

SEP 12 1985

Docket No. 030-06281

License No. 37-12199-01

MEMORANDUM FOR: Maureen Moriarty, Licensing Assistance Section,
FCMS, NMSS

FROM: John D. Kinneman, Chief, Nuclear Materials Section A

SUBJECT: EXPIRED LICENSE, THE PEOPLES NATURAL GAS COMPANY,
LEECHBURG, PENNSYLVANIA

On May 22, 1985, a licensee representative, Mr. Ed Campbell, Manager of Land & Well Operations, was contacted and informed that License No. 37-12199-01 had expired on September 30, 1984 and that no renewal application had been received. The licensee representative explained that: they have received and possessed licensed material, but now possess no licensed material and wish to have the license terminated.

Licensed material was sold to Hitwell Surveys, Inc.; Parkersburg, West Virginia on July 3, 1985.

This was confirmed in a letter from the licensee dated July 16, 1985 and by contact with Edmund Monroe, Manager of Hitwell Surveys, Inc. License No. 47-21232-01, who confirmed that they had received the well logging unit and sources from the licensee in July 1985 and that they are authorized to possess this material.

Based on a review of the information supplied by the licensee and a review of the type and form of material authorized by the license, a close out survey by the licensee is not required and this license may be retired.

Based on the above information, we have retired License No. 37-12199-01. Please remove it from your active shelves.

Original Signed By:

John D. Kinneman

John D. Kinneman, Chief
Nuclear Materials Safety Section A,
Division of Radiation Safety
and Safeguards

Enclosures:

1. Letter dated June 20, 1985
2. Letter dated July 16, 1985

8509190794 850912
REG1 LIC30
37-12199-01 PDR

OFFICIAL RECORD COPY

INQ PEOPLES - 0002.0.0
09/04/85

RETURN ORIGINAL TO
REGION I

ML10

1/4

Maureen Moriarty

2

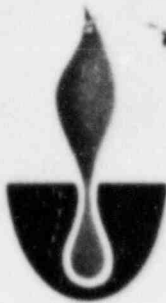
bcc:
Region I Docket room (w/concurrences)

MT
RI:DRSS
Taylor/gcb
9/6/85

RI:DRSS
Kinneman

OFFICIAL RECORD COPY

INQ PEOPLES - 0003.0.0
09/04/85



THE
PEOPLES
NATURAL GAS
COMPANY

TWO GATEWAY CENTER
PITTSBURGH, PA. 15222 (412) 471-5100

J. C. DORMIRE, General Manager
Gas Supply



June 20, 1985

Docket No. 030-06281
Inquiry No. 85-01

License No. 37-12199-01
Expiration Date: September 30, 1985

Region I, U.S. Nuclear Regulator Commission
Attention: Chief, Nuclear Materials Section A
631 Park Avenue
King of Prussia, Pennsylvania 19406

Gentlemen:

Subject: Notice of Violation

The Peoples Natural Gas Company is a natural gas distribution company which operates in sixteen counties in western Pennsylvania. Peoples were involved in new drilling activity until January 1, 1984 and operated a well logging unit up to that time. With this logging unit were two sources which were covered under License No. 37-12199-01. These sources were stored in a permanent storage location except when they were transported to well sites to be used on an individual basis.

Since January 1, 1984 The Peoples Natural Gas Company has not used the logging truck in any of its activity and the sources have not been removed from their storage location. The renewal for the license was not appropriately renewed by the effective expiration date, September 30, 1984. The Logging Engineer, Albert E. Garrison, Jr., was transferred to a subsidiary company, CNG Development Company in January, 1984.

The Peoples Natural Gas Company has been attempting to sell the logging truck and its associated equipment since May, 1984. It has been in the hands of several equipment brokers and bids were asked several times on this equipment. A new bid was asked recently with bids accepted up to June 14, 1985. It has been determined to accept the bid of Hitwell Surveys, Inc. of Parkersburg, West Virginia and the sources will be transferred after a bill of sale is completed. The License No. 47-21232-01 with an expiration date of March 31, 1988 will be the appropriate license number after the sale of the equipment.

Dis
8509190208

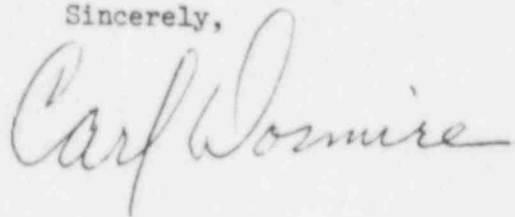
65 12 23 42 1985

Region I, U.S. Nuclear Regulatory Commission
Attention: Chief, Nuclear Materials Section A
June 20, 1985
Page Two

Before this equipment is formally transferred a leak test will be performed by Gulf Nuclear of Webster, Texas.

Our intentions were stated in a telephone conversation with your office on June 18, 1985. After the sale is completed we will furnish to you appropriate information and verification of the leak tests. We sincerely regret our lapse in appropriate license coverage.

Sincerely,

A handwritten signature in cursive script, reading "Carl Dismore". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

JCD:emh

cc: E. O. Campbell
A. E. Garrison, Jr.
E. W. Keener