

 **SMITH ENERGY SERVICES**

Division of Smith International, Inc.

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Golden, Colorado 80401
Phone (303) 278-8782 Office

RESEARCH AND DEVELOPMENT

June 26, 1981

U. S. Nuclear Regulatory Commission
Region IV
611 Ryan Plaza Drive, Suite 1000
Arlington, Texas 76011

Attn: Mr. Glen D. Brown, Chief
Technical Inspection Branch

Re: NRC License No. 05-19397-01
Notice of Violation Docket No. 30-17544

Dear Mr. Brown:

With reference to your letter of June 4, 1981, and the Notice of Violation issued as a result of the inspection conducted on May 5, 1981, by Mr. D. B. Spitzberg, we respond as follows:

As the Radiation Safety Officer I do have the responsibility of our radiation safety program, however, due to my functions here within the research lab, the areas of file review and safety protection has been completed under my supervision by our consultant, Keith E. Moon of Support Consultants and Associates, Inc. Mr. Moon has inspected both of our Wyoming facilities and found them to be in compliance with 10 CFR as well as our training and procedures manuals. Our company is a relatively new identity on the scene here in the Rocky Mountains area and these facilities have been recently completed. At the time of your inspection, I was not aware that we had any problems. Although not all records were readily available for your inspector, records were on file at the facilities and had been reviewed by our consultant on my behalf.

Since the inspection I have obtained and have on file here in my Golden office originals or photocopies of all relevant records including exposure reports, personnel training records, calibration records, and leak test evaluations. Job site survey reports, monthly bunker surveys and facility surveys will be maintained at each facility, which we refer to as "districts". All training to date has been conducted by Mr. Moon, either exclusively for Smith Energy Services at our districts or at his schools. My files are now complete and I feel they are in full compliance at this date.

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I was designated as the Radiation Safety Officer because of my experience with radioactive materials and because the licensing of Smith Energy's new districts in Colorado and the surrounding states was closely related to our research and development. Now that the licenses have been issued and most of the districts are operational, we are instigating an amendment to name our corporate safety man, Mr. J. T. Preuss, as the Radiation Safety Officer because of his closer involvement with the districts and his accessibility to them for inspections, etc. This has been planned for months, and Mr. Preuss has already attended one training session for radiation safety and will complete an additional three days of training prior to this change. He has been working closely with me to familiarize himself with the radiation safety program, and whoever is Radiation Safety Officer in the future will be acutely aware of this records maintenance program because of this inspection.

I want to emphasize that our corporation is in a very rapid growth stage and these districts only recently became operational. Although regulations have not been complied with to the letter, it is very obvious that our intent is to comply. We are eager to cooperate with your office. Should any questions come to mind as to this response, please contact our consultant, Keith Moon, Rt. 3, Box 1850, Odessa, Texas 79763 (915) 332-6027.

Sincerely,

SMITH ENERGY SERVICES

Ralph Edward Callaway

R. Edward Callaway
Radiation Safety Officer

pm

cc: David L. Holcomb
J. T. Preuss
Keith E. Moon

I certify that all information contained in this letter is true and correct to the best of my knowledge and belief.

July 1, 1981

Date

Ralph Edward Callaway

Signature

Senior Research Manager

Title

Before me, the undersigned, on this day personally appeared *Ralph Edward Callaway*, who declared that he is the person who signed the foregoing statement.

July 1, 1981

Date

Shirley M. Patterson
Notary Public in and for

Jefferson County, Colorado.

My Commission Expires Feb. 25, 1985.