

APPENDIX B
NOTICE OF VIOLATION

Halliburton Company
Duncan, Oklahoma

Docket: 30-05901/89-01
License: 35-00502-03

During an NRC inspection conducted on September 12 and October 10-12, 1989, a violation of NRC requirements was 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 violation is listed below:

License Condition 19 requires, in part, that the licensee conduct its program in accordance with the statements, representations, and procedures contained in the 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 generally licensed sealed sources shall be conducted at intervals not to exceed 12 months.

Contrary to the above, inadequate audits were performed at the Oklahoma City and Duncan, Oklahoma, sites in that discrepancies in source inventories were not identified. Specifically, at the Oklahoma City site, sealed source Serial No. S277, a 9.5 mCi Cs-137 source, was not on the facility's inventory though it had been received at the facility in February 1984. Additionally, sealed source Serial No. S750 was on the facility's inventory, but was not at the facility and no records existed that the sealed source was ever received at the facility. Both of these discrepancies were identified by the inspectors despite licensee audits conducted December 30, 1987, and December 15, 1988.

At the Duncan site, sealed source Serial No. X350 was discovered during the inspection and was found to have been at the field site for several years. However, the source was not on the site's inventory and was, in fact, on the licensee's list of unaccounted for sources. Despite licensee audits conducted on January 2 and September 22, 1988, these discrepancies were identified by NRC during the inspection.

This is a Severity Level IV 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,

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(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