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Nite-Site, Incorporated ATTN: Mr. Elliel Enutsen President P.O. Box O Rosemount, Minnesota 55068 License No. 22-13585-01 License No. 22-13585-20

Gentlamen:

This refers to the inspection conducted by Mr. J. H. Douglas of this office on June 13, 1974, of activities authorised by AEC Byproduct Material Licenses No. 22-13585-01 and No. 22-13585-2G and to the discussion of our findings with you at the conclusion of the inspection.

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

In addition to the above areas, the inspector examined actions described in your letters dated July 10 and 19, 1972, regarding the apparent items of noncompliance found during our May 1972 inspection. We have no further questions on these matters.

During this inspection, it was found that certain of your activities appear to be in violation of AEC requirements. The items and reference to the partinent requirements are listed in the enclosure to this latter.

This notice is sent to you pursuant to the provisions of Section 2.201 of the AEC's "Rules of Practice." Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office within twenty days of your receipt of this notice, a written statement or explanation in reply, including: (1) corrective steps which have been taken by you, and the results achieved; (2) corrective steps which will be taken to avoid further violations; and (3) the date when full compliance will be achieved. Such a statement or explanation should be provided for each of the items listed.

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Mite-Site, Imcorporated

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

Sincerely yours,

James G. Keppler Regional Director

Enclosure:

bcc: RO Chief, FS&EB RO:HQ (4)

L:D/D for Fuels & Materials

DR Central Files

RO Files PDR NSIC

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Form AEC-318 (Rev. 9-53) AECM 0240

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