



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV

611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064

JAN 7 1994

Docket: 030-30266
License: 30-23697-01E

Innovative Weaponry, Inc.
ATTN: Mr. Barry Mowry, President
337 Eubank N.E., Suite 103
Albuquerque, New Mexico 87123

SUBJECT: NRC INSPECTION REPORT 030-30266/93-01

This refers to the special, unannounced inspection conducted by Ms. M. Linda McLean of this office, accompanied by Ms. Susan L. Greene of NRC's Office of Nuclear Materials Safety and Safeguards (NMSS) on February 3, 1993. The inspection included a review of activities authorized by Byproduct Material License 30-23697-01E. The inspection findings were discussed with you at the conclusion of the inspection. In addition, the inspection findings were later discussed with you and Mr. Gerald R. Bloomfield during a telephonic exit briefing conducted on December 15, 1993. Members of NRC's Region IV office, NMSS, and NRC's Office of General Counsel and the Office of Enforcement participated in this briefing. The enclosed NRC Inspection Report 030-30266/93-01 documents this inspection. Subjects discussed during the aforementioned telephonic exit briefing are described below.

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 observation of activities in progress.

Based on the results of this inspection, two apparent violations were identified. As was discussed with you during the exit briefing conducted on December 15, 1993, NRC has not yet completed its review of the apparent violations and their regulatory and safety significance. You will be notified at a future date of the results of our deliberations. In addition, please be advised that the number and characterization of apparent violations described in the enclosed inspection report may change as a result of further NRC review.

During the aforementioned telephonic briefing the findings of the February 3, 1993, inspection; the provisions of your license; and the status of your license renewal were discussed. In addition, we asked that you confirm that you are currently in compliance with the conditions of your license. During the teleconference, it was explained to you that Innovative Weaponry, Inc. (IWI) is authorized to distribute only those items listed under Condition 10 of your license. Therefore, until you have received an amended license

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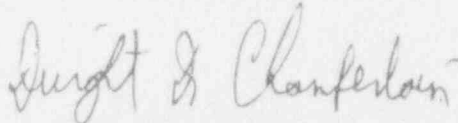
authorizing additional items for distribution, you are limited to the specific gunsights and configurations currently listed under Condition 10 of your license. In response to NRC's discussion, you committed to provide us with a written affirmation that you understand the provisions of your license as explained above, and that you are in compliance with the provisions of your license. As to the status of your license renewal request, it is currently under review by NMSS.

The written affirmation discussed above should be provided to the NRC Region IV office within 30 days of the date of this report.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

Should you have any questions concerning this letter, please contact the inspector identified above at (817) 860-8100.

Sincerely,



Dwight D. Chamberlain, Acting Director
Division of Radiation Safety
and Safeguards

Enclosure:
Appendix - Inspection Report
030-30266/93-01

cc:
New Mexico Radiation Control Program Director

bcc:
 DMB - Original (IE-07)
 JLMilhoan
 DDChamberlain
 CLCain
 RAScarano, RV
 MMessier, OC/LFDCB (4503)
 WLFisher
 LLKasner
 MLMcLean
 NMIS
 MIS System
 RIV Files (2)
 JEGlenn, NMSS/IMAB (6 H3)
 SLGreene, NMSS/IMAB (6 H3)
 RWis, AC
 JLieberman, OE (7 H5)
 GDCant, OE (7 H5)
 GFSanborn, EO
 WLBrown, RC
 MHFinkelstein, OGC (15 B18)

*RIV:NMIS	AC:NMIS	*EO	AD:DRSS <i>DR</i>	
MLMcLean	LLKasner <i>JK</i>	GFSanborn	DDChamberlain	
12/ /93	01/6/94	12/ /93	01/7/94	

*Previously concurred

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*RIV:NMIS	AC:NMIS	*EO	AD:DRSS <i>DE</i>	
MLMcLean	LLKasner <i>[Signature]</i>	GFSanborn	DDChamberlain	
12/ /93	01/6/94	12/ /93	01/7/94	

*Previously concurred