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HALLIBURTON SERVICES

GOVERNMENT REGULATIONS DEPARTMENT

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October 22, 1987

Director, Office of Enforcement
U. S. Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Sir:

Mr. A. A. Baker has requested that I provide you with the enclosed information as per your letter to him dated September 23, 1987.

Attached pursuant to the provisions of 10 CFR 2.201 is the "Reply to a Notice of Violation" relative to Docket Nos. 30-05900, 30-05901 and 30-06392 and License Nos. 35-00502-02, 35-00502-03, and 42-01068-07.

In addition, a check in the amount of \$1,000 is included as payment of civil penalty.

Very truly yours,

R. L. Bechtel

RLB:im
Attachments

cc + att: Regional Administrator
U. S. Nuclear Regulatory Commission
Arlington, Texas
Mr. Coleman Smith
Mr. A. A. Baker

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REPLY TO A NOTICE OF VIOLATION

Halliburton Company
(Halliburton Services Division)
Duncan, Oklahoma

Docket Nos. 30-05900
30-05901
30-06392
License Nos. 35-00502-02
35-00502-03
42-01068-07
EA 87-35

The response to each alleged violation listed (A through G) in the Notice of Violation are submitted in accordance with your instructions.

- A. Pursuant to 10 CFR 30.3, no person shall possess or use by-product material except as authorized by specific or general license issued pursuant to 10 CFR Chapter I.

This allegation has been broken into two parts: possession of unauthorized material (I) and use of unauthorized material (II).

- II Halliburton Services denies that it took possession of unauthorized material, specifically contaminated reactor components. Part 6A of License No. 35-00502-03 authorizes the possession of up to 1 curie of radionuclides with atomic numbers 3 through 83 as contaminated reactor components. Without admitting that it took possession of unauthorized material, Halliburton Services states that the corrective steps for each alleged violation would be the same as under II2 through II5.
- II1 Halliburton Services admits it did use the above material in an unauthorized manner in that after decontamination of reactor components proved economically unfeasible the components were cut up for disposal.
- II2 The violation occurred as a result of an administrative oversight during the dissolution of HISI and merger into Halliburton Services. HISI, holder of NRC License No. 35-00502-05 authorized the use and possession of contaminated reactor components and the dissolution and merger did not result in any internal operational changes.

- II3 The corrective steps included the requesting and receiving of an amendment to License No. 35-00502-03 for the proper use of the contaminated reactor components.
 - II4 The process was a one time operation and will not be repeated.
 - II5 Compliance was achieved on July 9, 1987 with the granting of the exemption.
- B. License Condition 13 of License No. 35-00502-02 requires that licensed activities be conducted in accordance with statements, representations, and procedures contained in the license application dated April 11, 1984, and certain subsequent correspondence.
- 1. Halliburton Services admits the violation occurred.
 - 2. The violation occurred as the result of an oversight.
 - 3. The availability of tracer service from the Oklahoma City service center was discontinued on March 10, 1987 thereby eliminating the need for a calibrated survey instrument at this location.
 - 4. The availability of tracer service from the Oklahoma City service center was eliminated.
 - 5. Compliance was achieved on March 10, 1987.
- C. 10 CFR 19.12 requires that all individuals working in a restricted area be instructed in the precautions and procedures to minimize exposure to radiation and radioactive materials, and in the applicable provisions of Commission's regulations and licenses for the protection of personnel from such exposures.
- 1. Halliburton Services states the employee at the Rayfrac building had been trained in regard to radiation safety, but admits such training did not meet all regulatory requirements.
 - 2. The lack of sufficient training was a result of poor communication and the unexpected retirement of trained personnel.
 - 3. The employee has received additional training from the RSO and Assistant RSO regarding radiation safety and handling techniques.

4. Backup personnel have attended radiation safety classes to ensure the availability of trained personnel. In addition, the job functions and duties have been changed as a result of the alterations made in the company's involvement of radioactive operations.
 5. Compliance was achieved on October 2, 1987.
- D. 10 CFR 30.51(a) requires that each licensee keep records showing the receipt, transfer, and disposal of licensed material.
1. Halliburton Services admits the violation did occur prior to April 1986.
 2. The violation occurred as a result of personnel turnover and the sporadic usage of tracer material at the Oklahoma City service center.
 3. As noted in the notice of violation compliance has been achieved since April 1986. Personnel were informed and radiation regulatory requirements were discussed in detail. A Division radiation person was appointed whose responsibility includes assuring service center compliance with license conditions and regulatory requirements at the service centers within his Division.
 4. Use of tracer material by Oklahoma City service center has been eliminated.
 5. Compliance was achieved on April 7, 1986.
- E. 10 CFR 20.401(b) requires that each licensee maintain records showing the results of surveys required by 10 CFR 20.201(b).
1. Halliburton Services admits the violation did occur prior to April 1986.
 2. The violation occurred as a result of personnel turnover and the sporadic usage of tracer material.
 3. As noted in the notice of violation compliance has been achieved since April 1986. The personnel were informed and radiation regulatory requirements were discussed in detail. A Division radiation person was appointed whose responsibility includes assuring service center compliance with license conditions and regulatory requirements within his Division.

4. Use of tracer material at Oklahoma City service center has been eliminated.
 5. Compliance was achieved on April 7, 1986.
- F. 10 CFR 19.11(a) and (b) require that current copies of 10 CFR Part 19, 10 CFR Part 20, the license, license conditions, documents incorporated into the license, license amendments, and operating procedures be posted or that a notice be posted describing these documents and where they may be examined.
1. Halliburton Services admits the violation did occur.
 2. The violation occurred as a result of administrative oversight, a reduction in the work force which included informed personnel and the sporadic use of licensed material.
 3. The personnel at the service center have been informed that the posting of the required documentation is necessary.
 4. We are in the process of mailing the required documentation for posting to each active service center. The initiation of a comprehensive internal audit program will monitor active service center activities.
 5. Compliance will be achieved on October 26, 1987.
- G. 10 CFR 19.11(c) requires that Form NRC-3, "Notice to Employees", be posted for viewing by individuals engaged in licensed activities.
1. Halliburton admits the violation did occur.
 2. The violation occurred as a result of administrative oversight and reduction in the work force which included informed personnel.
 3. The personnel at the service centers have been informed that the posting of the required documentation is necessary.
 4. Halliburton Services has ordered NRC-3 forms and will immediately post such forms at each service center engaged in licensed activities. The internal audit program will ensure compliance with posting requirements.
 5. Compliance will be achieved on October 26, 1987.