Appendix A

NOTICE OF VIOLATION

Minnesota Mining and Manufacturing Company License No. 22-00057-06

Based on the inspection conducted on December 16 and 17, 1980, it appears that certain of your activities were in noncompliance with NRC requirements, as noted below. This item is an infraction.

10 CFR 20.402(a) states that each licensee shall report to the NRC, immediately after its occurrence becomes known to the licensee, any loss or theft of licensed material in such quantities and under such circumstances that it appears to the licensee that a substantial hazard may result to persons in unrestricted areas.

10 CFR 20.402(b) states that each licensee who is required to make a report pursuant to the above shall, within thirty days after he learns of the loss or theft, make a report in writing to the NRC.

Contrary to the above, the licensee did not make an immediate or a thirty day report to the NRC after a package containing ten 12.5 millicurie cesium-137 sealed sources was missing from the licensee's inventory on or about October 17, 1978.

Pursuant to the provisions of 10 CTR 2.201, Minnesota Mining an oufacturing Company is required to submit to this office within twenty-fine ays of the date of this Notice a written statement or explanation in reply including for each item of noncompliance: (1) corrective action taken and the mults achieved; (2) corrective action to be taken to avoid further nonce triance; and (3) the date when full compliance will be achieved. Under the authority of Section 182 of the Atomic Energy Act of 1954, as amended, this response shall be submitted under oath or affirmation.

Dated June 18, 1981

James Drippl: James G. Keppler

Director - Region III

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