

SEP 18 1990

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Source Production & Equipment Company Inc.  
ATTN: Mr. R. D. Donny Dicharry, President  
113 Teal Street  
St. Rose, LA 70087

Dear Mr. Dicharry:

I am responding to your letters dated May 26, and June 26, 1990, in which you described corrective actions that have been taken in regard to the Items of Nonconformance and Notice of Violation identified in our letter of April 27, 1990.

Source Production & Equipment Company, Inc., responses to the items of Nonconformance were adequate and no additional information is requested.

The response to the Notice of Violation dated April 27, 1990 is not acceptable. The paragraphs cited in your Quality Assurance Manual only address the control of nonconformance required by 10 CFR 71.131. You are also required by 10 CFR 21.21(a) to establish a procedure which (1) provides for evaluating deviations or informing the licensee or purchaser of deviations; and (2) assuring that a responsible officer is informed if the component fails to (a) comply with the Atomic Energy Act of 1954, amended, or any rule, regulation, order or license of the Commission; or (b) contains a defect.

Please provide within 30 days from the date of this letter, a written response to the Notice of Violation which contains: (1) a description of steps that will be taken to correct the violation; and (2) the date your corrective action will be completed. Should you have any questions, we will be pleased to discuss them with you.

Original Signed by  
CHARLES E. MACDONALD

Charles E. MacDonald, Chief  
Transportation Branch  
Division of Safeguards  
and Transportation, NMSS

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