Support Consultants & Associates, Inc. Route 2, Box 254 De Leon, Texes 76444 (817) 893-2088

January 10, 1991

Docket: 30-20880 EA: 88-212

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

Attn: Mr. William L. Fisher, Chief Nuclear Materials Safety Branch

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Re: Hole Truth, Inc. - License No. 35-23304-01

Gentlemen:

Following is a report of my final audit of Hole Truth, Inc. These audits were a condition of the NRC's Order Modifying Licens. A copy of this audit 's being provided to the licensee simultaneously.

1. On January 3, 1991, I conducted an audit of records and equipment of the licensee in Oklahoma City, Oklahoma, and found no areas of noncompliance. As you know, L.D. Robertson is the only operator for Hole Truth, Inc. as well as manager of the radiation safety program. I have known him for 20 years and know him to be a very skilled well logger who has a reputation for excellent job performance and safe handling of radioactive materials.

2. This was not an audit to observe performance of the licensee while engaged in licensed activities at a well logging field site.

3. Records were complete and in order, in fact, I would say they were in excellent shape. Use records reveal no use of unlicensed materials.

4. Mr. Robertson advised that business has been slow. He has performed several jobs for Jetco Perforating & Logging, Inc. as a subcontractor. He has received the amendment to move Hole Truth into Jetco's facility and is making preparations to move in the very near future. His mental health appears to be fine, however, his physical health has deteriorated. He has a very bad case of psoriasis for which he is being treated with chemotherapy. He has maintained his weight loss, but is still smoking very heavily.

This concludes my audits and reports for Hole Truth, Inc., and I no longer accept any responsibility for the level of compliance. It should also be understood that had I not performed the last three audits and communications with the NRC at a no cost basis for Hole Truth, these series of inspections would have bankrupt this company.

9101170236 910110 REG4 LIC30 35-23304-01 PDR Page Two U.S. NRC - Region IV January 10, 1991

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It appears that the NRC's lack of flexibility not only with Hole Truth, but with other companies is producing the desired results the NRC is apparently trying to achieve. I have had many companies talk to me about terminating their license and eliminating the radioactive services they presently offer. One of these days the NRC will realize how much damage they have done, although I do not expect them to admit it. The NRC's IRS approach to doing business will produce a mass exodus of licensees no longer willing to put up with the petty nitpicking by your organization, and we will have the loss of an importantly needed technology which has a direct bearing on production of stripper type wells, which makes up the bulk of the United States' oil production. The long term prognosis for oil drilling and recovery in the United States is terrible and we are destined that foreign producers will determine the price. The NRC along with other regulatory identities must share part of the responsibility for creating this dilemma. I am acutely aware that these comments will have virtually no impact on your present philosophy, however, I am in hopes that someday something will change.

Sincerely

KEM:pm

cc: L. D. Robertson - Hole Truth, Inc.