NOTICE OF VIOLATION

ATEC Associates, Inc. Cincinnati, Ohio

License No. 34-18893-01 Docket No. 030-17324

During an NRC inspection conducted on December 14, 1993 to January 20, 1994, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C, the violations are listed below:

1. Condition 11 of License No. 34-18893-01 requires that licensed material be used by or under the supervision and in the physical presence of individuals who have completed the gauge manufacturer's training or the licensee's training program contained in application dated May 15, 1990.

Contrary to the above, between May and September 1993, an individual routinely used a moisture/density (m/d) gauge that contained licensed material, but that individual had not completed the gauge manufacturer's training or the licensee's training program.

This is a Severity Level IV violation (Supplement VI).

2. 10 CFR 20.207(b) requires that materials not in storage be under constant surveillance and immediate control of the licensee. As defined in 10 CFR 20.3(a)(17), an unrestricted area is any area access to which is not controlled by the licensee for purposes of protection of individuals from exposure to radiation and radioactive materials.

Contrary to the above, on July 29, 1993, a moisture/density gauge containing a nominal 8 millicuries of cesium-137 and a nominal 40 millicuries of americium-241, which was not in storage, was not under immediate control of the licensee.

This is a Severity Level IV violation (Supplement IV).

Pursuant to the provisions of 10 CFR 2.201, ATEC Associates, Inc. is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, Region III, 801 Warrenville Road, Lisle, Illinois, 60532-4351, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. If an adequate reply is not received within the time specified in this Notice, an order or a demand

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for information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

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B. J. Holt, Chief Nuclear Materials Inspection Section 1

Dated