

September 23, 1999

Tracewell Services, Inc.
ATTN: Randy Shamblin
President
P.O. Box 5414
Vienna, West Virginia 26105-5414

SUBJECT: TRANSMITTAL AND EXPLANATION OF NEW LICENSE NO. 47-25480-01
(REFERENCE CONTROL NO. 258449; DOCKET NO. 030-35153)

Dear Mr. Shamblin:

Enclosed please find your new NRC materials license for gas, oil and geothermal well radioisotope tracer studies. We understand that you do not intend to use tracer materials in a drinking water aquifer, and you intend your assistant well logging staff to complete 520 hours of on-the-job training before being trained and certified as a well logging supervisor. Additionally, we have limited the quantities of collar markers to the limits listed in 10 CFR 30.71, as allowed by 10 CFR 39.47

Please review the document carefully and be sure that you understand all conditions. If there are any errors or questions, please notify this office (ATTN: Ms. Diane Heim at (404) 562-4723) so that we can provide appropriate corrections and answers.

Your license expires on September 30, 2009 (Item 4). 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 the following, I have tried to answer the most commonly asked questions asked by licensees wishing to know what needs to be done to comply with the regulations.

1. Are there any regulations to which I must pay particular attention for occupational radiation safety?

You should pay close attention to the requirements in Title 10 Code of Federal Regulations (10 CFR) Part 19, "Notices Instructions and Reports to Workers: Inspection and Investigations"; 10 CFR Part 20, "Standards for Protection Against Radiation"; 10 CFR Part 39, "Licenses and Radiation Safety Requirements for Well Logging"; and 10 CFR Part 21, "Reporting of Defects and NonCompliance." For transportation of licensed materials, you should follow 10 CFR Part 71, "Packaging and Transportation of Radioactive Materials." Your license is written as authorized by our procedures implementing 10 CFR Part 39 and 10 CFR Part 30, "Rules of General Applicability to Domestic Licensing of Byproduct Material."

2. Are there actions which I must take before I use my license?

You should not buy or use the devices/materials which your license authorizes before:

- A. you have done the things you said you would build or buy, as stated in the license application (and the supporting documents); and
- B. you send written notice to us of your startup.

3. When must I tell the NRC about changes?

Write to NRC, within 30 days:

- A. when an authorized user or a Radiation Safety Officer leaves the position or has a name change; or
- B. when the your mailing address changes.

4. What would make me terminate my license?

The decommissioning rule (10 CFR 30.36(d)) requires you to notify NRC, promptly write and request amendment or termination of the license if and when:

- A. you decide to terminate all activities involving materials authorized by the license; or
- B. you decide to terminate licensed activities in a separate building or outdoor area identified on your license or in the application documents; or
- C. if you decide not to complete the facility, acquirement equipment, or possess and use authorized material prior to startup.

5. Are there particular things which require me to apply for and receive an amendment of the license before I do them?

Yes. Each of these is a violation of the terms of your license if you do them without NRC approval in advance:

- A. order byproduct material in excess of the amount, or a different radionuclide or form, other than authorized on the license (the vendor may not ship you materials not described on your license);
- B. add to change the areas of use or address (or addresses) of use identified in the license application or on the license (NRC has a need to review your locations for suitability and safety); or
- C. change ownership of your organization (NRC needs to know that you have acted in good faith in transferring control of licensed materials, and that the recipient know what commitments have been made, and agrees with them).

6. A. What must I do to renew my license?

Submit a complete renewal application request at least 30 days before the expiration date of your license. We will send you a reminder notice approximately 90 days before the expiration date. 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.

B. May I possess licensed materials after the expiration date?

Not unless NRC has already told you that the license will not expire until the decommissioning is complete. Possession of byproduct material after your license expires is a violation of NRC regulations. Transfer of licensed materials must be consistent with 10 CFR 30.41, 40.51 or 70.42, as applicable, which say the receiver must be licensed to have the materials

C. What must I do to terminate my license?

You must dispose of all licensed materials to an authorized entity, inform NRC of your plans, decontaminate the site if necessary, perform a final site survey to confirm that the site complies with the decommissioning rule limits in 10 CFR Part 20, Subpart E, "Radiological Criteria for License Termination;" and receive approval from NRC.

7. Who should sign documents we send to NRC?

The 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 individual signing the application should be the licensee or certifying (company) official rather than a consultant.

8. When can I expect to be inspected?

You will be periodically inspected by NRC. Our first inspection will be within one year of the issue date of your license. Inspections after that will be on a schedule suited to the type license you have. Inspection schedules may also be changed because of NRC's perception of your performance as a result of an inspection.

9. What can happen if I do not fully comply with the regulations?

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 NRC's issuing a Notice of Violation, or imposition of a Civil Penalty, or an order suspending, modifying or revoking your license as specified in the most current version of the "General Statement of Policy and procedures for NRC Enforcement Actions," NUREG-1600. 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 against those who do not achieve the necessary attention to detail and standard of compliance expected of licensees.

Tracewell Services, Inc.

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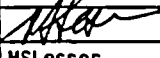
The NRC is required to have your Taxpayer Identification Number in order to make payments (refunds). The self-addressed, stamped NRC Form 531, "Request for Taxpayer Identification Number," is enclosed.

Thank you for your cooperation.

Sincerely,

David J. Collins, License Reviewer
Materials Licensing/Inspection Branch 2
Division of Nuclear Materials Safety

- Enclosures: 1. NRC License No. 47-25480-01
2. NUREG-1600; 10 CFR Parts 19;
20; 21; 30; 39; 71; 170; 171;
NRC Form 3; Agreement State List;
NRC Form 313; and NRC Form 531

OFFICE	R11:DNMS						
SIGNATURE							
NAME	MS Lesser						
DATE	9/ 22/99	9/ /99	9/ /99	9/ /99	9/ /99	9/ /99	9/ /99
COPY?	<input checked="" type="checkbox"/> YES <input checked="" type="checkbox"/> NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

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