gauges each containing greater than 100 microcuries of cesium-137 were mounted and used in areas of the plant that were not posted with signs bearing the radiation symbol and the words "CAUTION, RADIOACTIVE MATERIAL(S)".

The licensee corrected this by installing the required postings in these areas of use/storage the day after the inspection on August 24, 2017.

**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	KONRAD SCHRUF II		9/13/2017
NRC INSPECTOR	James L. Thompson		9/13/2017
BRANCH CHIEF	Vivian H. Campbell		9/13/2017