



NEW MEXICO
ENVIRONMENT DEPARTMENT



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RYAN FLYNN
Secretary

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Deputy Secretary

CERTIFIED MAIL—RETURN RECEIPT REQUESTED

March 10, 2015

Mr. Joel Lister, Mine Manager
Rio Grande Resources Corporation
P.O. Box 1150
Grants, NM 87020

**RE: Mt. Taylor Mine/Discharge Permit-61—approval of discharge pipeline
Outfall 001 investigations**

Dear Mr. Lister:

In conjunction with its application to modify and renew Discharge Permit-61 (DP-61), the New Mexico Environment Department (NMED) required Rio Grande Resources Corporation (RGRC) to investigate soils and ground water downstream of Outfall 001 for possible contamination associated with the Mt. Taylor Mine's (Mine's) prior operational period, which ended in 1990. The outfall, which is located in San Lucas Canyon approximately 4.5 miles from the minesite, had been used for discharge of treated mine dewatering effluent, and would be utilized for the same purpose under RGRC's proposed plan for reactivation of the Mine.

Documents pertaining to RGRC's investigation are as follows:

- RGRC, August 23, 2013; *"Response to requests for additional information #3, Mt. Taylor mine discharge permit DP-61 modification and renewal"*
- NMED, September 10, 2013; *"Mt. Taylor mine/DP-61—Conditional approval of investigation workplan (RGR, August 23, 2013; 'Response to requests for additional information #3, Mt. Taylor mine Discharge Permit DP-61 modification and renewal)'"*
- RGRC, September 10, 2013; *"Response to conditional approval of investigation work plan, Mt. Taylor Mine discharge permit DP-61 modification and renewal"*
- RGRC, December 10, 2013 *"Response to RAI #3 and 4, Summary report of outfall area investigations, Mt. Taylor mine discharge permit DP-61 modification and renewal"*

Joel Lister, Rio Grande Resources Corporation Mine Manager

RE: Mt. Taylor Mine/Discharge Permit-61—approval of discharge pipeline Outfall 001 investigations

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- NMED, September 3, 2014; "Mt. Taylor Mine/DP-61—Comments on 'Summary report of pipeline outfall investigations; treated mine water pipeline Outfall 001 at San Lucas Canyon (December 10, 2013)'"
- RGRC, September 23, 2014; "RGR responses to NMED letter of 9/3/14 regarding the outfall investigation report"
- RGRC, September 23, 2014; "Work plan, supplemental investigation of soil for uranium, selenium, and molybdenum contamination downstream of mine water pipeline Outfall 001"
- NMED, October 2, 2014; "Mt. Taylor mine/Discharge Permit DP-61—NMED review comments on 'RGR responses to NMED letter of 9/3/14 regarding the outfall investigation report' (September 23, 2014) and 'Work plan, supplemental investigation of soil for uranium, selenium, and molybdenum contamination downstream of mine water pipeline Outfall 001' (September 23, 2014)"
- RGRC, October 5, 2014; "Addendum to workplan; supplemental investigation of soil for uranium, selenium, and molybdenum contamination downstream of mine water pipeline outfall 001"
- NMED, October 6, 2014; "Mt. Taylor mine/Discharge Permit DP-61—NMED comments on 'Addendum to work plan, supplemental investigation of soil for uranium, selenium, and molybdenum contamination downstream of mine water pipeline Outfall 001'"
- RGRC, January 26, 2015; "Soil and water sampling and testing, water and sediment impoundment locations downstream of Mt. Taylor Mine water Outfall 001"
- NMED, February 6, 2015; "Mt. Taylor mine/Discharge Permit-61—New Mexico Environment Department comments on 'Soil and water sampling and testing, water and sediment impoundment locations downstream of Mt. Taylor mine water outfall 001' (Rio Grande Resources Corporation, January 26, 2015)"
- RGRC, February 26, 2015; "Your letter of February 6, 2015"

With its review of the latter submittal, NMED has determined that there are no impacts evident in the downgradient soils and ground water from prior Outfall 001 discharges with the potential to cause exceedances of ground water standards promulgated in 20.6.2.3103 NMAC, and hereby approves RGRC's investigations.

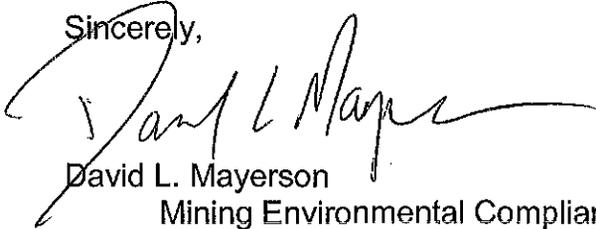
Joel Lister, Rio Grande Resources Corporation Mine Manager

RE: Mt. Taylor Mine/Discharge Permit-61—approval of discharge pipeline Outfall 001 investigations

March 10, 2015

Please contact me at (505) 476-3777 or by email at david.mayerson@state.nm.us if you should have any questions on this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "David L. Mayerson". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

David L. Mayerson

Mining Environmental Compliance Section
Ground Water Quality Bureau
New Mexico Environment Department

Emailed copy:

Kurt Vollbrecht, NMED (kurt.vollbrecht@state.nm.us)

