MAN 0 7 1983

License No. 35-16191-01 EA 82-133 dkr. 03010972

> Exam Company ATTN: Mr. Edwin E. Eaves Assistant Vice President 1115 West 41st Street P. O. Box 7589 Tulsa, Oklahoma 74107

Gentlemen:

This refers to the special safety inspection conducted by Mr. C. A. Hooker of our staff on October 7-8, 1982, of activities authorized by NRC Byproduct Material License No. 35-16191-01. The inspection concerned your notification to us of the overexposure of two individuals performing radiography using a 60 curie iridium-192 sealed source near Michigan City, Indiana, on October 4, 1982.

Three violations were identified during this inspection and are listed in the Notice of Violation and Proposed Imposition of Civil Penalty enclosed with this letter. The violations in the Notice have been categorized at the severity levels described in the NRC Enforcement Policy published in the Federal Register, 47 FR 9987 (March 9, 1982). These findings were discussed on November 3, 1982, during an Enforcement Conference held at the Region IV office with Mr. R. L. Bangart and other members of the Region IV staff, and with you and Mr. Mobley of the Exam Company. The incident on October 4, 1982, led to two exposures in excess of 3 rems and a potential for the exposure of members of the public. Of particular concern to the NRC staff is the fact that an Exam management representative did not take forceful action to stop the radiographic operations when he became aware that potentially defective equipment was being used. Had operations been halted, the overexposures would not have occurred.

In order to emphasize the need to provide proper control of the use of radiographic exposure devices which have a high potential for serious exposure to workers and members of the general public, we propose the imposition of a civil penalty for the violation associated with the inadequate survey which resulted in the overexposures. The violation involving excessive radiation levels in an unrestricted area was categorized as a Severity Level III violation but was not assessed a civil penalty because it resulted from the inadequate survey and members of the public were not exposed. After consultation with the Director of the Office of Inspection and Enforcement, I have been authorized to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the cumulative amount of Six Thousand Four Hundred Dollars.

CERTIFIED MAIL RETURN RECEIPT REQUESTED D: DV&TP D:E MO TPB QLe C: TPB RA: RIV C: FRPS 4 RBangarter/67 GBrown EJohnson JCollins CAHooker:de JEverett 0 101/83 1/5/83 7/83 1/5/83 19/83 14/83 TE HA TEOT 8301180236 830107 NMS LIC30 35-16191-01 PD has concurred PDR

by telephone.

Exam Company

You are required to respond to the Notice of Violation and, in preparing your response, you should follow the instructions specified in the Notice. Your written reply to this letter and Notice will be the basis for determining whether additional enforcement actions, including license suspension, are warranted.

The responses directed by this letter and the accompanying Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosure will be placed in the NRC's Public Document Room.

Sincerely,

John T. Collins Regional Administrator

Enclosure:

Notice of Violation and Proposed Imposicion of Civil Penalty

cc: Oklahoma Department of Health Radiation Protection Division Indiana State Board of Health

c/o DMB (1E-07)

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