SEP 1 1982

Sheppard, Morgan and Schwaab, Inc.

ATTN: Mr. John H. Hales

Vice President

P.O. Box E.

215 Market Street Alton, IL 62002

Gentlemen:

This refers to the routine safety inspection conducted by Dr. L. W. Shatterly of this office on August 17, 1982, of activities authorized by NRC Byproduct Material License No. 12-20170-01 and to the discussion of our findings with you at the conclusion of the inspection.

The inspection was an examination of activities conducted under your license as they relate to radiation safety and to compliance with the Commission's rules and regulations and with the conditions of your license. The inspection consisted of a selective examination of procedures and representative records, observations, independent measurements, and interviews with personnel.

During this inspection, certain of your activities appeared to be in noncompliance with NRC requirements, as specified in the enclosed Appendix. A written response is required.

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.

We will gladly discuss any questions you have concerning this inspection.

G. Wiedeman, Chief

Materials Radiation Protection

License No. 12-20170-01

34-18446

Section 1

Enclosure: Appendix, Notice of Violation

cc w/encl:

DMB/Document Control Desk (RHDS)

Shatterly/jp

8/27/82

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