



## PHILLIPS URANIUM CORPORATION

BOX 26236 4501 INDIAN SCHOOL ROAD N.E.  
ALBUQUERQUE, NEW MEXICO 87125

TELEPHONE: 505 265-4481

November 29, 1978

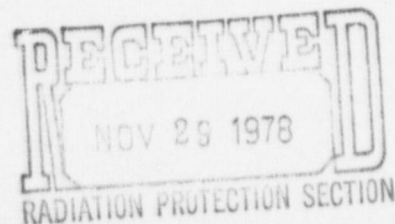
*SEE REPORT #1  
Vols. I, II, III, IV*

Mr. Thomas Baca, Director  
New Mexico Environmental  
Improvement Division  
Water Quality Section  
P.O. Box 968  
Santa Fe, N.M.

Dear Mr. Baca:

By way of this transmittal, Phillips Uranium Corporation respectfully submits 10 copies of the Nose Rock Project Uranium Mill Source License Application. As you know, Phillips Uranium Corporation has under development its Nose Rock Project northeast of Crownpoint, New Mexico. Associated with this development is a proposed uranium mill designed to operate at a capacity of 2750 tons per operating day. All pertinent detail regarding the proposed mill is held within the application. Said application consists of four volumes. Volume 1 contains the formal application (RPS-16), a summary presentation, the Environmental Report, and the Mill Radiation Safety Program. It has been prepared pursuant to guidelines received from your Radiation Protection Staff. Volumes 2 and 3 contain pertinent attachments which describe in detail the particulars which support our application. Volume 4 contains the results of an Environmental Baseline Study which was conducted at the Nose Rock Project beginning in August of 1976 and ending in June of 1978. You will note that Volume 4 sets forth baseline conditions present at the "entire" Nose Rock Project.

I trust that the information held within the application will provide sufficient detail to allow its review. All questions and comments should be addressed to my attention to facilitate the most expedient and appropriate response. If you should have questions of clarification during your review, please



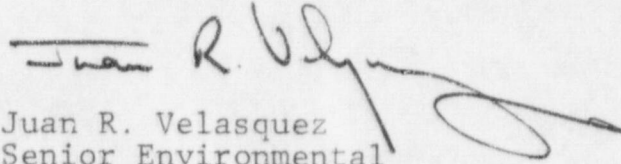
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Mr. Thomas Baca

Page 2.

do not hesitate to contact me by telephone at this office.  
It is hoped that the review process can be expeditiously  
accomplished as PUC awaits your approval.

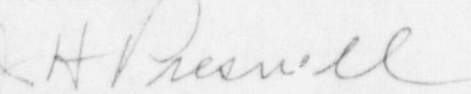
Sincerely,

A handwritten signature in dark ink, appearing to read "Juan R. Velasquez", with a long, sweeping flourish extending to the right.

Juan R. Velasquez  
Senior Environmental  
Representative

JRV/cgt

APPROVED:

A handwritten signature in dark ink, appearing to read "J.H. Presnell", with a large, stylized initial "J".

J.H. Presnell  
Executive Vice President