



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
1600 EAST LAMAR BOULEVARD
ARLINGTON, TEXAS 76011-4511

April 10, 2019

Mr. Aaron A. Linard
Radiation Safety Officer
Strathmore Resources (US) Ltd.
1701 East E Street, Suite 100
Casper, WY 82605

SUBJECT: NRC INSPECTION 030-38394/2019-001 AND NOTICE OF VIOLATION

Dear Mr. Linard:

This letter refers to the announced inspection conducted by the U.S. Nuclear Regulatory Commission (NRC) on February 26, 2019, at your facility in Linch, Wyoming. This inspection examined activities conducted under your license as they relate to public health and safety and to confirm compliance with the Commission's rules and regulations, and with the conditions of your license. Within these areas, the inspection consisted of selected examination of procedures and representative records, observations of activities, independent radiation measurements, and interviews with personnel. The preliminary inspection findings were discussed with you and members of your staff at the conclusion of the onsite portion of the inspection on February 26, 2019. A final telephonic exit briefing was conducted with you on March 18, 2019.

Based on the results of this inspection, the NRC has determined that two Severity Level IV violations of NRC requirements occurred. The violations were 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 violations are cited and described in the enclosed Notice of Violation (Notice). The violations involved the failures to: (1) notify the NRC of the cessation of principle activities conducted under the license for a period of 24 months; and (2) submit an amendment request to change the storage location of licensed nuclear material. The violations are being cited because they were identified by the NRC during the inspection.

The NRC has concluded that information regarding: (1) the reason for the violations; (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 your letter dated April 2, 2019. 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 "Agency Rules of Practice and Procedure," 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 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 James L. Thompson at 817-200-1538.

Sincerely,

/RA/

Patricia A. Silva, Chief
Materials Licensing and Inspection Branch
Division of Nuclear Materials Safety

Docket No: 030-38394
License No: 49-29415-01

Enclosure:
Notice of Violation (Notice)

cc:
Wyoming Department of Environmental Quality

NOTICE OF VIOLATION

Strathmore Resources (US) Ltd.
Linch, Wyoming

Docket No.: 030-38394
License No.: 49-29415-01

During an NRC inspection conducted on February 26, 2019, two violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. Title 10 *Code of Federal Regulations* (10 CFR) 30.36(d) requires, in part, that within 60 days of the occurrence of any of the following, each licensee shall provide notification to the NRC in writing of such occurrence and begin decommissioning its site.

10 CFR 30.36(d)(3) lists one of these notification requirements as: no principle activities under the license have been conducted for a period of 24 months.

Contrary to the above, as of the date of inspection on February 26, 2019, the licensee had not notified the NRC within 60 days of the occurrence of the following: no principle activities under the license have been conducted for a period of 24 months. Specifically, as of the date of inspection on February 26, 2019, the licensee had not engaged in any principle activities under the license since the date of the previous inspection on August 4, 2016, and failed to notify the NRC within 60 days as required by 10 CFR 30.36(d)(3).

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

- B. Condition 17 of NRC License 49-29415-01, Amendment No. 4, dated August 16, 2017, states, in part, that the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the Application dated June 18, 2010.

Section 2.0 of the Licensees Operating & Emergency Procedures, entitled "Radioactive Material Storage," states that neutron generators will be stored in a locked storage cage at the permanent storage facility when not in use.

Contrary to the above, from approximately November 16, 2016, through the date of inspection on February 26, 2019, the licensee failed to store neutron generators in a locked storage cage at the permanent storage facility when not in use. Specifically, the licensee began storing the neutron generators in a locked storage container affixed to a well logging truck and failed to update their procedures describing this new storage configuration.

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

The NRC has concluded that information regarding the reason for the violations, 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 a letter from the Licensee dated April 2, 2019. 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

Enclosure

response as a "Reply to a Notice of Violation, 030-38394/2019-001," 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 10th day of April 2019

NRC INSPECTION 030-38394/2019-001 AND NOTICE OF VIOLATION – DATED April 10, 2019

DISTRIBUTION:

SMorris, ORA
 MShaffer, ORA
 TPruett, DNMS
 LHowell, DNMS
 PSilva, DNMS
 RErickson, DNMS
 JCook, DNMS
 BMaier, ORA

ADAMS ACCESSION NUMBER: ML19092A478

<input checked="" type="checkbox"/> SUNSI Review By:	ADAMS: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Sensitive <input checked="" type="checkbox"/> Non-Sensitive	<input type="checkbox"/> Non-Publicly Available <input checked="" type="checkbox"/> Publicly Available	Keyword NRC-002
OFFICE	DNMS/MLIB	C/MLIB		
NAME	JLThompson	PASilva		
SIGNATURE	/RA/	/RA/		
DATE	4/3/19	4/10/19		

OFFICIAL RECORD COPY