



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION IV  
1600 EAST LAMAR BOULEVARD  
ARLINGTON, TEXAS 76011-4511

November 06, 2023

EA-23-100

Keyton Payne, Corporate Radiation Safety Officer  
Varco L.P. (FKA) Tuboscope Vetco International, Inc.  
dba Tuboscope, NOV Wellbore Technologies  
P.O. Box 808  
Houston, TX 77001

SUBJECT: NRC INSPECTION REPORT 030-06399/2023-001 AND EXERCISE  
OF ENFORCEMENT DISCRETION

Dear Keyton Payne:

This letter refers to the unannounced inspection conducted on May 3, 2023, at your facilities in Casper, Wyoming with additional in-office review through July 11, 2023. The inspection was an examination of activities conducted under your license as they relate to public health and safety, to confirm compliance with the U.S. Nuclear Regulatory Commission (NRC) rules, regulations, and with the conditions of your license. Within these areas, the inspection consisted of a selected examination of procedures and representative records, observation of licensed activities, independent radiation measurements, and interviews with personnel. A final exit briefing was conducted telephonically with you on October 31, 2023.

Based on the results of this inspection, the NRC has determined that a violation of NRC requirements occurred. The violation involved the failure to confine possession and use of byproduct material in accordance with your license. In accordance with the NRC Enforcement Policy, this violation would normally be categorized at Severity Level III and considered for escalated enforcement action. The NRC Enforcement Policy can be found at the NRC's website at <https://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>.

However, the NRC reviewed the circumstances surrounding the possession and use of byproduct material by Varco L.P. and determined that the violation resulted from matters not entirely within your control. Specifically, when the NRC issued a corrected copy of NRC license 42-02084-02 Amendment No. 74, dated July 3, 2018, the words "per facility" were removed from the maximum possession limits associated with License Condition 8.A through D. The NRC was not clear in communicating the change in License Condition 8.A through D. The inspection identified that this change reduced your possession limits to an amount below your current inventory of material at that time in 2018. Further, the NRC acknowledges that this violation was first identified by you, and corrected with your amendment request dated July 17, 2020, and issuance of NRC License 42-02084-02 Amendment No. 76, dated July 30, 2020. Based on these facts, I have been authorized, in consultation with the Director, Office of Enforcement, to exercise enforcement discretion in accordance with Section 3.5, "Violations Involving Special

K. Payne

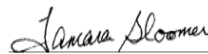
Circumstances,” of the NRC Enforcement Policy and refrain from issuing an enforcement action for the violation of 10 CFR 30.34(c).

No further action or response is required on your part unless the description in this letter does not accurately reflect the facts, your actions, or your situation. In that case, or if you choose to respond, clearly mark your response as a “Reply to Exercise of Enforcement Discretion, EA-23-100,” and send it to the Director, Division of Radiological Safety and Security, U.S. Nuclear Regulatory Commission, Region IV, 1600 East Lamar Blvd., Arlington, Texas 76011-4511, and email it to [R4Enforcement@nrc.gov](mailto:R4Enforcement@nrc.gov) within 30 days of the date of this letter.

In accordance with 10 CFR 2.390 of the NRC’s “Agency Rules of Practice and Procedure,” a copy of this cover letter will be made available electronically for public inspection in the NRC Public Document Room or from the NRC’s ADAMS, accessible from the NRC website at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy or proprietary information so that it can be made available to the public without redaction.

Should you have any questions regarding this letter, please contact Dr. Lizette Roldán-Otero of my staff at 817-200-1455.

Sincerely,



Signed by Bloomer, Tamara  
on 11/06/23

Tamara E. Bloomer, Director  
Division of Radiological Safety & Security

Docket No. 030-06399  
License No. 42-02084-02

K. Payne

NRC INSPECTION REPORT 030-06399/2023-001 AND EXERCISE OF ENFORCEMENT  
DISCRETION – DATED NOVEMBER 06, 2023

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DISCRETION

ADAMS ACCESSION NUMBER: **ML23305A153**

SUNSI Review: KCB      ADAMS       Publicly Available       Non-Sensitive      Keyword:  
 Yes    No       Non-Publicly Available    Sensitive      NRC-002

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DATE	11/02/23	11/03/23	11/03/23	11/06/23	

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