



## PRECISION LOGGING & PERFORATING

220 NORTH BROADWAY  
CLEVELAND, OKLAHOMA 74020  
(918) 358-3521 / (918) 885-4417

January 7, 1988

Docket No. 30-19498  
License No. 35-17186-02  
EA 87-184

Director, Office of Enforcement  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Attn: Document Control Desk

Subject: Reply to a Notice of Violation

Gentlemen:

In response to Mr. Robert D. Martin's letter of December 10, 1987, please be advised that the items identified have all been corrected. Furthermore, an amendment request dated October 30, 1987 was submitted to the NRC Region IV office in accordance with the Confirmation of Action Letter. To further our efforts to reach full compliance, we retained Keith E. Moon of Support Consultants and Associates, Inc. to assist us. Mr. Moon came to our facility October 27-29, 1987 and conducted a radiation safety school which was successfully completed by all of our logging and support personnel. He also assisted us in the preparation of our amendment request pertaining to additional training and auditing procedures. We have further agreed to have Mr. Moon come to our facility again and train our clerical personnel to maintain the proper records in order to back up our Radiation Safety Officer's efforts in maintaining compliance. Mr. Moon also will be available for telephone consultations and will conduct periodic audits of our facility when in the area and will provide an annual safety review as set out in Part 39. Mr. Moon has our full confidence and is authorized to represent us pertaining to the matters stated in the December 10, 1987, correspondence.

We respond to the violations identified in the NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY by item as follows:

A. Failure to complete required surveys.

It is our contention that this violation should not be cited. We base this on the design and location of our source storage bunker. The bunker is an underground well in a corner of our shop, with walls on two sides. Previous surveys of the unrestricted areas adjacent to the source storage bunker had revealed no readings above 2 millirems in any hour. Since the number of sources and the other factors did not vary, we did not realize that it was necessary to make additional surveys. Apparently, those surveys were not recorded, which was unfortunate for us in that we could not give them as proof to the NRC inspector.

B. Radiological posting not erected.

"CAUTION - RADIOACTIVE MATERIAL" signs have been posted.

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C. Licensed materials unsecured in an unrestricted area.

All licensed materials are properly secured in a downhole storage bunker when not being transported to the job site. In the amendment request dated 10/30/87 we asked that our license be amended to allow temporary storage on the vehicles. When jobs are frequent, this will reduce the amount of exposure to personnel by reducing handling of the source during transfer from the transportation container to the storage bunker. During storage on the vehicle the source will be locked in its transport container (shield). Vehicle will be locked when unattended and if possible will be inside a locked fence or building.

D. Source inventory records not available.

It is our contention that this violation should not be cited. Our company has maintained leak test procedures on each source and have used the various sources in our inventory no less than monthly. The leak tests as well as the use of the source because of its design constitutes inventory as well as inspection of the condition of the source. This regulation and or guide perhaps may be appropriate to a large company, but we do take exception to it being enforced as far as our company is concerned since we feel that we have complied with its intent through our leak test records. However, in the future we will make a record of this inventory and inspection at the time of our semiannual leak tests.

E. Missing radioactive shipping labels.

Appropriate labels have been placed on all DOT 7A transportation containers.

F. Source shipping papers not completed.

Shipping papers have been completed with the appropriate DOT shipping information and are present on each of our vehicles.

G. Licensed materials stored in truck rather than storage wells.

On 10/30/87 we requested an amendment to our license to store licensed materials (sources) on our trucks. It was management's understanding that this amendment had already been acquired by our previous Radiation Safety Officer. All materials are being stored in our downhole storage bunker until this amendment is issued.

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It is our intent to maintain the highest level of compliance that we can reasonably achieve. We feel that we have erred to some degree in the supervision of personnel responsible for our Radiation Safety Program. To correct this we have requested an amendment changing our Radiation Safety Officer, and we have retained Mr. Moon to assist us in improving compliance. But it should be clearly understood that in our opinion Mr. Martin's statement that these violations demonstrate "a significant breakdown in management oversight and control" is in error. If the violations pertained to such factors as inadequate personnel exposure monitoring, or failure to provide calibrated survey meters, or not leak testing the sources, or not providing training for personnel, the statement might have some foundation, but this is not the case.

In conclusion, our company has gone to a great deal of expense to accommodate the enforcement actions which resulted from the inspection. It is our desire to cooperate with the NRC in every way reasonably possible. We realize that the NRC has a job to do and is under some pressure by the public and by State representatives to get tough with the "slackers". However, we feel that the assessment of a civil penalty in the amount of \$1,000.00 is inappropriate, unfair, and illadvised in the oil industry's present situation. Furthermore, the cited violations do not constitute a health physics problem, but a procedural problem, and we do not feel that the accumulative factor should apply. We are, therefore, writing a letter in protest of this proposed penalty and requesting that it be eliminated. It is our considered opinion that no one will be served through the assessment of this penalty.

Sincerely,

PRECISION LOGGING & PERFORATING COMPANY



Carol Spess, Owner

cc: Mr. Robert D. Martin, Regional Administrator  
U. S. Nuclear Regulatory Commission, Region IV

Keith E. Moon  
Support Consultants & Associates, Inc.