



November 15, 1996

1850 North Central Avenue
Phoenix, AZ 85004-4525
602 207 2800

Mr. James Lieberman, Director
Office of Enforcement
United States Nuclear Regulatory Commission
Washington, DC 20555-0001

RE: Order Imposing Civil Monetary Penalty
(NRC Inspection Report No. 999-900003/95025 (DNMS))

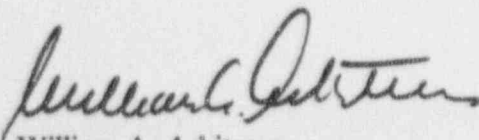
Dear Mr. Lieberman:

Enclosed please find a check in the amount of \$2,500 in payment of the civil penalty imposed in this matter.

While we do not wish to further contest the penalty, we take strong exception to the statement in the Evaluation and Conclusion that it "was only as a result of a direct question from the NRC Inspector about other NRC licensed materials in the possession of the Licensee that the Materials Manager told the Inspector that the americium-241 source was missing." We continue to maintain that Dial disclosed the existence of the lost device voluntarily and in good faith, without reference to any questions posed by the Inspector.

To the extent that the Appendix containing your agency's Evaluation and Conclusion is placed on the public record, we request it be accompanied by our position stated above.

Very truly yours,



William A. Arbitman
Associate General Counsel

WAA/dbs

Enclosure

cc: Gene Bacon
Neil Parrish

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