

APPENDIX

U.S. NUCLEAR REGULATORY COMMISSION
REGION IV

NRC Inspection Report: 30-20317/89-01

License: 35-23154-01

Docket: 30-20317

Licensee: P&L Trucks, Inc.
Route 1, Box 85B
Wetumka, Oklahoma 74883

Inspection At: P&L Trucks, Inc.
2018 N. B Street
McAlester, Oklahoma 74501

P&L Trucks, Inc.
Route 1, Box 85B
Wetumka, Oklahoma 74883

Inspection Conducted: March 23, 1989

Inspectors:

L. L. Kasner
L. L. Kasner, Health Physicist

4-20-89
Date

D. B. Spitzberg
D. B. Spitzberg, Senior Radiation Specialist

4-20-89
Date

Approved:

Dale A. Powers
D. A. Powers, Chief, Nuclear Materials
Inspection Section

4-20-89
Date

Inspection Summary

Inspection Conducted March 23, 1989 (Report 30-20317/89-01)

Areas Inspected: Special, announced inspection of licensed activities related to the use of byproduct material in neutron-logging or tracer studies in oil and gas wells. The inspection consisted of a review of a field storage location; organization, management, and training; equipment; materials receipt and use; radiation exposure control; and transportation.

Results: The review of the licensee's program indicates a complete lack of attention to the requirements and conditions of the NRC license. The number of apparent violations are of significant regulatory concern to the NRC. Although the americium-241 sealed source was not being used at the time of the inspection, and had not been used since sometime in 1987, the number of failures to satisfy NRC requirements represent a breakdown in the control of licensed activities. There is also concern regarding the licensee's failures to respond to letters issued on August 21, 1987, and on November 18, 1988, and to comply with commitments made to NRC as documented in a Confirmation of Action Letter dated January 27, 1989. Within the areas inspected, the following apparent violations were identified.

Apparent Violations

1. Failure to have the same business address as described on the license. (Section 4)
2. Failure to have the same use location as described on the license. (Section 4)
3. Failure to perform leak tests of sealed sources at the proper 6-month frequency. (Section 4)
4. Failure to conduct physical inventories of sealed sources. (Section 4)
5. Records of receipt of byproduct material had not been maintained. (Section 4)
6. Records of byproduct material use had not been maintained. (Section 4)
7. Failure to store a sealed source in a downhole storage facility as described in the license application. (Section 4)
8. Failure to maintain records of surveys of temporary job sites, sealed source storage containers, and logging tools as required. (Section 4)
9. Records of personnel monitoring had not been maintained as required. (Section 4)
10. Failure to maintain a properly calibrated survey instrument. (Section 4)

DETAILS

1. Person Contacted

*Don Riley, President

*Denotes individual present at exit meeting.

2. Licensee's Program-Overview

The licensee is authorized to possess sealed sources and tracer material for use in well-logging and tracer studies of oil and gas wells. The licensee stated that he has never purchased normal form radioactive materials for use in tracer studies, but does own one americium-241 sealed source for use in neutron-logging of oil and gas wells. This source is currently in storage at Wetumka, Oklahoma.

3. Background

P&L Trucks was issued an NRC byproduct license on August 21, 1985. Following license issuance, the licensee relocated its business and storage locations without contacting NRC. The licensee was subsequently located by telephone in January 1989 after extensive NRC staff efforts to locate the licensee by telephone, mail, and inspector visits.

4. Authorized Materials, Uses, Users, and Radiation Protection

The inspectors established from interviews with the licensee that the americium-241 sealed source was currently not being used, and had not been used since sometime in 1987. However, the inspectors identified from a review of the licensee's program a number of apparent violations of NRC license requirements that indicated a complete lack of attention to requirements of the NRC license. The apparent violations are as follows:

- a. License Condition 2 states that the licensee's business address is P.O. Box 525, Pauls Valley, Oklahoma 73075.

