

NOTICE OF VIOLATION

Geo Services & Engineering Corporation
Caguas, PR

Docket No. 03030421
License No. 52-17662-02

During an NRC inspection conducted May 24, 2012, through June 25, 2012, three violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. NRC License No. 52-17662-02, Amendment No. 08, Condition 15 requires that the licensee conduct a physical inventory every six months, or at intervals approved by the U.S. Nuclear Regulatory Commission, to account for all sources and /or devices received and possessed under the license. The Condition also requires that records of inventories be maintained for 5 years from the date of each inventory and include the radionuclide, quantities, manufacturer's name and model number, and the date of the inventory.

Contrary to the above, the licensee did not conduct a physical inventory every six months to account for all sources and/or devices possessed under the license. Specifically, the licensee possessed seven Campbell Pacific Nuclear and one Seaman Nuclear Corporation portable gauges and, as of May 24, 2012, had not conducted a physical inventory since the previous inspection on April 17, 2007, a period greater than six months.

This is a Severity Level IV violation (Section 6.3).

- B. 10 CFR 20.1101(c) requires that the licensee periodically (at least annually) review the radiation safety program content and implementation.

Contrary to the above, the licensee had not reviewed the radiation protection program content and implementation annually. Specifically, as of May 24, 2012, the licensee had not performed a periodic (at least annual) review of the radiation safety program content and implementation for calendar years 2010 and 2011.

This is a Severity Level IV violation (Section 6.3).

- C. 10 CFR 71.5(a) requires that a licensee who transports licensed material outside of the site of usage, as specified in the NRC license, or where transport is on public highways, or who delivers licensed material to a carrier for transport, comply with the applicable requirements of the regulation appropriate to the mode of transport of the Department of Transportation (DOT) in 49 CFR Parts 170 through 189.

49 CFR 172.704(c)(2) states that a HAZMAT employee shall receive training required by this subpart at least once every three years.

Contrary to the above, as of May 24, 2012, the licensee did not ensure that authorized users (HAZMAT employees), who performed functions subject to the requirements of 49 CFR Parts 171 - 177 were trained as required. Specifically, all

authorized users had not received HAZMAT training since 2007, a period greater than three years.

This is a Severity Level IV violation (Section 6.3).

Pursuant to the provisions of 10 CFR 2.201, Geo Services & Engineering Corporation is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with a copy to the Regional Administrator, Region I, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, any response which contests an enforcement action shall be submitted under oath or affirmation.

Your response will be placed in the NRC Public Document Room (PDR) and on the NRC Web site. To the extent possible, it should, therefore, not include any personal privacy, proprietary, or safeguards information so that it can be made publically available without redaction. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

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

Dated This 29 day of June 2012