

November 27, 2001

Paul Bjelicka, President
Mid-America Analytical & Co.
14440 Bethel Road
Platte City, MO 64079

SUBJECT: NOTICE OF VIOLATION (NRC INSPECTION; OFFICE OF INVESTIGATIONS
REPORT NO. 3-2001-016)

Dear Mr. Bjelicka:

This refers to the inspection conducted at Mid-America Analytical & Co. (MAAC) on March 21 and June 12, 2001, with continued NRC in-office review through November 8, 2001. The in-office review included an assessment of the results of leak tests and removable contamination surveys conducted by the inspectors, as well as the results of a follow-up confirmatory survey of the facilities, and an investigation by the NRC Office of Investigations (OI). The purpose of the inspection was to determine whether your activities were conducted safely and in accordance with NRC requirements. At the conclusion of the inspection, the findings were discussed with you.

As a result of the inspection, OI conducted an investigation to determine if MAAC deliberately violated any NRC regulatory requirements. The NRC has completed its investigation into this matter and determined that MAAC did not willfully violate any NRC regulatory requirements. A copy of the Region III OI report synopsis is enclosed. This concludes our investigation into this matter.

The inspectors' leak tests and removable contamination survey results were negative except for the leak test of the sealed source Serial L5919 which indicated 0.013 microcurie of removable contamination. Although this value was above the NRC's limit of 0.005 microcurie, the identified contamination did not pose an undue risk to your employees. Robert Gattone of my staff discussed the results of the surveys and leak tests with you on April 2, 2001.

The NRC identified a violation of NRC regulatory requirements. The violation involves possession of byproduct material without an NRC license. The violation is cited in the enclosed Notice of Violation (Notice).

Based on telephone conversations between you and Robert Gattone on November 9, 2001, and Jan Palmer of your staff and Robert Gattone on November 15, 2001, it is our understanding that: (1) the violation occurred because you did not promptly identify when nickel-63 source holders were received; (2) you transferred all byproduct material to an authorized firm as of August 14, 2001; (3) you will instruct your customers to transfer their nickel-63 source holders to an authorized firm prior to sending their gas chromatographs to you; and (4) you will promptly determine if received gas chromatographs contain nickel-63 source holders and immediately send any received nickel-63 source holders to an authorized firm. Therefore, the NRC has concluded that information regarding the reason for the violation

and the corrective actions taken and planned to correct the violation and prevent recurrence is already addressed on the docket in this letter. Therefore, you are not required to respond to this letter unless the description herein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be available electronically for public inspection in the NRC Public Document Room or from the *Publicly Available Records (PARS) component of NRC's document system (ADAMS)*. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

We will gladly discuss any questions you have concerning this inspection.

Sincerely,

/RA/

Cynthia D. Pederson, Director
Division of Nuclear Materials Safety

Docket No. N/A (Non-Licensee)
License No. N/A (Non-Licensee)

Enclosures: As stated

bcc: PUBLIC IE-07
A. Kock, RIII
DEG, RIII

DOCUMENT NAME: G:\SEC\Mid-America.wpd See Previous Concurrence

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy

OFFICE	RIII		RIII		RIII		RIII		RIII		RIII	
NAME	Gattone:js		Martin		Shear		Paul		Clayton		Pederson	
DATE	11/20/01		11/21/01		11/21/01		11/21/01		11/27/01		11/27/01	

OFFICIAL RECORD COPY

NOTICE OF VIOLATION

Mid-America Analytical & Co.
Platte City, Missouri

Docket No. N/A (Non-Licensee)
License No. N/A (Non-Licensee)

During an NRC inspection conducted on March 21 and June 12, 2001, with continued NRC in-office review through November 8, 2001, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the violation is listed below:

10 CFR 30.3 requires, in part, that except for persons exempted, no person shall possess or use byproduct material except as authorized by a specific or general license issued pursuant to Title 10, Chapter 1, Code of Federal Regulations.

Contrary to the above, for several weeks as of March 21, 2001, Mid-America Analytical & Co. possessed six source holders each containing approximately 15 millicuries of nickel-63 without a valid NRC license, and was not exempt from the requirements for a license. Mid-America Analytical & Co. possessed one of the sources since November 1999.

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

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence and the date when full compliance was achieved is already adequately addressed in the letter transmitting this Notice. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation," and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with a copy to the Regional Administrator, Region III, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

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

If you choose to respond, your response will be made available **electronically** for public inspection in the NRC Public Document Room **or** from the *Publicly Available Records (PARS) component of NRC's document system (ADAMS)*. *ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room)*. Therefore, 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. Under the authority of Section 182 of Act 42 U.S.C. 2232, any response shall be submitted under oath or affirmation.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 27th day of November 2001

SYNOPSIS

This investigation was initiated on April 16, 2001, by the U.S. Nuclear Regulatory Commission, Office of Investigations, Region III, to determine if a company had willfully possessed unauthorized byproduct material.

Based upon evidence developed, this investigation did not substantiate that the company willfully possessed unauthorized byproduct material.