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**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION IV
1600 E. LAMAR BLVD.
ARLINGTON, TX 76011-4511

November 9, 2016

EA-16-041

Mr. Michael McIntire, President
Southwest X-Ray Corporation
P.O. Box 130
Glenrock, WY 82637

SUBJECT: RESPONSE TO NRC INSPECTION REPORT 030-37579/2015-001,
NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY

Dear Mr. McIntire:

On September 19, 2016, the U.S. Nuclear Regulatory Commission (NRC) issued Inspection Report 030-37579/2015-001 and enclosed Notices of Violation which required you to respond in writing within 30 days (Agencywide Documents Access and Management System (ADAMS) Accession No. ML16264A006). You responded by letter dated October 14, 2016.

The NRC also conducted a routine inspection of Southwest X-Ray Corporation at your facility in Casper, Wyoming, on September 21, 2016, which was documented in a letter to you dated November 9, 2016 (ML16313A522). This inspection reviewed a number of your corrective actions, and based on these actions closed some, but not all, of the violations cited in the September 19, 2016 Notices of Violation.

After reviewing the information you provided in your responses to the Notices of Violation, the NRC has concluded that some of your completed and proposed actions do not adequately address the violations. This was discussed during a telephone briefing with you on November 3, 2016. As a result of the NRC's review, and the November 3, 2016 telephone conversation, the NRC has agreed to extend the time allowed for you to respond to the Notices of Violation to thirty days from the date of this letter. The NRC's review of the corrective actions you have planned or taken thus far is contained in the Enclosure to this letter.

If an adequate reply is not received within the time specified above, an Order or a Demand for Information may be issued required information 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.

In accordance with 10 CFR 2.390 of the "Agency Rules of Practice and Procedure," a copy of this letter, and your response, if it does not contain security-related information, will be made available for public inspection in the NRC's Public Document Room or from the NRC's ADAMS. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. However, the material in the Enclosure contains security-related information in accordance with

This letter's Enclosure contains Security-Related Information.
When separated from the Enclosure, this letter is decontrolled

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M. McIntire

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10 CFR 2.390(d)(1) and its disclosure to unauthorized individuals could present a security vulnerability. Therefore, the Enclosure will not be made available electronically for public inspection in the NRC's Public Document Room or from the NRC's ADAMS.

If you have any questions concerning this matter, please contact Janine Katanic, PhD, CHP, of my staff at 817-200-1151.

Sincerely,

/RA/

Ray L. Kellar, P.E., Chief
Nuclear Materials Safety Branch A
Division of Nuclear Materials Safety

Docket No. 030-37579
License No. 49-29277-01

Enclosure: NRC Review of Southwest X-Ray Corporation Corrective Actions

cc w/enclosure: Wyoming Radiation Control Program Director

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Ray L. Kellar, P.E., Chief
Nuclear Materials Safety Branch A
Division of Nuclear Materials Safety

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Enclosure: NRC Review of Southwest X-Ray Corporation Corrective Actions

cc w/enclosure: Wyoming Radiation Control Program Director

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