



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

SEP 11 1989

Docket No. 30-10069
License No. 35-15945-01
EA No. 89-61

Brand X Perforators, Inc.
ATTN: Bill Meadows, President
P.O. Box 742
Woodward, Oklahoma 73801

Gentlemen:

SUBJECT: ORDER IMPOSING CIVIL MONETARY PENALTY - \$750

This refers to your letters dated June 6 and June 7, 1989, in response to the Notice of Violation and Proposed Imposition of Civil Penalty sent to you by our letter dated May 9, 1989. Our letter and Notice described 13 violations identified during a February 8, 1989, inspection of the NRC-licensed activities of Brand X Perforators (Brand X).

To emphasize the importance of effective management of radiation safety programs and compliance with all license requirements, a civil penalty of \$1,125 was proposed.

In your responses, you deny one violation, admit the other violations, citing extenuating circumstances, and request that NRC withdraw the proposed civil penalty in its entirety. After consideration of your responses, we have concluded for the reasons given in the Appendix attached to the enclosed Order Imposing Civil Penalty that the proposed civil penalty of \$1,125 should be reduced to \$750. Accordingly, we hereby serve the enclosed Order on Brand X Perforators imposing a civil monetary penalty in the amount of \$750. We will review the effectiveness of your corrective actions during a subsequent inspection.

In response to your comments on NRC's enforcement programs, NRC is aware of the economic problems of businesses which are dependent on the oil industry. However, NRC's primary responsibility is to ensure that licensed radioactive materials are being used safely, a conclusion that is difficult to reach when a licensee has failed to meet a large number of the requirements associated with its license. In meeting our responsibility, the financial status of an industry must necessarily be of secondary importance.

Regarding your comments on our inspection programs, we do strive to focus on direct observations of performance of licensed activities as opposed to what you referred to as "paperwork" violations. However, since in this case due to the limited opportunity to witness your on-the-job compliance with requirements, we must by necessity place a great deal of reliance on Brand X Perforators's records as an accurate reflection of the performance of activities required

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

5909140204 890911
NMSS LIC30
35-15945-01 PDC

IEIA
11

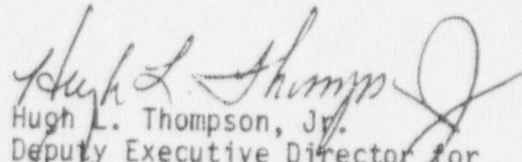
Brand X Perforators, Inc.

- 2 -

by your license. Accordingly, Brand X's failure to document compliance with NRC requirements gives NRC little confidence that radiation safety requirements were actually being met during the conduct of licensed activities. In that you admit 12 of the 13 violations in the Notice of Violation that is the subject of our enforcement action, NRC sees no justification for your remarks regarding the experience and qualification of our inspectors.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosures will be placed in the NRC's Public Document Room.

Sincerely,


Hugh L. Thompson, Jr.
Deputy Executive Director for
Nuclear Materials Safety, Safeguards,
and Operations Support

Enclosures:
As Stated

cc:
Oklahoma Radiation Control Program Director
NRC Public Document Room