



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
801 WARRENVILLE ROAD
LISLE, ILLINOIS 60532-4351

JAN 29 2001

Brian Carver
Radiation Safety Officer
Haynes International
1020 W. Park Ave.
P.O. Box 9013
Kokomo, IN 46904-9013

Dear Mr. Carver :

Enclosed is Amendment No. 03 to your NRC Material License No. 13-25965-01 in accordance with your request. Please note that the changes made to your license are printed in **bold font**.

Please review the enclosed document carefully and be sure that you understand all conditions. If there are any errors or questions, please notify the U.S. Nuclear Regulatory Commission, Region III office at (630) 829-9887 so that we can provide appropriate corrections and answers.

Please be advised that your license expires at the end of the day, in the month, and year stated in the license. Unless your license has been terminated, you must conduct your program involving byproduct materials in accordance with the conditions of your NRC license, representations made in your license application, and NRC regulations. In particular, note that you must:

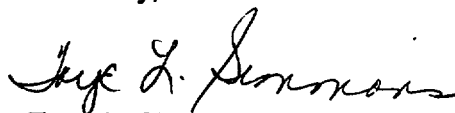
1. Operate in accordance with NRC regulations 10 CFR Part 19, "Notices, Instructions and Reports to Workers; Inspections," 10 CFR Part 20, "Standards for Protection Against Radiation," and other applicable regulations.
2. Notify NRC, in writing, within 30 days:
 - a. When the Radiation Safety Officer permanently discontinues performance of duties under the license or has a name change; or
 - b. When the mailing address listed on the license changes.
3. In accordance with 10 CFR 30.36(b) and/or license condition, notify NRC, promptly, in writing, and request termination of the license when a decision is made to terminate all activities involving materials authorized under the license.
4. Request and obtain a license amendment before you:
 - a. Change Radiation Safety Officers
 - b. Order byproduct material in excess of the amount, or radionuclide, or form different than authorized on the license;

- c. Add or change the areas of use or address or addresses of use identified in the license application or on the license; or
 - d. Change ownership of your organization.
5. Submit a complete renewal application or termination request at least 30 days before the expiration date of your license. You will receive a reminder notice approximately 90 days before the expiration date. Possession of byproduct material after your license expires is a violation of NRC regulations. A license will not normally be renewed, except on a case-by-case basis, in instances where licensed material has never been possessed or used.

In addition, please note that NRC Form 313 requires the applicant, by his/her signature, to verify that the applicant understands that all statements contained in the application are true and correct to the best of the applicant's knowledge. The signatory for the application should be the licensee or certifying official rather than a consultant.

You will be periodically inspected by NRC. Failure to conduct your program in accordance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC will result in enforcement action against you. This could include issuance of a notice of violation, or imposition of a civil penalty, or an order suspending, modifying or revoking your license as specified in the General Statement of Policy and Procedure for NRC Enforcement Actions. Since serious consequences to employees and the public can result from failure to comply with NRC requirements, prompt and vigorous enforcement action will be taken when dealing with licensees who do not achieve the necessary meticulous attention to detail and the high standard of compliance which NRC expects of its licensees.

Sincerely,



Toyé L. Simmons
Materials Licensing Branch

License No. 13-25965-01
Docket No. 030-30781

Enclosure: Amendment No. 03

MATERIALS LICENSE

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

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Licensee 1. Haynes International, Inc. 2. P.O. Box 9013 1020 W. Park Avenue Kokomo, IN 46904-9013	In accordance with letter dated December 15, 2000, 3. License number 13-25965-01 is amended in its entirety as follows: 4. Expiration date February 28, 2004 5. Docket No. 030-30781 Reference No.
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| 6. Byproduct, source, and/or special nuclear material

A. Cadmium-109

B. Cesium-137

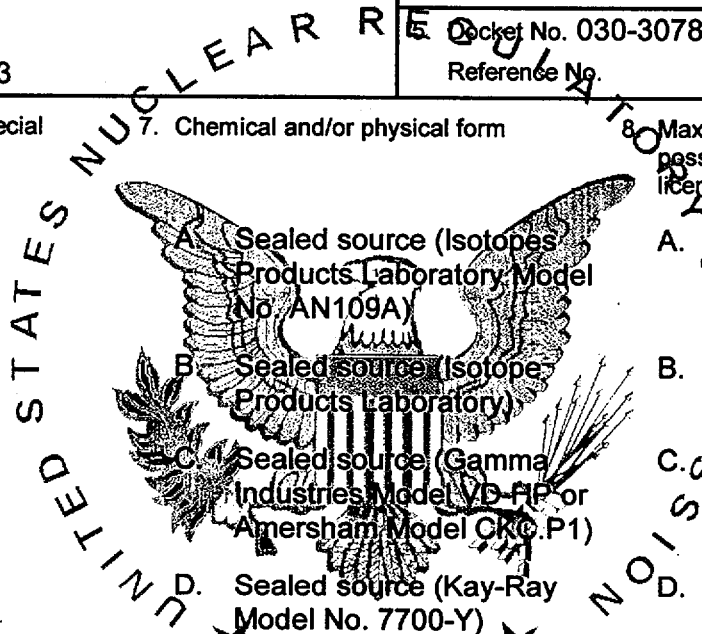
C. Cobalt-60

D. Cesium-137

E. Uranium (depleted in uranium-235) | 7. Chemical and/or physical form

A. Sealed source (Isotopes Products Laboratory Model No. AN109A)
B. Sealed source (Isotope Products Laboratory)
C. Sealed source (Gamma Industries Model VD-FIP or Amersham Model CKC.P1)
D. Sealed source (Kay-Ray Model No. 7700-Y)
E. Encapsulated in stainless steel cylinder (Gamma Industries Model No. 1001) | 8. Maximum amount that licensee may possess at any one time under this license

