

NOV 27 1989

In Reply Refer To:
License: 35-00313-14
Docket: 30-19220/89-01

Phillips Petroleum Company
Corporate Engineering and Services
ATTN: John Mihm, Vice President
Plaza Building, 4th & Johnstone
Bartlesville, Oklahoma 74004

Gentlemen:

This refers to the routine, unannounced radiation safety inspection conducted by Ms. L. L. Kasner of this office on November 3, 1989, of the activities authorized by NRC Byproduct Material License 35-00313-14, and to the discussion of our findings held by the inspector with members of your staff at the conclusion of the inspection.

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 interviews of personnel and observations by the inspector.

During this inspection, the inspector interviewed members of management in your Materials Quality Control Group as well as an individual of your staff that had previously been involved in the conduct of licensed activities. The inspector noted that the individual delegated responsibility for management of your radiation safety program had been reassigned from this area during August 1986. During interviews of members of your staff, the inspector observed that individuals currently responsible for the materials quality control group were unfamiliar with the requirements of the NRC license and lacked the training necessary to assume responsibility for the program. The inspector also identified that you had inappropriately transferred your licensed material to another NRC licensee in February 1986.

Although the inspector observed that several members of your staff had been reassigned to other duties, she noted that the individual identified as responsible for the radiation safety program was still in that position at the time that your licensed material was transferred to an unauthorized recipient. Additionally, even though the transferee was another division of Phillips Petroleum Company and an NRC licensee, this did not relieve you of the responsibility to ensure that your licensed material was transferred to an appropriately authorized recipient. Also noted during this inspection, was the absence of records pertaining to the receipt, inventory, leak testing, and transfer of byproduct material possessed under this license.

At the conclusion of the inspection, the inspector reviewed, with members of your staff, the apparent violations identified during this inspection. During

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this discussion, your staff raised several questions regarding termination of this license. The inspector reviewed the appropriate actions to be taken, including verification that licensed material, currently in storage at Phillips Petroleum Research Center, has been transferred to a recipient authorized to possess the material. We have enclosed the appropriate form for terminating your NRC materials license should you decide to pursue this action.

The inspector identified several areas of weakness in your program. Of specific concern to us is management's lack of commitment to NRC requirements and the conditions of the license. Consequently, you are required to respond to this matter in writing, in accordance with the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Your response should be based on the specifics contained in the Notice of Violation enclosed with this letter.

The response directed by this letter and the accompanying Notice is not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

Should you have any questions concerning this letter, we will be pleased to discuss them with you.

Sincerely,

Original Signed By:
LAWRENCE A. YANDELL *for*

A. Bill Beach, Director
Division of Radiation Safety
and Safeguards

Enclosures:

1. Appendix - Notice of Violation
2. Form NRC-314

cc:

Oklahoma Radiation Control Program Director

bcc:

DMB - Original (IE-07)

RDMartin

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LAYandell

LShea, RM/ALF (AR-2015)

*Cl.Cain

*RJEverett

*LLKasner

*NMIS

*MIS System

*RIY Files (2)

*RSTS Operator

*REHall, URFO

*GSanborn, EO

JLLieberman, OE

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