

ENCLOSURE 1

NOTICE OF VIOLATION

Caribbean Drilling Services, Inc.
St. Croix, Virgin Islands

License No. 55-19508-01

The following violation was identified during an inquiry beginning on November 1, 1985. The Severity Level was assigned in accordance with the NRC Enforcement Policy (10 CFR Part 2, Appendix C).

10 CFR 30.3 requires that except for persons exempt as provided in this part and Part 150 of this chapter, no person shall manufacture, produce, transfer, receive, acquire, own, possess, or use byproduct material except as authorized in a specific or general license issued pursuant to the regulations in this chapter.

10 CFR 30.36 requires that no less than 30 days before the expiration date specified in a specific license, the licensee shall either: (1) submit an application for license renewal under §30.37; or (2) notify the Commission, in writing under §30.6, if the licensee decides not to renew the license.

If a licensee does not submit an application for license renewal under §30.37, the licensee shall, on or before the expiration date specified in the license: (1) terminate use of byproduct material; (2) remove radioactive contamination to the extent practicable; (3) properly dispose of byproduct material; (4) submit a completed form NRC-314; and (5) submit a radiation survey report.

Contrary to the above, the license expired on October 31, 1985, and no application for renewal, notice of non-renewal, or other transfer, disposal, or survey records has been received by the NRC.

This is a Severity Level IV violation (Supplement VI).

Pursuant to 10 CFR 2.201, you are required to submit to this office within 30 days of the date of this Notice, a written statement or explanation in reply, including: (1) admission or denial of the alleged violations; (2) the reasons for the violations if admitted; (3) the corrective steps which have been taken and the results achieved; (4) corrective steps which will be taken to avoid further violations; and (5) the date when full compliance will be achieved.

Security or safeguards information should be submitted as an enclosure to facilitate withholding it from public disclosure as required by 10 CFR 2.790(d) or 10 CFR 73.21.

Date: DEC 24 1985