



August 29, 2006

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20055

Subject: Reply to a Notice of Violation, License No. 24-32318-01, Docket Number 030-35726

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On August 7, 2006, Pangea Group (Pangea) received a Notice of Violation (NOV), Severity Level IV, of our Nuclear Materials License, No. 24-32318-01, dated August 3, 2006. This reply has been sent to address the violation, to demonstrate that actions have already been taken to correct the condition that caused the violation, and to prevent its recurrence.

The August 3, 2006 NOV reads as follows:

Condition 12 of License no. 24-32318-01 names Daniel E. Hoffman as the Radiation Safety Officer for this license.

Contrary to the above, as of 2005, Daniel E. Hoffman has not served as the Radiation Safety Officer for this license.

This is a Severity Level IV Violation (Supplement VI)

On July 12, 2006, Pangea was the subject of an inspection by Ms. Deborah A. Piskura, of the Materials Inspection Branch. During the inspection she noted that the position of Radiation Safety Officer (RSO) within our license was identified as Daniel E. Hoffman. At that time, due to an internal miscommunication, we believed that an amendment had been previously filed to update the license to reflect the departure of Mr. Hoffman.

As a corrective action, Pangea submitted on July 18, 2006 a Request for Amendment to the Materials Licensing Branch (Mail Control Number 315581) to update Pangea's materials license to reflect that Mr. Matthew Cushman was now assigned the role of RSO for Pangea. As Mr. Cushman has now assumed the duties required by the materials license, it is Pangea's position that upon the NRC's acceptance of the July 18, 2006 request for amendment, appropriate actions will have been taken to correct the deficiency prompting the NOV.

The Pangea Radiation Safety Program is currently undergoing modifications designed to prevent a reoccurrence of the deficiency noted in the NOV. Those modifications include

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revisions to the Pangea Radiation Safety Program Manual to specifically identify the need for and responsibilities of the Radiation Safety Officer within our program. Subsequent to the revisions, our personnel will participate in training relevant to the specific changes to the program manual. Our revised Radiation Safety Program Manual will be published by October 2, 2006.

If you have any further concerns or need any additional information, please do not hesitate to contact me at (314) 333-0602.

Sincerely,
Pangea, Inc.

A handwritten signature in black ink, appearing to read 'C. Stone', with a long horizontal flourish extending to the right.

Christopher L. Stone
Vice President, Operations

Cc: James Caldwell, Regional Administrator, Region III