

487
RELATED CORRESPONDENCE

6/12/85

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE ADMINISTRATIVE LAW JUDGE IVAN W. SMITH

DOCKETED
USNRC

'85 JUN 17 A10:08

In the Matter of)

REICH GEO-PHYSICAL, INCORPORATED)
1019 Arlington Drive)
Billings, Montana 59101)

) License No. 25-18304-01
) Docket No. 30-14821
) ASLBP No. 85-508-01-0T
) EA 84-78

OFFICE OF SECRETARY
DOCKETING & SERVICE
BRANCH

NRC STAFF REQUEST FOR ADMISSIONS FROM REICH GEO-PHYSICAL, INC.

The NRC Staff hereby requests pursuant to 10 CFR 2.742 that Reich Geo-Physical, Inc., (the Licensee) within 10 days after service of this request, make the following admissions for the purposes of this action only and subject to all pertinent objections to admissibility which may be interposed at trial.

Please admit that each of the following numbered statements is true.

1. The Licensee used an americium-241 sealed source (serial no. B-085) of 25 millicuries to conduct well-logging operations in 1981 in Utah and Wyoming.
2. The Licensee used an americium-241 sealed source (serial no. B-351) of 15.5 millicuries to conduct well-logging operations in 1981 in Wyoming.

8506190370 850612
NMSS LIC30
25-18304-01 PDR

DS07

3. The Licensee used an americium-241 sealed source (serial no. B-085) of 25 millicuries to conduct well-logging operations in 1982 in Wyoming.
4. The Licensee used an americium-241 sealed source (serial no. B-351) of 15.5 millicuries to conduct well-logging activities in 1982 in Wyoming and Montana.
5. The Licensee used an americium-241 sealed source (serial no. B-351) of 15.5 millicuries to conduct well-logging activities in 1983 in Montana.
6. The Licensee did not submit a Form NRC-241 to the NRC in 1982.
7. The Licensee did not submit a Form NRC-241 to the NRC in 1983.
8. The Licensee did not submit a Form NRC-241 to the NRC in 1984 prior to June 20, 1984.
9. The Licensee violated conditions 6, 7, 8 and 9 of NRC License No. 25-18304-01.
10. Mr. Terry Dowling used americium-241 sealed sources in Wyoming during the period August 4 to August 14, 1982.
11. Mr. Terry Dowling did not use the sources in the physical presence of Keith A. Reich.

12. Mr. J. Jarocki used americium-241 sealed sources in Wyoming during the period August 12 to November 4, 1981 and in July 1982 in Montana.
13. Mr. Jarocki did not use the sources in the physical presence of Keith A. Reich.
14. The Licensee violated condition 12 of NRC License No. 25-18304-01.
15. Mr. Terry Dowling did not attend a formal class in radiation safety for well-logging operations until March 16, 1984.
16. Mr. J. Jarocki never received formal training in radiation safety for well-logging operations.
17. NRC License No. 25-18304-01 in effect on June 20, 1984 did not authorize Keith A. Reich to train individuals in radiation safety for well-logging operations.
18. Survey meter serial no. 11898 possessed by the Licensee was not calibrated during the period April 15, 1981 to April 9, 1984.
19. Survey meter serial no. 8075 possessed by the Licensee was not calibrated during the period July 28, 1982 to April 9, 1984.
20. The Licensee violated condition 17 of NRC License No. 25-18304-01.

21. On June 20, 1984, the Licensee was storing a 125 millicurie cesium-137 sealed source at a location in Billings, Montana, which was not at 1019 Arlington Drive and which was not a temporary job site.
22. The Licensee violated condition 10 of NRC License No. 25-18304-01.
23. The Licensee used a 15.5 millicurie americium-241 sealed source (serial no. B-351) on November 18, 1983.
24. The Licensee had not tested the 15.5 millicurie americium-241 sealed source (serial no. B-351) for leakage since January 12, 1983.
25. The Licensee used a 25 millicurie americium-241 sealed source (serial no. B-085) between August 4 and August 14, 1982.
26. The Licensee had not tested the 25 millicurie americium-241 sealed source (serial no. B-085) for leakage since November 20, 1981.
27. The Licensee violated condition 13 of NRC License No. 25-18304-01.
28. On June 20, 1984, two americium-241 sources were being stored on the licensee's logging vehicles within their respective mineral logging tools.
29. The Licensee used the mineral logging tools as shipping containers for the americium-241 sources.

