

40-2370

Attention: Dr. Eugene V. Klebar

Gen'l Landon :

This refers to the inspection conducted on December 6, 1960 of your activities authorized under AEC Source Material License No. C-4013.

It appears that certain of your activities were not conducted in full compliance with the requirements of the AEC's "Licensing of Source Material," Part 40, and "Standards for Protection Against Radiation," Part 20, Title 10, Code of Federal Regulations, in that:

1. You possessed source material without a valid AEC license, in violation of Section 40.10, "Restriction on transfers."

Although the rare earth rich residues which you received possession of for the purpose of recovering rare earths contain less than 0.05% thorium by weight and are not by definition source material, the solid process wastes resulting from your operations contain in excess of 0.05% thorium by weight, and are, pursuant to Section 40.2(a), "Definitions," considered to be source material.

2. You failed to maintain records of the quantities and concentrations of thorium discharged to the sanitary sewer as required by Section 20.401(c), "Records of surveys, radiation monitoring and disposal."

Pursuant to the provisions of Section 2.201(a), "Notice of violation," of the AEC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, you are requested to notify this office, within

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thirty days of your receipt of this notice, of the steps taken or to be instituted in achieving correction of the alleged violations and the date when such correction has been or will be achieved.

Please note Citation No. 1 is made under 10 CFR 40 prior to its revision on February 13, 1961; and Citation No. 2 is made under 10 CFR 20 prior to its revision on January 1, 1961. Enclosed are copies of the former 10 CFR 40 and 10 CFR 20 under which you were inspected and copies of the amended Parts 40 and 20 which are currently effective.

With respect to Item no. 1, we note that by letter dated November 23, 1960, you were requested by the Division of Licensing and Regulation to submit additional information in support of your application for renewal of License No. C-4013. The letter stated that upon receipt of the requested information your request for an AEC license would be further considered.

Enclosed is a copy of the most recent amendment to 10 CFR Part 40 which may be of interest to you. The amendment is entitled, "Unimportant quantities of Source Material," and is dated March 11, 1961.

Sincerely yours,

Eber R. Price
Assistant Director
Division of Licensing
and Regulation

Enclosures:

1. 10 CFR 20
2. 10 CFR 20 amended
3. 10 CFR 40
4. 10 CFR 50 amended
5. 10 CFR 40 amendment dtd 3/11/61

bcc: Compliance Division, HQ
Compliance Division, SAN
Public Document Room

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