NOTICE OF VIOLATION

Flexel Indiana, Inc. Covington, IN 47932 License No. 13-24621-01 Docket No. 030-18687

During an NRC inspection conducted on January 28, and March 14, 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. 10 CFR 20.1801 requires, in part, that licensed materials stored in an unrestricted area be secured from unauthorized removal or access.

Contrary to the above, since 1988 licensed material consisting of two krypton-85 gauging devices located in an electrical workshop, an unrestricted area, have been not secured against unauthorized removal or access.

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

 Condition 17 of License No. 13-24621-01 requires that licensed material be possessed and used in accordance with statements, representations and procedures contained in an application received December 16, 1985.

Item 10 of the section of this application entitled "Radiation Protection Program," requires, in part, the Texas Nuclear Model 2652 survey meter to be calibrated periodically by individuals authoriz d to perform such calibrations.

Contrary to the above, as of January 28, 1994, the Texas Nuclear Mode! 2652 survey meter had not been calibrated since 1984. Since licensee personnel are authorized to install, relocate, remove from service and conduct initial surveys of devices containing licensed materials, a period of ten years or more between survey meter calibrations is considered to be in excess of industry standards which generally ascribe to annual calibrations.

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

Pursuant to the provisions of 10 CFR 2.201, Flexel Indiana, 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

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(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 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.

MAR 1 5 1994

Dated

foet B. J. Holt, Chief

Nuclear Materials Inspection Section 1