



PHONE 234-2433

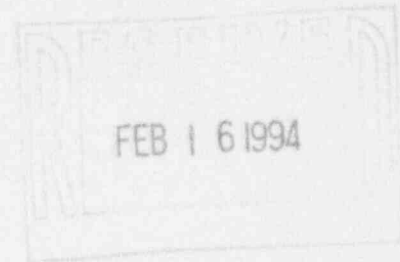
BOX 535

CASPER, WYOMING 82602

Docket: 030-06811  
License: 49-12992-01

February 9, 1994

Mr. Dwight D. Chamberlain  
Nuclear Regulatory Commission  
Region IV  
611 Ryan Plaza Drive, Suite 400  
Arlington, Texas 76011-8064



Re: NRC Inspection Report 030-06811/94-01

Dear Mr. Chamberlain:

Responsive to the "Notice of Violation" letter dated February 7, 1994 please consider the following items responsive thereto:

ITEM A

The logging supervisor normally goes on numerous jobs throughout the year. With the decline in business within the oil industry during the 1993 calendar year the logging supervisor was on only 1 job. All other jobs done by the licensee was under the direction of the RSO. The failure to have the RSO to qualify the logging supervisor was an oversight.

Corrective steps to prevent a re-occurrence include a policy already implemented to have the RSO go along with each logging supervisor on the first job of each year.

This new policy is believed to be all that is needed to be certain this type of violation does not occur in the future.

Licensee is in full compliance as of 1-28-94

ITEM B

The reason this violation happened was that in 1991 after our last NRC inspection licensee submitted a new license application with new safety text. The new license was not received until shortly before the recent NRC inspection and the RSO did not know which manual to review; i.e., the old safety text or the new (unapproved) safety text.

This problem was resolved during the recent inspection and the RSO is preparing to give the required classes with the new safety text.

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Corrective steps comprise instructions to the secretary to set up notice for the RSO to make certain yearly safety reviews are given and documents are signed to verify completion of the safety reviews.

Licensee will have completed the safety reviews and be in full compliance by May 31, 1994.

#### ITEM C

This violation resulted from a misunderstanding between the RSO and the NRC officials as explained to Mr. Richard Leonardi, Jr. on 2-9-94. It was our understanding from previous discussions with NRC personnel that the monitoring report need not follow the source to the storage container.

With the new information from Mr. Leonardi, we have implemented a new procedure wherein the logging supervisors have been instructed to fill out a monitoring report to read "Vehicle Loaded and Material Returned to Storage after Job Completed"

Additionally RSO will, during the first job of each year, make certain that the monitoring is done correctly.

Licensee is in full compliance with a new policy effective 2-9-94.

#### ITEM D

There was a misunderstanding between the RSO and the NRC inspector during the previous inspection. It was the RSO's opinion the sources that remained inactive and in the storage container need not be leak tested or inventoried along with the active sources. In discussions with Mr. Leonardi during the last inspection we agreed to change our policy and include the inactive sources along with the active sources on the inventory.

The RSO agreed with the NRC official to implement a policy of placing all sources on the inventory list.

The secretary has been instructed to review the inventory list to make certain all sources appear on each inventory list.

Licensee is in full compliance as of 2-9-94.

#### ITEM E

The RSO was not aware of the specific requirement for metal tags. As soon as this was brought to his attention by the NRC official, steps were taken to place the tags on the containers.

Metal tags with legend "CAUTION RADIOACTIVE MATERIAL-NOTIFY CIVIL AUTHORITIES" These tags were purchased and installed on the containers as of 1-28-94.

Licensee is in full compliance with the violation as of 1-28-94.

ITEM F

There was apparently some confusion with regard to the I.D. number as discussed with Mr. Leonardi on 2-9-94 in a telephone conversation. This is explained as follows:

The inspector identified a number as 71-T-428B when in fact our I.D. number is 71-1-428B. This source; i.e., 71-1-428B is in service at the present time.

This violation has been resolved without corrective action needed and licensee is in full compliance.

It will be noted licensee has made an immediate effort to address each and every violation set forth in the NRC notice of violation and to correct every item presenting a problem. New procedures have been implemented to make certain further violation do not happen.

Licensee appreciates the courtesies extended by the examiner and the help the examiner gave in explaining the individual items of concern as well as the steps that need to be done to correct the violations. We have followed the instructions and advise given and hope all matters have been successfully resolved to the satisfaction of the examiner and the NRC.

Licensee sincerely believes no further corrective action is needed to ensure full compliance with all rules and regulations. In the absence of hearing further from your office we will presume all matters have been fully addressed and resolved.

Sincerely,



Theodore W. Morton, RSO