

END COPY

OCT 27 1987

Signal Testing, Inc.
ATTN: Mr. Jerry Waggoner
Radiation Safety Officer
Post Office Box 255
West Monroe, LA 71291

License No. LA-2755-L01

Gentlemen:

This refers to the routine safety inspection conducted by Mr. D. R. Gibbons of the NRC Region III office on October 14, 1987, of activities at a field site near Dugger, Indiana, authorized by State of Louisiana Byproduct License No. LA-2755-L01 and to the discussion of our findings with Messrs. Dan Hargis and Joe Hargis and a telephone conversation with you on October 16, 1987, as outlined in the enclosed inspection report.

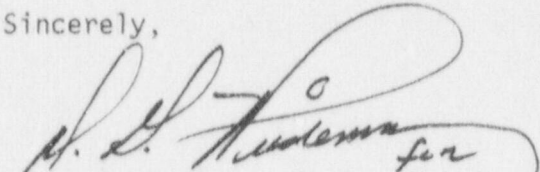
The enclosed copy of our inspection report identifies areas examined during the inspection. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observations, and interviews with personnel.

During this inspection, certain of your activities appeared to be in violation of NRC requirements, as specified in the enclosed Notice. A written response is required.

The responses directed by this letter (and the accompanying Notice) are 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 will gladly discuss any questions you have concerning this inspection.


Sincerely,


Bruce S. Mallett, Ph.D., Chief
Nuclear Materials Safety and
Safeguards Branch


Enclosures:

1. Notice of Violation
2. Inspection Report
No. 99990003/87008(DRSS)

cc w/enclosures:
DCD/DCB (RIDS)

RIII 
Gibbons/lms

yes w/attachment
RIII 
Wiedeman

RIII 
Lickus

RIII 
Mallett *for*

IE07

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IE GA999 EEC*****
99990003 PDR