

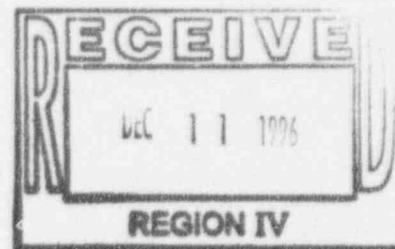
**GRANDIN TESTING LAB, INC.**

QUALITY MATERIALS TESTING

11 Roberts Circle • Los Lunas, NM 87031 • (505) 865-7949 Fax (505) 865-6239

December 11, 1996

Linda L. Howell
United States Nuclear Regulatory Commission, Region IV
611 Ryan Plaza Drive
Suite 400
Arlington, TX 76011-8064



Re: Grandin Testing Lab, Inc.

Ms. Howell,

I apologize for the delay in getting back to the committee but the holidays always seem to create additional chaos. This is an important matter to Grandin Testing Lab, Inc. (GTL), and we would like to cooperate fully and completely with the NRC.

As discussed during our conference, I was unclear of the extent of the conversations between GTL employee's and Kirtland Air Force Base personnel on or near the February 18, 1996, letter. After I arrived back in Los Lunas, NM, following the conference, I met with Kelly Caudle and then Jeffrey Easton. After my meeting with Kelly, it was clear that he had been to the base twice in January, 1996, but not in February, 1996. Jeffrey Easton, who had received the February 18, 1996 letter, was in contact with Captain Adams on several occasions in February, 1996, and thereafter. Jeffrey Easton has prepared a statement concerning his activities and efforts to comply with the NRC permit requirements. A copy of his statement is enclosed.

Mr. Easton's statement establishes that GTL did undertake significant efforts to comply with the NRC permit requirement. This was not a case of GTL willfully failing to comply with the NRC rules and regulations, but of an employee failing to follow through on his assigned task. Once the problem was brought to my attention, GTL got the NRC 241 application and fee paid within one day, which cured the problem. Unequivocally, GTL never intended to mislead or deceive Kirtland Air Force Base personnel concerning the permit

If you should have any questions or need additional information, please do not hesitate to contact me.

Respectfully Submitted,

GRANDIN TESTING LAB, INC.

Robert E. Grandin
President

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Capt. Adams sent GTL a letter on 18 Feb 96 stating that GTL's permit to use moisture-density gauges on KAFB had expired; because GTL needed an NRC Form 241. Capt Adams made no reference that GTL needed to stop testing at this time. While I was working on the paperwork to get our permit reissued for 1996. I talked with Capt Adams on numerous occasions while trying to get the base permit squared away. Capt Adams instructed GTL to call the NRC in Washington, D.C. This was after several phone conversations. This was the first time Capt Adams mentioned contacting the NRC directly.

During this time Capt Adams never advised me that the Form 241 permit was necessary for GTL to continue using the moisture-density gauges on the base.

I assumed the permit was not a serious concern of Capt Adams because GTL had a license to use the gauges issued by

the State of New Mexico AND because he never mentioned GTL's continuation of testing on the base.

While I was out of town, I missed several calls from Capt Adams. When I did contact his Office After About A month I was told he was transferred

Following my Phone call to the Washington office of the NRC, GTL recieved a packet of forms AND information in Late Feb. of 1996. I worked on this paperwork off AND on for two weeks or more. The paperwork was very confusing AND did not appear to fit the type of work that GTL was doing on the base. Unfortunately the directions recieved from phone conversations with NRC personell did not help in trying to complete the paperwork sent to GTL By the NRC.

I told Bob Grandin that I would continue to work on this paperwork AND informed Bob Grandin things would be covered. I would make sure things were covered.

I then left town AND didn't get to work on the paperwork for a couple of weeks AND nothing was done to this paperwork. I remained out of the office for About 4 months. I didn't think about this until the NRC investigator visited our office.

I never intended deceive anyone over the BASE Permit I got Busy AND wasn't Able

to complete the paperwork,

Jeff L. Easton

**GRANDIN TESTING LAB, INC.**

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FAX TRANSMITTAL

Date 12-11-96 Time 8:10 PM
To LINDA HOWELL Company NRC
at Fax # 860-8188 Confirmation # 860-8254
From ROBERT GRANDIN at Telephone # 505-865-7949
No of pages being sent including transmittal page _____

Notes: _____

FOLLOW UP ON MEETINGS WITH
KELLY CAUOKE AND JEFF EASTON

Please notify us if you do not receive all pages being faxed.

