JAN 09 1991

Docket No. 030-14353

License No. 29-18018-01

Testwell Craig Testing Laboratories, Inc. ATTN: Michael W. Cannan President P. O. Box 477 565 E. Harding Highway Mays Landing, New Jersey 08330

Gentlemen:

On December 5, 1990 James P. Dwyer of this office conducted a safety inspection at the above address of activities authorized by the above listed NRC license. The inspection was an examination of your licensed activities as they relate to radiation safety and to compliance with the Commission's regulations and the license conditions. The inspection consisted of observations by the inspector, interviews with personnel, and a selective examination of representative records. The findings of the inspection were discussed with you at the conclusion of the inspection.

Based on the results of this inspection, it appears that your activities were not conducted in full compliance with NRC requirements. A Notice of Violation is enclosed as Appendix A and categorizes each violation by severity level in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (Enforcement Policy). You are required to respond to this letter and in preparing your response, you should follow the instructions in Appendix A.

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

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.

Item A described in the attached Notice of Violation involving the storage and control of licensed material is classified as a Severity Level IV violation. As indicated in Supplement IV of the NRC Enforcement Policy, significant violations of this type are normally classified as Severity Level III. However, after careful consideration of the factors involved in this specific instance, it is felt this incident posed a minimal health and safety problem. We have exercised our judgment under the NRC Enforcement Policy and have classified this violation as Severity Level IV. Similar violations of this type in the future may result in additional enforcement action.

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Item B in the Notice of Violation enclosed with this letter was identified during a previous inspection of your licensed activities and documented in a Notice of Violation enclosed with our letter dated April 19, 1988. From this inspection, it appears that your corrective actions were not effective since this item has recurred. Recurrent and uncorrected violations are given additional weight in the consideration and selection of appropriate enforcement action. Therefore, in your response to this letter, you should give particular attention to those actions taken or planned to ensure that identified items of noncompliance will be completely corrected and will not recur.

Your cooperation with us is appreciated.

Sincerely, ORIGINAL SIGNED BY: JOHN R. WHITE

John R. White, Chief Nuclear Materials Safety Section C Division of Radiation Safety and Safeguards

Enclosure: Appendix A, Notice of Violation

CC: Public Document Room (PDR) Nuclear Safety Information Center (NSIC) State of New Jersey

bcc: Region I Docket Room (w/concurrences) Management Assistant, DRMA J. R. White, RI J. P. Dwyer, RI

RI:DRSS Dwyer

01/7/91

RT: DRSS White

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