The NRC inspectors found, by interviewing the licensee, that he had moved sometime in 1986, and that the present business address is Rt. 1, Box 85B, Wetumka, Oklahoma 74883. The failure of the licensee to maintain the same business address as specified on the license was identified as an apparent violation of License Condition 2.

- b. License Condition 10 states, in part, that material may be used at Highway 19, Pauls Valley, Oklahoma, and at temporary job sites of the licensee where the U.S. Nuclear Regulatory Commission maintains jurisdiction.

The NRC inspectors found, by interviewing the licensee, that he had moved sometime during 1986 and that the current use and storage location was Route 1, Wetumka, Oklahoma.

The failure of the licensee to maintain the facility at Highway 19, Pauls Valley, Oklahoma, as its use and storage location was identified as a violation of License Condition 10.

- c. License Condition 13(A)(1) requires, in part, that each sealed source containing licensed material shall be leak tested at intervals not to exceed 6 months.

During the inspection conducted on March 23, 1989, the licensee stated that no leak tests had been performed on the sealed source, containing 5 curies of americium-241, that had been used to perform well-logging from September 1985 until sometime in 1987, and was subsequently stored at Route 1, Wetumka, Oklahoma.

The failure to conduct leak tests of a sealed source at the proper 6-month intervals was identified as an apparent violation of License Condition 13(A)(1) and 10 CFR 39.35.

- d. License Condition 16 requires, in part, that the licensee shall conduct a physical inventory every 6 months to account for all sealed sources received and possessed under the license.

The NRC inspectors found, by interviewing the licensee, that no physical inventories had been conducted from the time that the americium-241 sealed source was received in September 1985, to the date of the inspection on March 23, 1989.

The failure to conduct physical inventories of the sealed source at the proper 6-month intervals was identified as an apparent violation of License Condition 16 and 10 CFR 39.37.

- e. License Condition 18 requires, in part, that the licensee shall possess and use licensed material in accordance with statements, representations, and procedures contained in the applications dated September 18, 1984, and July 15, 1985; and the letter dated December 14, 1984.

- (1) Item 15, Section 5, of the application dated July 15, 1985, requires that records of radioactive material receipt shall be maintained by the Radiation Safety Officer.

The NRC inspectors found, by interviewing the licensee, that no record of receipt had been made for a sealed source containing 5 curies of americium-241 obtained in September 1985.

The failure to maintain a record for receipt of radioactive material was identified as an apparent violation of License Condition 18 and 10 CFR 30.51.

- (2) Item 15, Section 5, of the application dated July 15, 1985, states that the Radiation Survey Data Sheet will be used as a utilization log for sealed sources, and that the record shall be maintained by the Radiation Safety Officer.

The NRC inspectors found, by interviewing the licensee, that no record of sealed source utilization had been made for the period from September 1985 through December 1987, during which an americium-241 sealed source had been used in well-logging activities.

Failure to complete and maintain sealed source utilization records was identified as an apparent violation of License Condition 18 and 10 CFR 39.39.

- (3) Item 13, Section 3, of the application dated July 15, 1985, states that all radioactive material will be placed in a downhole storage facility, as described in Figure 1 of Section 3, unless actually in use.

The NRC inspectors found, by interviewing the licensee, that a sealed source containing 5 curies of americium-241, had been placed in storage on a transport vehicle located at Route 1, Wetumka, Oklahoma, at sometime during 1987. The NRC inspectors confirmed that the sealed source was stored on the vehicle at Wetumka, Oklahoma, during the inspection conducted on March 23, 1989.

The failure to store a sealed source in a downhole storage facility, as described in the license application, was identified as an apparent violation of License Condition 18.

- (4) Item 15, Section 5, of the application dated July 15, 1985, states that radiation survey records shall be maintained by the Radiation Safety Officer.

Item 15, Section 8(5), states that a radiation survey will be performed for the vehicle, well-logging tool, source storage container, and area at each temporary job site.

