

November 10, 1997

U.S. Nuclear Regulatory Commission Washington, D.C. 20555

Attention: Document Controi Desk

Subject: Reply to a Notice of Violation Docket No. 030-32715 License No. 25-27431-01

Ladies & Gentlemen:

In response to NRC Inspection 030-32715/97-01, the following reply to a Notice of Violation is provided. As described in the referenced report of inspection, NTL has since May 1995 stored a nuclear gauge in our Kalispell Projects/Field Office. The Kalispell office has not operated as a stand-alone branch. That is, all project reporting, personnel management and equipment management has been provided by our Great Falls, Montana office. In effect, the Kalispell office has operated as a multiple field projects office closely attached to the Great Falls, MT office. However, physical storage of liceused material has occurred in the Kalispell office with the gauge typically being dispatched to field locations from the Kalispell office as a location where licensed materials are stored and dispatched to temporary job sites, regardless of where management responsibility for the licensed material resides. Accordingly, we have submitted a request for amendment to our license to add the Kalispell office as a permanent gauge storage location. See the attached letter to Ms. Billie R. Gruszynski of the NRC regional office in Arlington, Texas dated November 10, 1997. Recognizing the NRC definition of remote storage locations requiring license amendments, reoccurrence of the violation will be avoided.

Please call if you have questions or need further information.

Sincerely,

Kenneth D. Munski, P.E. President

KDM/tp Enclosure

cc: NRC Regional Administrator, Region IV 611 Ryan Plaza Drive, Suite 1000 Arlington, TX 76011

