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(1918-1983)

November 5, 1985

Director, Office of Inspection and Enforcement
USNRC
Washington, D.C. 20555

REPLY TO NOTICE OF PROPOSED VIOLATIONS

Subject: Met-Chem Engineering Laboratories, Inc.
Docket No. 30-19059
License No. 43-19662-01
EA 85-92

Gentlemen:

We are making a reply on behalf of Met-Chem Testing Laboratories of Utah, Inc. Mr. N. W. Hansen received your communication and provided us with the copy.

Please be advised that Met-Chem Engineering Laboratories, Inc. was a wholly owned subsidiary of Hoskins-Western-Sonderberg, Inc.

Met-Chem Engineering Laboratories, Inc. operated from several locations, including Salt Lake City. It operated a separate office location in Wyoming.

Several Salt Lake City residents desired to purchase the Salt Lake Office from the Met-Chem Engineering Laboratories, Inc. and created a corporation called NWH Corporation, Inc.

Met-Chem Engineering Laboratories, Inc. was a Nevada corporation and Hoskins-Western-Sonderberg, Inc. was a Nebraska corporation. Under a date of September 10, 1984, NWH Corporation, Inc. purchased the assets located in Salt Lake City from the selling corporations.

In a separate transaction, another corporation purchased the assets located in Wyoming from the selling corporations. There is no relationship between the Wyoming corporation and the Utah corporation.

Met-Chem Engineering Laboratories, Inc. withdrew from the State of Utah and thereafter, in October of 1984, NWH Corporation changed its name to MET-CHEM TESTING LABORATORIES OF UTAH, INC. and has since that date been operating under this date.

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Your letter of notice of violation contains some matters which may affect our client, Met-Chem Testing Laboratories of Utah, Inc. and others which relate to Met-Chem Engineering Laboratories. It appears that there would be no gain in referring to the technical lapse in the notice and therefore in the Exhibit 1 attached hereto, we respond to those matters which affect this corporation, Met-Chem Testing Laboratories of Utah, Inc.

Although we have no relationship with Met-Chem Engineering Laboratories, as a matter of courtesy, we are forwarding a copy of your letter and some comments as to certain items indicated thereon.

If you receive any inquiries from our customers, it would be appreciated if you would clarify the responsibility of this corporation and the responsibility of Met-Chem Engineering Laboratories.

You are advised that we object seriously to the imposition of a \$5,000 penalty and draw your attention to the fact that all of the claimed violations are either routine, nonrisk, or involving violations or of a very questionable nature and not the responsibility of this corporation. If you do not determine to waive the penalty, after consideration of the corrective action that has been taken and the nature of the violations, obviously this item should be considered as a demand for hearing.

Respectfully yours,

BIELE, HASLAM & HATCH



IRVING H. BIELE

Attorneys for Met-Chem Testing
Laboratories of Utah, Inc.

IHB:cd

cc: Region IV Office of the USNRC
Met-Chem Testing Laboratories of Utah, Inc.

EXHIBIT 1 TO NUCLEAR REGULATORY COMMISSION
MET-CHEM ENGINEERING LABORATORIES, INC.
NOTICE OF VIOLATIONS

**VIOLATIONS THAT MAY BE THE RESPONSIBILITY
OF MET-CHEM TESTING LABORATORIES OF UTAH, INC.**

ITEM 6: Item 6 of the October 8th letter indicates that the pocket dosimeter of one licensed radiographer was not recharged at the start of his shift on several occasions.

1. It is admitted that the dosimeter was not recharged on the indicated occasions.

2. A record was kept on each occasion of the reading of the dosimeter but the reading was nominal and since the dosimeter collectively cumulates the record, the record of each subsequent day's dose could be determined. At all times during this period the daily records were maintained and no excessive dose was indicated.

3. Corrective action has been undertaken and all personnel are required to reset dosimeters daily as well as record the daily settings.

4. The daily record of dosimeter readings is regularly reviewed to be certain that the dosimeters are reset as well as the reading recorded.

5. Full compliance was effected immediately after notification of the technical violation.

ITEM 9 of the October 8th letter:

1. Admit that the leak test on a sealed source (radioactive isotopes) was not performed within a six month's period.

2. Ordinarily in the business of the corporation it does not keep the radioactive isotopes over a six month's period. This was an unusual case where they were kept for a longer period. The leak test was performed one month late and there was no leak.

3. Procedural steps have been created to be certain that radioactive isotopes are returned within the six month's period or in the alternative that a test is made at the end of that time. No further violations have occurred.

4. Refer to answer in paragraph 3 for corrective steps.

5. The test was accomplished at the end of the seventh month and there is full compliance.

ITEM 10: Items 10a and 10b of the October 8th letter:

1. Admit that the personnel did not specify the reasons why the overage reading occurred and require a written statement of the same.

Training was not conducted on a formal or classroom basis but done individually with each party. Initial training was well documented but refresher training was not.

2. The operation manual required formal initial and refresher training.

3. The manual has been reviewed to require refresher training and formal written notices explaining the reason why an overage reading occurred and the working conditions.

4. The radiation officer is now required to verify the written reports and supervise the refresher training.

5. The corporation is presently in full compliance.

ITEM 11: of the October 8th letter:

The manufacturers of the containers write the use directions which must be followed.

The items were used in accordance with the manufacturer's directions. Met-Chem Engineering Laboratories, Inc. filed with the NRC a notice that it was a user of a Dot Specification Container and was notified on filing that the NRC already had the filing and did not want this corporation to file a new one.

ITEM 12: of the October 8th letter:

Admit that the records did not show disposal but indicate that they did show the transfer. Management requested instructions for transfer from the NRC and it did not advise the necessity of disposal. Disposal application has been made.

ITEM 13: Items 13a and 13b of the October 8th letter.

13a. Deny. A file was maintained as to the certifications for special form sources processed and shipped by the licensee in 1985. These records were not located until after the inspection but were in fact in the possession of the company.

13b. Deny that the cameras were improperly labeled. Each camera was labeled with a yellow with magenta containing the words, "Caution, Radioactive Materials." An inspector from the Nuclear Regulatory Commission, two years prior thereto, had stated that this marking was sufficient for the cameras as the same were placed in a special welded box that was bolted to the floor and management wrote a letter informing him of the method of transportation and received a reply approving the same.

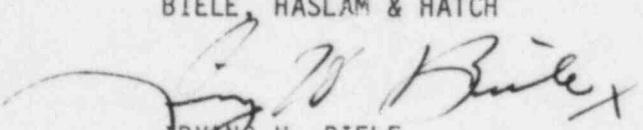
All cameras have now been labeled with the radioactive yellow three label.

It is respectfully submitted that the transgressions, if any and where indicated, were technical and did not constitute a violation that put at risk any of the employees or any member of the public. All violations have been corrected and it is submitted that the inspection has effected the purpose of the inspection by tightening procedures and making this corporation more aware of the necessity of constant, careful overseeing of daily activities and detailing reports. Penalty, if any, that is charged to this firm should be reduced dramatically as the same would afford no beneficial purpose.

DATED this 5th day of November, 1985.

Respectfully submitted,

BIELE, HASLAM & HATCH



IRVING H. BIELE

Attorneys for Met-Chem Testing
Laboratories of Utah, Inc.