



UNITED STATES
 NUCLEAR REGULATORY COMMISSION
 REGION IV
 611 RYAN PLAZA DRIVE, SUITE 1000
 ARLINGTON, TEXAS 76011

JUN 04 1981

License No. 05-19397-01

Smith Energy Services
 ATTN: David Holcomb, Research and Development
 Director
 Timberline Bldg.
 Junction Hwy. 58 and 93
 Golden, CO 80401



Gentlemen:

This refers to the routine safety inspection conducted by Mr. D. B. Spitzberg of this office on May 5, 1981, of the activities authorized by NRC Byproduct Material License No. 05-19397-01 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 selective examinations of procedures and representative records, interviews of personnel, and observations by the inspector.

During this inspection certain of your activities were found not to be conducted in full compliance with NRC requirements. Consequently, you are required to respond to this matter in writing in accordance with the provisions of Section 2.201 of the NRC "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 attached to this letter, and the last paragraph of your letter should include a statement equivalent to the following:

"I certify that all information contained in this letter, including any supplements attached thereto, is true and correct to the best of my knowledge and belief."

_____ Date

_____ Signature

_____ Title

TE07
5/10

This signature should be notarized.

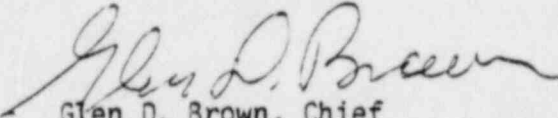
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Smith Energy Services

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

Sincerely,


Glen D. Brown, Chief
Technical Inspection Branch

Enclosures:

1. Notice of Violation
2. 45 FR 66754