

DEC 16 1996

Docket No. 040-09016

License No. SUB-1555

Jerry R Phillips
President
A. I. M., Inc.
19200 Middletown Road
Parkton, MD 21120

SUBJECT: INSPECTION NO. 040-09016/96-001

Dear Mr. Phillips:

On November 25, 1996, C. Thor Oberg of this office conducted a safety inspection at 62 East High Street, New Freedom, Pennsylvania, of activities authorized by the above listed NRC license. The inspection was an examination of your licensed activities as they relate to radiation safety and to compliance with the Commission's regulations and the license conditions. The inspection consisted of observations by the inspector, interviews with personnel, and a selective examination of representative records. The findings of the inspection were discussed with Robert H. Duff, at the conclusion of the inspection. This also refers to the telephone conversation on November 26, 1996 between Mr. Oberg and Mr. Duff.

Based on the results of this inspection, it appears that your activities were not conducted in full compliance with NRC requirements. A Notice of Violation is enclosed and categorizes each violation by severity level in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," (Enforcement Policy), NUREG 1600. You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

Please use the enclosed self-addressed green envelope when you respond to this letter to assist us in the timely processing of your response. In accordance with Section 2.790 of NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and your reply will be placed in the Public Document Room (PDR). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. However, if you find it necessary to include such information, you should

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Mr. Jerry Phillips
A. I. M., Inc.

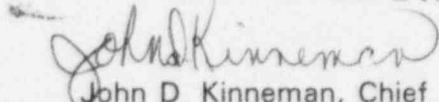
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clearly indicate the specific information that your desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public. The responses directed by this letter and the accompanying Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

Your cooperation with us is appreciated.

Sincerely,

ORIGINAL SIGNED BY:



John D. Kinneman, Chief
Nuclear Materials Safety Branch 2
Division of Nuclear Materials Safety

Docket No.: 040-09016
License No.: SUB-1555

Enclosure:
Notice of Violation

cc w/enclosure:
Robert H. Duff, Project Manager
State of Maryland
Commonwealth of Pennsylvania

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Mr. Jerry Phillips
A. I. M., Inc.

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Distribution: w/encl

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Nuclear Safety Information Center (NSIC)

Region I Docket Room (w/concurrences)

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