During the inspection conducted on March 23, 1989, the licensee stated that he had not maintained a record of any radiation survey performed while conducting well-logging activities during the period from September 1985 until sometime in 1987.

The failure to maintain a record of radiation surveys conducted while engaging in licensed activities was identified as an apparent violation of License Condition 18 and 10 CFR 39.67.

- (5) Item 15, Section 5, of the application dated July 15, 1985, states that personnel exposure records shall be maintained by the Radiation Safety Officer.

10 CFR 39.65(c) requires that the licensee shall retain records of personnel monitoring until the Commission authorizes their disposition.

During the inspection conducted on March 23, 1989, the NRC inspectors determined that the licensee had been using licensed material in conducting well-logging activities from September 1985 until possibly sometime in 1987. The NRC inspectors reviewed a dosimetry report for two individuals for the period of July 1 to November 6, 1985. The licensee stated that this was the only personnel exposure record maintained. The licensee stated that prior to receiving his NRC license in August 1985, that any exposure received by either individual occurred while conducting activities during employment by another licensee.

Failure to maintain personnel exposure records was identified as an apparent violation of License Condition 18 and 10 CFR 39.65(c).

- (6) Item 11, of the license application dated July 15, 1985, requires that the licensee calibrate survey instruments every 6 months.

During the inspection conducted on March 23, 1989, the licensee stated that his Victoreen, Model 493, survey meter had not been calibrated within 6 months. He further stated that he had not maintained survey instrument calibration records and that he did not know when the meter had been calibrated.

The failure to conduct survey instrument calibrations at 6-month intervals was identified as a violation of License Condition 18 and 10 CFR 39.33.

Ten apparent violations were identified by the NRC inspectors.

5. Notifications and Records

During a telephone conversation on January 26, 1989, the licensee made a commitment to (1) keep his americium-241 sealed source locked in storage on his truck at Wetumka, Oklahoma; (2) respond by January 27, 1989, to a letter issued by the NRC to P&L Trucks, Inc., dated August 21, 1987, and subsequently remailed on November 18, 1988; (3) request amendment of the NRC materials license by January 27, 1989, to correct the mailing address and storage location; and (4) provide a record of the type(s) of byproduct materials used at the licensee's former Pauls Valley, Oklahoma, address

by January 27, 1989. These commitments were formalized in a Confirmation of Action Letter subsequently issued on January 27, 1989. The licensee's response to Items 1 thru 4 were submitted to NRC on February 26, 1989. However, the licensee's response failed to include the appropriate close out survey for the Highway 19, Pauls Valley, Oklahoma, location. Further, the licensee failed to request by January 27, 1989, an amendment of the NRC license to correct the mailing address and storage location by January 27, 1989. Thus, the licensee failed to fully satisfy its commitments to the NRC made January 26, 1989.

7. Transportation

During the inspection conducted on March 23, 1989, the NRC inspectors reviewed the licensee's transportation program and compliance with License Condition 17, which requires that the licensee transport licensed material in accordance with 10 CFR Part 71. The licensee was unable to verify that he had ever used shipping papers, but stated that he had not transported radioactive material within the past year. The inspectors were concerned that the licensee stated that he had never maintained performance test records for an americium-241 sealed source that he had transported to conduct well-logging activities, and currently maintains in storage at Wetumka, Oklahoma. Had the licensee transported this sealed source, it may have been in violation of 49 CFR 173.476(a). The licensee also stated that he had never maintained performance test records for a U.S. Department of Transportation (DOT) Type A container that had been used to transport an americium-241 sealed source, and is currently used to store the source at Wetumka, Oklahoma. If the licensee had used this container in transportation of licensed material, he may have been in violation of 49 CFR 173.415(a).

8. Exit Meeting

At the conclusion of the inspection, the NRC inspectors reviewed with Mr. Don Riley, the scope and findings of the inspection as presented in this report.