A. One source not to exceed 25 millicuries
B. One source not to exceed 40 millicuries
C. One source not to exceed 2 curies
D. One source not to exceed 100 millicuries
E. 91 kilograms |
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9. Authorized Use:

- A. To be used in a Kevex Corporation Model 9010SH X-Ray fluorescence analyzer.
- B. To be used in custom design gauge for level measurements.
- C. To be used in a Gamma Industries Model 1001 source holder for level measurements.
- D. To be used in a Kay-Ray, Inc. Model 7062BP source holder for level measurements.
- E. To be used as shielding in a Gamma Industries custom designed Model No. 1001 source holder.

**MATERIALS LICENSE
SUPPLEMENTARY SHEET**License Number
13-25965-01Docket or Reference Number
030-30781

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CONDITIONS

10. Licensed material shall be used only at the licensee's facilities located at 1020 W. Park Avenue, Kokomo, Indiana and 1900-2000 W. Deffenbaugh Street, Kokomo, Indiana.
11. The Radiation Safety Officer for this license is Brian Carver.
12. Licensed material shall be used by, or under the supervision of, Brian Carver or Bruce Haworth.
13. A. Sealed sources and detector cells shall be tested for leakage and/or contamination at intervals not to exceed 6 months or at such other intervals as specified by the certificate of registration referred to in 10 CFR 32.210.
- B. In the absence of a certificate from a transferor indicating that a leak test has been made within 6 months prior to the transfer, a sealed source or detector cell received from another person shall not be put into use until tested.
- C. The leak test shall be capable of detecting the presence of 0.005 microcurie of radioactive material on the test sample. If the test reveals the presence of 0.005 microcurie or more of removable contamination, a report shall be filed with the U.S. Nuclear Regulatory Commission in accordance with 10 CFR 30.50(b)(2), and the source shall be removed immediately from service and decontaminated, repaired, or disposed of in accordance with Commission regulations. The report shall be filed within 5 days of the date the leak test result is known with the U.S. Nuclear Regulatory Commission, Region III, ATTN: Director, Division of Nuclear Materials Safety, 801 Warrenville Road, Lisle, Illinois 60532-4351. The report shall specify the source involved, the test results, and corrective action taken.
- D. The licensee is authorized to collect leak test samples for analysis by ICN Pharmaceuticals, Inc., or Kay-Ray, Inc. Alternatively, tests for leakage and/or contamination may be performed by persons specifically licensed by the Commission or an Agreement State to perform such services.
14. Sealed sources or detector cells containing licensed material shall not be opened or sources removed from source holders by the licensee.
15. The licensee shall conduct a physical inventory every 6 months to account for all sources and/or devices received and possessed under the license.
16. The following services shall not be performed by the licensee: installation, initial radiation surveys, relocation, removal from service, dismantling, alignment, replacement, disposal of the sealed source and non-routine maintenance or repair of components related to the radiological safety of the gauge (i.e., the sealed source, the source holder, source drive mechanism, on-off mechanism (shutter), shutter control, shielding). These services shall be performed only by persons specifically licensed by the U.S. Nuclear Regulatory Commission or an Agreement State to perform such services.

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17. Prior to initial use and after installation, relocation, dismantling, alignment, or any other activity involving the source or removal of the shielding, the licensee shall assure that a radiological survey is performed to determine radiation levels in accessible areas around, above and below the gauge with the shutter open. This survey shall be performed only by persons authorized to perform such services by the Commission or an Agreement State.
18. The licensee shall operate each gauge within the manufacturer's specified temperature and/or environmental limits such that the shielding and shutter mechanism of the source holder are not compromised.
19. The licensee shall assure that the shutter mechanism is locked in the closed position during periods when a portion of an individual's body may be subject to the direct radiation beam. The licensee shall review and modify as appropriate its "lock-out" procedures whenever a new gauge is obtained to incorporate the device manufacturer's recommendations.
20. Each gauge shall be tested for the proper operation of the on-off mechanism and indicator, if any, at no longer than 6-month intervals or at such longer intervals as specified by the manufacturer and approved by NRC.
21. Except as specifically provided otherwise in this license, the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the documents, including any enclosures, listed below. The U.S. Nuclear Regulatory Commission's regulations shall govern unless the statements, representations, and procedures in the licensee's application and correspondence are more restrictive than the regulations.
- A. Letter dated September 28, 1993 with attachments

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

Date JAN 29 2001By *Toye L. Simmons*
Toye L. Simmons
Materials Licensing Branch
Region III