APPENDIX A

NOTICE OF VIOLATION

Halliburton Company Duncan, Oklahoma Dockets: 30-05900/89-01 Licenses: 35-00502-02

During an NRC inspection conducted on September 12 and October 10-12, 1989, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1989) (Enforcement Policy), the violations are listed below:

 License Condition 13 requires, in part, that the licensee conduct its program in accordance with the statements, representations, and procedures contained in the licensee's letter dated December 21, 1988. The Radioactive Safety and Material Audit Program description attached to the letter states, in part, that comprehensive audits of the handling, use, storage, and disposition of licensed tracer materials shall be conducted at intervals not to exceed 3 months.

Contrary to the above, no such audits were performed at the Vann Systems office in Oklahoma City during the period January 1 through October 12, 1989, in regard to possession of Co-60 beads licensed for tracer activities.

This is a Severity Level IV violation. (Supplement VI)

10 CFR 19.11 requires, in part, that the licensee post specified documents.

Contrary to the above, as of October 12, 1989, none of the specified documents were posted at the Vann Systems office in Oklahoma City, Oklahoma, where approximately 14 microcuries of Co-60 beads were located at the time of the inspection.

This is a Severity Level V violation. (Supplement VI)

Pursuant to the provisions of 10 CFR 2.201, Halliburton Company is hereby required to submit to this office, within 30 days of the date of the letter transmitting this Notice, a written statement or explanation in reply, including for each violation: (1) the reason for the violation if admitted, (2) the corrective steps which have been taken and the results achieved, (3) the corrective steps which will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Where good cause is shown, consideration will be given to extending the response time.

Dated at Arlington, Texas, this 11th day of December 1989

8912200023 891211 REG4 LIC30 35-00502-02 FDC