UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 1000
ARLINGTON, TEXAS 76012

September 26, 1979

License No. 40-18164-01

Pete Lien & Sons, Incorporated
Attn: K. C. Marsden, Manager
P. O. Box 440
Rapid City, South Dakota 57709

Gentlemen:

This refers to the inspection conducted by Mr. C. L. Cain of this office on September 13, 1979, of the activities authorized by NRC Byproduct Material License No. 40-18164-01 and to the discussion of our findings held by Mr. Cain with Mr. Don Sinkular on September 13, 1979.

The inspection was an examination of the activities conducted under the license as they relate to radiation safety and to compliance with the Commission's rules and regulations, and the conditions of the license. The inspection consisted of selective examinations of procedures and representative records, interviews of personnel, independent measurements and observations by the inspector.

Based on the results of this inspection, it appears that certain of your activities were not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation, enclosed herewith. These items of noncompliance have been categorized into the levels as described in the correspondence to you dated December 31, 1974.

This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within twenty (20) days of your receipt of this notice, a written statement of explanation in reply including: (1) corrective actions which have been taken by you and the results achieved; (2) corrective actions which will be taken to avoid further items of noncompliance; and (3) the date when full compliance will be achieved.

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Should you have any questions concerning this letter, please let me know.

Sincerely,

R. D. Garrett Jr.

Glen D. Brown, Chief
Fuel Facility and Material
Safety Branch

Enclosure:
Notice of Violation

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