

cc: J. C. Delaney
Washington, D. C.

PHILLIPS PETROLEUM COMPANY

BARTLESVILLE, OKLAHOMA

MINING AND MILLING DEPARTMENT

August 31, 1961

Source Material License R-216

Re: Hi-390-61MM

Your Ref: CO-AL(3078)

Certified Mail

Mr. Roger T. Woolsey, Acting Director
Albuquerque Compliance Area
Division of Compliance
U. S. Atomic Energy Commission
P. O. Box 5400
Albuquerque, New Mexico

Dear Sir:

We have your letter of August 23, 1961 requesting that we obtain a license pursuant to Section 40.47 of the Regulation 10 CFR 40 in order to retain possession of uranium or thorium source material.

As you know, we operate a uranium ore processing mill near Grants, N. M. to sell a uranium concentrate to the AEC under our Contract AT(05-1)-737 between Phillips Petroleum Company and the AEC.

On October 15, 1959 we wrote to Mr. J. C. Delaney at the Nuclear Material Section, Licensing Branch at Washington, D.C. requesting an extension of our Source Material License R-216. Mr. Lyall Johnson's letter (L&R:ND 40-1822) dated December 11, 1959 advised us as follows: "Your application for renewal of license No. R-216 is under consideration and until action is taken (on your application for renewal), your existing License No. 216 remains in effect in accordance with Section 40.26 of the governing Regulation 10 CFR 40."

On February 21, 1961 we received copy of "Notice to AEC Source Material Licensees" stating the following:

"Enclosed for your information is a copy of revised 10 CFR 40, "Licensing of Source Material", which is effective February 13, 1961.

Any application which is presently under consideration by the AEC for a source material license or for renewal of an existing license will be deemed to be an application under the revised 10 CFR 40. Accordingly,

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It's Performance That Counts
FLITE-FUEL — TROP-ARTIC

Mr. Roger T. Woolsey

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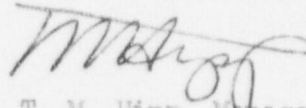
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persons who have filed such applications need not submit new applications under the revised 10 CFR 40. Applicants will be informed in the event additional information in support of a pending application is required."

/s/ H. L. Price, Director
Division of Licensing & Regulation

It would appear to us that no additional application is necessary for a license to possess a source material inasmuch as a renewal license, when issued under the revised 10 CFR 40, should include authority to possess source materials.

Very truly yours,



T. M. Hipp, Manager
Mining and Milling Department

TMH:BS:hm