

DEC 31 1990

In Reply Refer To:
License: 35-23304-01
Docket: 030-20880/90-01

Hole Truth, Inc.
ATTN: L. D. Robertson
P.O. Box 96756
Oklahoma City, Oklahoma 73143

Gentlemen:

This is in response to your letter dated September 17, 1990, and that of your consultant, Support Consultants and Associates, Inc., dated September 18, 1990.

These letters were submitted in response to our letter and Notice of Violation (NOV) dated August 21, 1990. Our letter also responded to your earlier request for relief from our order dated October 24, 1988, which required that an independent party perform quarterly audits of your radiation safety program for 2 years. We stated in the letter that we had decided to defer our decision on your request until we have reviewed the results of another audit.

In your letter you admitted and fully responded to the violation cited in our letter and NOV regarding the receipt and possession of a radioisotope not authorized by specific license. However, the letter from you and your consultant requested that the requirement for this remaining audit be eliminated based on your belief that the violation was unrelated to the need for the audit, your contention that it was not indicative of a health physics problem with your safety program, and because the requirement would be a financial burden for your firm.

A later telephonic discussion with Mr. Robertson by Mr. C. L. Cain of my staff on December 13, 1990, disclosed that you have reconsidered your response and now believe that an independent audit during January 1991 is in your best interest. We agree that this audit is necessary to demonstrate that your program is free of further problems as you assert.

The audit should be conducted in accordance with the conditions of the order, and a report of the audit results should be forwarded to this office.

Sincerely,
Original Signed By:
A. B. BEACH
A. Bill Beach, Director
Division of Radiation Safety
and Safeguards

cc:
Oklahoma Radiation Control Program Director

bcc: (see next page)

*RIV:NMSIS *C:NMSIS
RABrown:ch CLCain
/ / / /
*Previously occurred

D:DRSS
ABBeach
12/29/91

IE-07
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Hole Truth, Inc.

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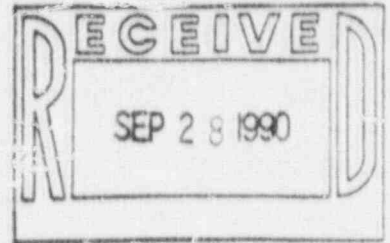
bcc w/copy of licensee letter:
DMB - Original (IE-07)
RDMartin
ABBeach
LAYandell
MRodriguez, OC/LFDCB (MS 4503)
CLCain
WLFisher
RABrown
NMSIS
MIS System
RIV Files (2)
RSTS Operator

Hole Truth Inc.

Stimulation Evaluation

BOX 94890 94856
OKLAHOMA CITY, OKLAHOMA 73143

Oklahoma City Phone 670-3861



September 17, 1990

License: 35-23304-01
Docket: 030-20880/90-01

U.S. Nuclear Regulatory Commission - Region IV
611 Ryan Plaza Drive, Suite 1000
Arlington, Texas 76011

Attn: Mr. A. Bill Beach, Director
Div. of Radiation Safety & Safeguards

Gentlemen:

We are in receipt of the Notice of Violation which resulting from a inspection on July 26, 1990, and respond as follows:

- (1) I do not deny that we received, owned, possessed, and used 60 milli-curies of antimony-124, however, I honestly believed that it was named on the license, as I had intended to add it by amendment many months ago.
- (2) Hole Truth does have need for this isotope on its license, so I have submitted to the NRC a request that it be added by amendment.
- (3) With the addition of antimony-124 to the license all of the isotopes used in our tracer operations will be named on the license, so this violation should not reoccur. I am the only operator, and I have reviewed the license and the changes in the isotopes which are pending, awaiting amendment, and I am keenly aware of the authorized materials. I will send the new amendment to our supplier upon receipt.
- (4) Since this was a one time occurrence, just to cease and desist from any use of an unauthorized isotope brings us into compliance. I believe the above steps have brought Hole Truth, Inc. into full compliance in regard to this matter.

