ENCLOSURE 1

NOTICE OF VIOLATION

Envirocare of Utah, Inc. South Clive Facility

Docket No. 40-8989 License No. SMC-1559

During an NRC inspection conducted on June 22-25, 1998, two violations of NRC requirements were identified. In accordance with the General Statement of Policy and Procedure for NRC Enforcement Actions, NUREG-1600, the violations are listed below:

A. License Condition 9.6(a) states, in part, that the licensee shall establish and implement standard operating procedures for all operational activities involving the handling, storing, or disposing of radioactive materials. Standard operating procedure BPW-4, "11e.(2) Incoming Waste Unloading and Handling," Section D, Paragraph 9, specifies, in part, that on-site waste-water management facilities and the water vehicle may be used to handle either Low Activity Radioactive Waste (LARW) or 11e.(2) waste water as long as the water tanks and water vehicle are emptied after containing LARW waste water. In other words, the procedure allows the reuse of 11e.(2) waste water on the LARW cell for dust control or construction moisture control, however, the reuse of LARW waste water on the 11e.(2) cell is not allowed.

Contrary to the above, examination of the licensee's waste-water disposal records revealed that a total of at least 32,900 gallons of LARW-associated waste water had been discharged on the 11e.(2) disposal cell on May 1, 4, 5, and 6, 1998.

This is a Severity Level IV violation (Supplement VI).

B. License Condition 11.1(g) states, in part, that if a baseline background ground water quality value listed in Table S-1, "NRC-Approved Background Concentrations," attached to the license is exceeded, the licensee shall take a confirmatory sample within 72 hours and have it analyzed.

Contrary to the above, the licensee failed to initiate confirmatory sampling after exceedances of the specified uranium concentration were documented in wells GW-19A, GW-26, GW-27, GW-28, GW-57, GW-58, GW-60, and GW-63 during the fourth quarter 1997. Also, the licensee failed to initiate confirmatory sampling following exceedances of the specified uranium concentration in wells GW-19A, GW-25, and GW-58, and the selenium concentration in well GW-27, during the first quarter of 1998.

This is a Severity Level IV violation (Supplement VI).

Pursuant to the provisions of 10 CFR 2.201, Envirocare is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with a copy to the Regional Administrator, Region IV, 611 Ryan Plaza Drive, Suite 400, Arlington, Texas 76011, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if

contested, the basis for disputing the violation or severity level, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555-0001.

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.790(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

Dated at Arlington, Texas this 24th day of July 1998