

JUN 24 1985

Mid-State Engineering
P. O. Box 588
Chamberlain, South Dakota 57325

License: 40-19304-01
Expiration Date: April 30, 1985

03017301

Gentlemen:

SUBJECT: NOTICE OF EXPIRED LICENSE

Your Byproduct Material License No. 40-19340-01 expired on April 30, 1985, and our records do not indicate that you filed an application for renewal in accordance with Section 30.36 of Title 10, Code of Federal Regulations, Part 30. You are in violation with Section 30.36, "Expiration and Termination of Licenses." Section 30.36 states in part:

- (a) Except as provided in §30.37(b) and paragraph (d)(3) of this section, each specific license expires at the end of the day, in the month and year stated in the license.
- (b) Each licensee shall notify the Commission immediately, in writing under §30.6, and request termination of the license when the licensee decides to terminate all activities involving materials authorized under the license. This notification and request for termination of the license must include the reports and information specified in paragraphs (d)(1)(iv) and (v) of this section. The license is subject to the provisions of paragraphs (d) and (e) of this section, as applicable.
- (c) No less than 30 days before the expiration date specified in a specific license, the licensee shall either:
 - (1) Submit an application for license renewal under §30.37; or
 - (2) Notify the Commission, in writing under §30.6, if the licensee decides not to renew the license.
- (d)(1) If a licensee does not submit an application for license renewal under §30.37, the licensee shall, on or before the expiration date specified in the license:
 - (i) Terminate use of byproduct material;
 - (iii) Properly dispose of byproduct material;
 - (iv) Submit a completed form NRC-314.

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

RIV:TA:DRS&S
GBrown/lw
6/10/85

NMS&SB
RJEverett
6/12/85

D:DRS&S
RLBantart
6/19/85

8506280125 850624
REG4 LIC30
40-19304-01 PDR

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This Notice of Violation is sent to you under the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within 30 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 (2) corrective steps which will be taken to avoid this happening in the future.

In addition to your reply to this Notice of Violation, if you want to continue your program you must immediately submit the enclosed NRC Form 313, "Application for Byproduct Materials License," to this office, U. S. Nuclear Regulatory Commission, Region IV, 611 Ryan Plaza Drive, Suite 1000, Arlington, Texas 76011, Attention: Chief, Nuclear Materials Safety and Safeguards Branch.

Also, you must immediately place any radioactive material on hand in secure storage until such time as you acquire a valid license. No other use of the material on hand or purchase of additional byproduct material is authorized. Include a statement in your reply to this Notice of Violation confirming that you have taken this action and describing the controls that will be exercised over the stored material until such time that you obtain a valid license.

Since your present license has expired, your application for renewal will be processed as a request for a new license. Accordingly, you must determine if your program is subject to a license fee as required by Section 170.31 of 10 CFR Part 170 and, if one is required, submit the appropriate fee along with the application.

If you choose not to reactivate your program, you must divest yourself of the material immediately, in a lawful manner, and complete the enclosed NRC Form 314, "Certificate of Disposition of Materials," and submit it within 30 days to the Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555. A copy of this completed form should be sent to the U.S. Nuclear Regulatory Commission, Region IV, 611 Ryan Plaza Drive, Suite 1000, Arlington, Texas 76011, Attention: Chief, Nuclear Materials Safety and Safeguards Branch.

The response directed by this Notice is 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.

We request that you give prompt attention to these matters. Should you have any questions regarding them, we would be pleased to discuss them with you.

Sincerely,

Original Signed by:
R. J. EVERETT

R. J. Everett, Acting Chief
Nuclear Materials Safety and
Safeguards Branch

Enclosures:

1. NRC Form 313
2. NRC Form 314
3. 10 CFR Part 170

cc w/o enclosures:

Vandy L. Miller, Chief, Licensing
Management Branch, NMSS

South Dakota Radiation Control Program Director

bcc: DMB (IE07)

R. Martin
R. Bangart
T. Westerman
J. Marshall
RIV Files
NMS&SB
G. Brown