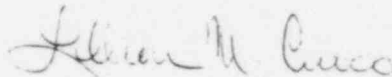
30. The mineral logging tools for the americium-241 sources possessed by the Licensee were not labeled with a label specified in 49 CFR § 172.403.
31. The mineral logging tools for the americium-241 sources possessed by the Licensee did not have the marking "USA DOT 7A Type A".
32. The Licensee transported the mineral logging tools containing the americium-241 sources outside the confines of its facility during the period April 15, 1981 to June 20, 1984 without a label specified in 49 CFR § 172.403 and without the marking "USA DOT 7A Type A."
33. The Licensee violated 10 CFR § 71.5(a) and 49 CFR §§ 172.403 and 178.350-3.
34. A Notice of Violation dated May 18, 1981, issued to Reich Geo-Physical, Inc., by NRC Region IV alleged that the Licensee possessed a 15.5 millicurie americium-241 sealed source that was not authorized by NRC License No. 25-18304-01.
35. The May 18, 1981 Notice of Violation also alleged that the Licensee had not calibrated two survey meters in accordance with the frequency specified in its application for an NRC license.
36. Condition 17 of NRC License No. 25-18304-01 in effect on June 20, 1984 required the Licensee to comply with the statements and representations made in its application.

37. On May 18, 1981, Mr. Keith A. Reich, President of Reich Geo-Physical, Inc., and Mr. D.B. Spitzberg, the NRC inspector who had conducted an April 14, 1981 inspection at the Reich Geo-Physical facility in Billings, Montana, discussed the unauthorized possession of the 15.5 millicurie americium-241 source identified during the inspection.
38. In the course of his conversation with Mr. Spitzberg, Mr. Reich agreed to apply for an amendment to obtain authorization to possess the source.
39. During the May 18, 1981 discussion, Mr. Reich further agreed to discontinue use of the source and to keep it in safe storage until such time that an amendment was issued to Reich Geo-Physical, Inc. authorizing possession and use of the source or until a completed Form NRC-241 was submitted to NRC.
40. The commitments Mr. Reich made to Mr. Spitzberg on May 18, 1981 were confirmed in a letter sent to him on May 21, 1981, by Karl V. Seyfrit, Director, NRC Region IV.
41. Mr. Seyfrit's May 21, 1981 letter also informed Mr. Reich that should his planned actions as described in the letter not be in accordance with the actual plans and actions being implemented, Mr. Reich was to contact the Region IV office immediately.

42. Mr. Reich did not contact the NRC Region IV office to indicate disagreement with the planned actions described by Mr. Seyfrit's May 21, 1981 letter.

Reich Geo-Physical, Inc., is required, if it does not admit that each of the above statements is true, to identify precisely which statements above, or portions thereof, it does not admit as true.

Respectfully submitted,



Lillian M. Cuoco
Counsel for NRC Staff

Dated at Bethesda, Maryland
this 12th day of June, 1985

RELATED CORRESPONDENCE

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE ADMINISTRATIVE LAW JUDGE IVAN W. SMITH

In the Matter of)

REICH GEO-PHYSICAL, INCORPORATED)
1019 Arlington Drive)
Billings, Montana 59101)

) License No. 25-18304-01
) Docket No. 30-14821
) ASLBP No. 85-508-01-0T
) EA 84-78

DOCKETED
USNRC

'85 JUN 17 A10:08

CERTIFICATE OF SERVICE

OFFICE OF SECRETARY
DOCKETING & SERVICE
BRANCH

I hereby certify that copies of the "NRC STAFF REQUEST FOR ADMISSIONS FROM REICH GEO-PHYSICAL, INC." in the above captioned proceeding have been served on the following by express service or as indicated by an asterisk, through deposit in the Nuclear Regulatory Commission's internal mail system, this 12th day of June, 1985.

Keith A. Reich, President
Reich Geo-Physical, Inc.
1019 Arlington Drive
Billings, Montana 59101

Ivan W. Smith, Administrative Law
Judge
Atomic Safety and Licensing
Board Panel
U.S. Nuclear Regulatory Commission
Washington, DC 20555*

Atomic Safety and Licensing
Board Panel
U.S. Nuclear Regulatory Commission
Washington, DC 20555*

Atomic Safety and Licensing Appeal
Panel
U.S. Nuclear Regulatory Commission
Washington, DC 20555*

Docketing and Service Section
Office of the Secretary
U.S. Nuclear Regulatory Commission
Washington, DC 20555*



Lillian M. Cuoco
Counsel for NRC Staff