



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV

611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064

MAY 20 1994

Docket: 030-28723
License: 35-23183-01

Mr. Justin McCollough
P.O. Box 585
Wheatland, Oklahoma 73097-0585

SUBJECT: WELL SITE INSPECTION, INC. (OI CASE NO. 4-93-25R)

This letter refers to the NRC ORDER REVOKING LICENSE, dated October 23, 1992, and to the special, unannounced inspection by Mr. Robert A. Brown of this office on May 5, 1993. The purpose of the inspection was to ensure that the pipe wall thickness gauge, which had been authorized by the revoked license, had been disposed of properly upon receipt of the revocation order.

The referenced inspection and a subsequent investigation conducted by the NRC's Office of Investigations (OI) concluded that:

- On April 4, 1992, the State of Oklahoma suspended the corporate charter and, therefore, the right of the corporation to do business in Oklahoma of Well Site Inspection, Inc. The corporation now defunct had been previously authorized by NRC License 35-23183-01 to possess a pipe wall thickness gauge.
- On May 5, 1993, an unlicensed entity called Well Site (nominally Mr. Justin McCollough) possessed the pipe wall thickness gauge formerly possessed by Well Site Inspection, Inc. under License 35-23183-01. Mr. McCollough stated to the inspector that the gauge had been used once or twice a week by Well Site.
- As of May 5, 1993, Mr. McCollough claims to have been unaware that License 35-23183-01 had been revoked on October 23, 1992.

The OI investigation produced insufficient evidence to conclude that Well Site had deliberately violated NRC requirements by possessing licensed material without an NRC license. While not deliberate, a violation of NRC requirements did occur. Although NRC normally would issue a Notice of Violation upon finding that Well Site (Mr. McCollough) possessed a pipe wall thickness gauge without a license, we are not doing so, since the gauge was transferred to a properly authorized licensee, Tubular Technology, Inc.

However, if you apply for another NRC license, either as an individual or as an owner or officer of a corporation, at that time we will ask you to provide

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Mr. Justin McCollough

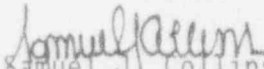
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written assurance that such violations will not occur under the license being applied for.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter will be placed in the NRC Public Document Room.

If you have any questions concerning this letter, please contact Mr. William L. Fisher at (817) 860-8100.

Sincerely,


Samuel J. Collins, Director
Division of Radiation Safety
and Safeguards

cc:
Oklahoma Radiation Control Program Director

Mr. Justin McCollough

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bcc:
DMB - Original (IE-07)
LJCallan
SJCcollins
DDChamberlain
RAScarano
DWeiss, OC/LFDCB (4503)
WLFisher
CLCain
FAWenslawski, WCFO
RABrown
NMIB
MIS System
RIV Files (2)
GFSanborn, EO
WLBrown, RC
JLieberman, OE (7 H5)
LWilliamson, OI
R Wise, AC

RIV:C:NMLB	NMIB <i>RAB</i>	C:NMIB <i>W</i>	EO <i>W</i>	RC <i>W</i>	D:DRSS
WLFisher <i>W</i>	RABrown <i>RAB</i>	CLCain	GFSanborn	WLBrown	SJCcollins
05/11/94	05/16/94	05/16/94	05/17/94	05/17/94	05/18/94

Mr. Justin McCollough

-3-

bcc:
DMB - Original (IE-07)
LJCallan
SJCcollins
DDChamberlain
RAScarano
Dweiss, OC/LFDCB (4503)
WLFisher
CLCain
FAWenslawski, WCFO
RABrown
NMIB
MIS System
RIV Files (2)
GFSanborn, EO
WLBrown, RC
JLieberman, OE (7 H5)
LWilliamson, OI
Rwise, AC

RIV:C:NMLB	NMIB	C:NMIB	EO	RC	D:DRSS
WLFisher	RABrown	Cain	GFSanborn	WLBrown	SJCcollins
05/11/94	05/10/94	05/16/94	05/17/94	05/17/94	05/17/94