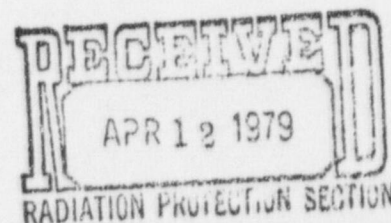


Gulf Mineral Resources Co.

1720 So. Bellaire St.
Denver, CO 80222

April 9, 1979



Mr. James L. Mackin
New Mexico Environmental Improvement Division
P. O. Box 2348
Santa Fe, New Mexico 87503

Dear Jim:

Enclosed for your information is Gulf's Application for a Significant Deterioration Permit which has been forwarded to EPA, Region VI. I will keep you advised of the progress of their review of this application.

Best wishes,

A handwritten signature in cursive script, appearing to read "Karen".

Karen H. Rasmussen

KHR:rw

Enclosure

*Filed as document 6-13.
Transd to Warren Slade, Air Quality 4/16/79*

9805040264 790409
PDR ADDCK 04008908
C PDR



Gulf Mineral Resources Co.

REGISTERED
RETURN RECEIPT REQUESTED

1720 So. Bellaire St.
Denver, CO 80222

April 5, 1979

Mr. Robert Hannesschlager, Chief
Special Projects Section - Air
Environmental Protection Agency
First International Building
1201 Elm Street
Dallas, Texas 75270

Re: Application for Prevention of
Significant Deterioration Permit

Dear Mr. Hannesschlager:

Gulf Oil Corporation (Gulf), acting by and through its division, Gulf Mineral Resources Co., hereby transmits its application for a Prevention of Significant Deterioration (PSD) permit for a proposed uranium mill, referred to as the Mt. Taylor Uranium Mill Project, located in McKinley County, New Mexico. It is Gulf's understanding that there is no application form specifically designed for this review. Hence, this letter, together with the accompanying report entitled "Prevention of Significant Deterioration Application, March, 1979", submitted in triplicate, constitutes Gulf's formal application.

The Mt. Taylor Uranium Mill Project is composed of a mill, located in Section 1, T13N, R8W, McKinley County, New Mexico, and a tailings impoundment located approximately six miles north of the mill in Sections 10, 11, 14 and 15, T14N, R8W, McKinley County. The mill is planned to process uranium ore to a finished yellowcake product at a design rate of 4200 dry tons of ore per stream day. Construction of the mill and tailings impoundment is expected to commence the first half of 1980. Both the mill and tailings facility are targeted to be in operation in the last half of 1981. Based on current ore reserves and market assessments, the productive life of the mill is anticipated to be 20 years.

This application includes both an overview of the entire proposed operation including a description of the mill process, one-year's background monitoring for Total Suspended Particulate Matter (TSP) and SO₂, and a description of the potential and uncontrolled atmospheric emission sources. Potential and controlled emissions have been calculated for TSP, SO₂, NO_x, HC and CO. It has been concluded that our potential to emit TSP exceeds 250 tons per year (TPY) including



Mr. Robert Hanneschlager
April 5, 1979
Page Two -

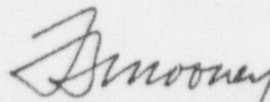
fugitive dust, although, with the application of what we believe to be the current Best Available Control Technology for point source control, it is estimated that our allowable (controlled) TSP emissions will be less than 50 TPY. For the pollutants SO₂, NO_x, HC and CO, it is estimated that our potential emissions, which for this proposed operation are the same as the controlled emissions, will be less than 250 TPY.

This application also includes a description and the results of computer modeling of the effect of our allowable (controlled) emissions on both TSP and SO₂ PSD increment consumption as well as the applicable State and National Ambient Air Quality Standards. It should be noted that although not required to do so because of the calculated potential and controlled SO₂ emissions, the applicant has modelled the impact of these emissions on PSD increment consumption because SO₂ constitutes the largest pollutant emission from the mill. The results of the modeling show that only a fraction of the TSP increment will be consumed beyond the project boundary on both an annual and 24-hour basis. A somewhat larger portion of the allowable increment for SO₂ will be consumed, especially for the 3-hour increment, but due to the conservative nature of the modeling and the remote location of this facility relative to other sources of SO₂ emissions, it is not believed that SO₂ emissions from the mill will cause an increment consumption problem for any other future applicants in the region. Gulf has also concluded that construction and operation of this mill will not adversely impact any designated Class I area, the nearest being the San Pedro Wilderness Area, approximately 60 kilometers to the northeast of the project location.

We trust this application addresses all the necessary requirements. If you have any questions or require additional information, please contact Mr. W. L. Rogers at (303) 758-1700, extension 501.

Very truly yours,

GULF OIL CORPORATION

By 

F. S. Mooney, Attorney-in-Fact

APPROVED
KRO
4-5-79
SEPT

FSM:KHR:rw

Enclosures (3)

bcc w/attachment: K. S. Barnhill (2)
R. E. Bohm
J. L. Mackin ← THIS COPY FOR
A. J. Powell
K. H. Rasmussen
W. L. Rogers
J. J. Selters