



NRC NEWS

U.S. NUCLEAR REGULATORY COMMISSION

Office of Public Affairs, Region I
475 Allendale Road, King of Prussia, Pa. 19406

Site: <http://www.nrc.gov>

Blog: <http://public-blog.nrc-gateway.gov>

No. I-11-001

February 10, 2011

Contact: Diane Screnci (610) 337-5330

Email: OPA1.RESOURCE@nrc.gov

Neil Sheehan (610) 337-5331

FIRM IN INDIANA, PA., TO PAY \$17,000 FINE, MAKE CHANGES UNDER SETTLEMENT AGREEMENT WITH NRC

Superior Well Services, Ltd., of Indiana, Pa., has agreed to implement a broad range of corrective actions related to the use and transportation of radioactive materials and to pay a \$17,000 fine under an agreement reached with the Nuclear Regulatory Commission.

The settlement with the company was reached under the NRC's Alternate Dispute Resolution (ADR) process, which was initiated at the request of Superior Well Services to address several violations of NRC regulations. (Under ADR, a trained neutral mediator works with the parties to help them reach resolution.) An ADR mediation session was held on Jan. 4 at the NRC Region I Office in King of Prussia, Pa., during which a preliminary settlement was reached. That agreement has now been finalized.

On Oct. 22, 2010, the NRC announced that it was proposing a \$34,000 fine for Superior Well Services for the violations. In response, the company requested the use of the ADR process to resolve the differences it had with the NRC regarding the enforcement action.

As part of the settlement agreement reached during the Jan. 4th ADR session, the company has agreed to take a number of actions, in addition to several already implemented. These include: provide presentations at several professional and industry forums that discuss an event involving the temporary loss of radioactive sources which occurred on Sept. 20, 2008, including the firm's lessons learned and corrective actions; submit an article discussing the event, lessons learned and corrective actions for consideration for use in several professional and industry publications; modify the company's annual radiation training to emphasize that regulations and license conditions must be properly followed; and conduct enhanced audits of completed radiological surveys. The company has also taken action to enhance the corporate safety culture, including the implementation of anonymous employee safety concern feedback programs.

Superior Well Services has agreed to complete these actions within 90 days of the issuance of the Confirmatory Order containing these commitments, and to send the NRC a letter documenting completion of the actions within 30 days after they are done.

In recognition of these actions, as well as the corrective actions already taken by the company, the NRC has agreed to reduce the amount of the civil penalty to \$17,000.

The violations by Superior Well Services were identified by the NRC during an inspection conducted during the period of July 23, 2009 to July 22, 2010, as well as an investigation by the agency's Office of Investigations during the same period. Three of the violations stem from an event on Sept. 20, 2008, in which two sealed radioactive sources used for well logging – an oil and gas exploration technique – fell off a company truck while being transported.

One of the violations involved a failure to properly secure the packages containing the licensed radioactive material from shifting when the vehicle was in motion. As a result, when the truck reportedly hit a large pothole on Interstate 79 in West Virginia, the weld securing the source plate to the vehicle broke, allowing the radioactive sources to fall off and consequently to be left unattended by the side of a public highway. The second violation involved a failure to control and maintain constant surveillance of the sources while they were on the highway, which is an unrestricted area. The sources remained unattended for approximately 90 minutes until Superior Well Services personnel located and retrieved the sources. The third violation involved the company's failure to immediately report the event to the NRC, as required. The NRC inspection and investigation found that company employees who were aware of the event did not recognize the need to file such a report, leading to Superior Well Services not notifying the NRC until July 23, 2009.

The other two violations cited by the NRC pertained to a failure by certain Superior Well Services employees to conduct required radiological surveys of vehicles transporting licensed radioactive materials and the creation, by the employees, of records indicating the surveys had been performed when, in fact, the employees knew they had not. Specifically, certain former Superior Well Services employees told the NRC that on numerous occasions they did not perform these surveys but instead completed the associated forms by copying data from previously completed forms.

A copy of the enforcement action will be posted on the NRC web site at:
<http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions>.

###

News releases are available through a free *listserv* subscription at the following Web address:
<http://www.nrc.gov/public-involve/listserver.html>. The NRC homepage at www.nrc.gov also offers a SUBSCRIBE link. E-mail notifications are sent to subscribers when news releases are posted to NRC's website.