I do not agree that this violation should have any bearing on the audits, because it clearly is not a health physics problem. My consultant, Keith Moon, who has made the audits may not have noticed the antimony-124, or if he did, since the two of us had discussed adding it to the license many months ago, he probably assumed it was on the license. The reason for the request to discontinue the audits is to alleviate the financial burden of paying my consultant. He has tried to schedule the audits along with work for other clients in the area to reduce the cost somewhat, but as I have told you before, I have been fighting to keep this enterprise alive in these economically depressed times. I have worked hard to bring this program into full compliance, and I am asking again that the audit requirements be eliminated due to financial hardship and that the antimony situation be looked at exactly as it is, an error that won't be repeated.

Sincerely,

A handwritten signature in dark ink, appearing to read "L. D. Robertson".

L. D. Robertson
President & RSO

pm
cc: Keith Moon

IC-90-281

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AUG 21 1990

In Reply Refer To:
License: 35-23304-01
Docket: 030-20880/90-01

Hole Truth, Inc.
ATTN: L. D. Robertson
P.O. Box 96756
Oklahoma City, Oklahoma 73143

Gentlemen:

This refers to the routine, unannounced radiation safety inspection conducted by Mr. R. Brown of this office on July 26, 1990, of the activities authorized by NRC Byproduct Material License No. 35-23304-01, and to the discussion of our findings held by the inspector with members of your staff at the conclusion of the inspection.

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

During this inspection, certain of your activities were found not to be conducted in full compliance with NRC requirements. Consequently, you are required to respond to the enclosed Appendix - Notice of Violation in writing, in accordance with the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Your response should be based on the specifics contained in the Notice of Violation.

The letter dated June 28, 1990, from your consultant, Support Consultants and Associates, Inc., requests NRC to consider relief from our order issued to you dated October 24, 1988. This order required that an independent party perform quarterly audits of your radiation safety program for 2 years. To date we have received reports from your consultant relating to five audits that have been conducted by him.

We have reviewed your consultant's request in conjunction with the findings of the current inspection, and have decided to defer our decision on your request until we have reviewed the results of the audit that is to be performed during the last quarter of this calendar year. Since you possessed unauthorized materials at the time of this inspection, and the previous audit by your consultant had not identified this issue, we believe another audit should be performed prior to making such a decision. The audit should be conducted in accordance with the conditions of the order, and a report of the audit results should be forwarded to this office.

*RIV:NMIS
RABrown:lm
/ /90

*C:NMIS
CLCain
/ /90

D:DR&S
ABE:each
8/21/90

*EO
GF:Robertson
8/17/90

*Previously concurred

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IE-07

Hole Truth, Inc.

-2-

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter, the enclosure, and your response to this letter will be placed in the NRC Public Document Room.

The response directed by this letter and the accompanying Notice is 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.

Should you have any questions concerning this letter, we will be pleased to discuss them with you.

Sincerely,

Original Signature

A. B. BEACH

A. Bill Beach, Director
Division of Radiation Safety
and Safeguards

Enclosure:
Appendix - Notice of Violation

cc:
Oklahoma Radiation Control Program Director

bcc:
DMB - Original (IE-07)
RDMartin
ABBeach
LAYandel
MRodriguez, OC/LFDCB (4503)
*CLCain
*WLFisher
*RABrown
*NMIS
*MIS System
*RIV Files (2)
*RSTS Operator
*REHall, URFO
*GFSanborn
JLieberman, OE

*W/766

APPENDIX
NOTICE OF VIOLATION

Hole Truth, Inc.
Oklahoma City, Oklahoma

Docket: 030-20880/90-01
License: 35-23304-01

During an NRC inspection conducted on July 26, 1990, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1990) (Enforcement Policy), the violation is listed below:

10 CFR 30.3 states, in part, that no person shall manufacture, produce, transfer, receive, acquire, own, possess, or use byproduct material except as authorized in a specific license.

Contrary to the above, on February 19, 1990, the licensee received, owned, possessed, and used 60 millicuries of antimony-124, a radioisotope not authorized by specific license.

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

Pursuant to the provisions of 10 CFR 2.201, Hole Truth, Inc., is hereby required to submit to this office, within 30 days of the date of the letter transmitting this Notice, a written statement or explanation in reply, including for each violation: (1) the reason for the violation if admitted, (2) the corrective steps which have been taken and the results achieved, (3) the corrective steps which will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Where good cause is shown, consideration will be given to extending the response time.

Dated at Arlington, Texas,
this 21st day of August 1990

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