OCT 2 3 1992

Geotechnology, Inc. Attn: Mr. John Baker Vice President 2258 Grissom Drive St. Louis, MO 63146 License No. 24-24459-01 Docket No. 030-18640 EA 92-199

Dear Mr. Baker:

SUBJECT: NRC INSPECTION REPORT NO. 030-18640/92001(DRSS)

This refers to the special safety inspection conducted by Mr. Michael F. Weber of this office on October 8, 1992, of activities authorized by NRC Byproduct Material License No. 24-24459-01. The inspection included a review of the circumstances surrounding an incident on October 1, 1992, in which a gauge containing licensed material was damaged. At the conclusion of the inspection, the findings were discussed with you.

The enclosed copy of our inspection report identifies areas examined during the inspection. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observations, independent measurements, and interviews with personnel.

In addition to the above areas, the inspector examined actions regarding violations found during our April 24, 1991 inspection. We have no further questions regarding these matters.

Based on the results of this inspection, one apparent violation was identified and is being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), 10 CFR Part 2, Appendix C. Accordingly, no Notice of Viclation is presently being issued for this inspection finding. In addition, please be advised that the apparent violation described in the enclosed inspection report may change as a result of further NRC review.

A telephone enforcement conference to discuss the apparent violation has been scheduled for Tuesday, November 3, 1992 at 10:00 a.m. (CDT).

The purposes of this conference are to discuss the apparent violation, the root causes, contributing factors and safety significance; to provide you the opportunity to point out any errors in our inspection report; to provide an opportunity for you to present your proposed corrective actions; and to discuss any other information that will help us determine the appropriate enforcement action in accordance with the Enforcement Policy. No response regarding the apparent violation is required at this time.

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

Sincerely,

Charles E. Norelius, Director Division of Radiation Safety and Safeguards

Enclosure: As stated

cc w/enclosure; DCD/DCB (RIDS)

bcc w/enclosure:
J. Lieberman, OE
J. Goldberg, OGC
R. Bernero, NMSS

Concurrences:

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