

pg. 1 State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Fernando Martinez, Director
Mining and Minerals Division



7012 0470 0000 0880 6184

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

April 24, 2015

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

RE: Comments on Amended Application for Standby Renewal including Updated Closeout Plan, Mount Taylor Mine, Amended Revision 10-1, Permit No. CI002RE

Dear Mr. Lister,

The New Mexico Mining and Minerals Division (“MMD”) received a letter from Rio Grande Resources Corporation (“RGR”), dated January 29, 2015, (“Request Letter”) requesting that the application for standby status renewal for the Mt. Taylor Mine that MMD is processing under Revision 10-1 be amended to include the Updated Closeout Plan, as revised, for the Mt. Taylor Mine that was submitted to MMD on July 27, 2012. MMD was processing the Updated Closeout Plan under Revision 13-1 to Permit No. CI002RE. MMD has reviewed the Request Letter and has sent a copy of it to the other state agencies requesting their comments pursuant to 19.10.5.505.B(3) and 19.10.506.E NMAC. MMD has received responses from the New Mexico Environment Department (“NMED”), the New Mexico Office of the State Engineer (“NMOSE”), the New Mexico Department of Cultural Affairs (“NMDCA”), and the New Mexico State Forestry Division (“NMSFD”).

MMD is enclosing copies of the response letters and e-mails from the NMED, NMOSE, NMDCA, and the NMSFD for RGR’s review and response. Please respond to the agency comments within 30 days of receipt of this letter.

If you have any questions, please contact me at (505) 476-3432, or at david.ohori@state.nm.us.

Sincerely,

David Ohori, Permit Lead
Mining Act Reclamation Program (“MARP”)

Enclosures

RE: Comments on Amended Application for Standby Renewal including Updated Closeout Plan,
Mount Taylor Mine, Amended Revision 10-1, Permit No. CI002RE

April 24, 2015

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cc: Holland Shepherd, Program Manager, MARP

John Hall, Mining Act Team Leader, Mining Environmental Compliance Section
("MECS"), Ground Water Quality Bureau, NMED

David Mayerson, MECS, Ground Water Quality Bureau, NMED
Mine File (CI002RE)



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Governor

JOHN A. SANCHEZ
Lieutenant Governor

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RYAN FLYNN
Secretary - Designate
BUTCH TONGATE
Deputy Secretary

MEMORANDUM

DATE: March 25, 2015

TO: Holland Shepherd, Program Manager, Mining Act Reclamation Program

FROM: David Mayerson, Ground Water Quality Bureau
Neal T. Butt, Air Quality Bureau
Neal Schaeffer, Surface Water Quality Bureau

THROUGH: Keith Ehlert, Acting NMED Mining Act Team Leader

RE: **Comments, Mt. Taylor Mine Updated Closeout Plan, Amendment to Revision 10-1, Permit No. CI002RE**

On February 26, 2015 The New Mexico Environment Department (NMED) received a request for comments on a letter received from Rio Grande Resources (RGR) requesting that the application for Revision 10-1 be amended to include the updated closeout plan that MMD was processing under Revision 13-1. In addition, the RGR letter requests that upon amending the Revision 10-1 application to include the updated closeout plan, the Mining and Minerals Division (MMD) no longer process the updated closeout plan under Revision 13-1.

The Ground Water Quality Bureau and Surface Water Quality Bureau have no comments at this time. The Air Quality Bureau has provided the attached comments.

The New Mexico Environment Department (NMED) is providing the attached determination that the above-referenced Closeout/Closure Plan is protective of environmental standards.

NMED provided a determination dated May 27, 2011 that environmental standards will be met during the standby status addressed under Revision 10-1 and subsequently affirmed the determination upon review and comment in a memorandum dated February 11, 2015 on Revision 14-1. The Permittee is abating ground water impacts pursuant to an approved abatement plan in accordance with Water Quality Control Commission Regulations (WQCC) 20.6.2.4000 through 4115 NMAC.

Holland Shepherd, Mining Act Reclamation Program Manager

March 25, 2015

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xc: Phyllis Bustamante, Acting Bureau Chief, GWQB
Richard Goodyear, Chief, AQB
Fernando Martinez, Director, EMNRD-MMD
David Mayerson, GWQB
Kurt Vollbrecht, Program Manager, MECS



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Ryan Flynn
Secretary

Butch Tongate
Deputy Secretary

MEMORANDUM

DATE: March 18, 2015

TO: Keith Ehlert
Mining Environmental Compliance Section
Ground Water Quality Bureau

FROM: Neal Butt
Environmental Scientist & Specialist, Air Quality Bureau

RE: Request for Comments, Updated Closeout Plan, Amendment to Revision 10-1
MMD Permit No. C1002RE, Mt. Taylor Mine

The New Mexico Air Quality Bureau (AQB) has completed its review of the letter received by the New Mexico Mining and Minerals Division ("MMD") from Rio Grande Resources ("RGR"), dated January 29, 2015, requesting that: their application for Revision 10-1 (for standby status renewal) be amended to include the updated closeout plan that MMD was processing under Revision 13-1, for the Mt. Taylor Mine, Permit No. C1002RE; and that upon amending the Revision 10-1 application to include the updated closeout plan, that MMD no longer process the updated closeout plan under Revision 13-1.

The AQB has no objection to the amendment to Revision 10-1 and concomitant withdrawal of Revision 13-1.

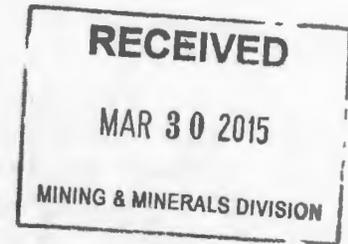
If you have any questions, please contact me at (505) 476-4317.



Susana Martinez
Governor

STATE OF NEW MEXICO
DEPARTMENT OF CULTURAL AFFAIRS
HISTORIC PRESERVATION DIVISION

BATAAN MEMORIAL BUILDING
407 GALISTEO STREET, SUITE 236
SANTA FE, NEW MEXICO 87501
PHONE (505) 827-6320 FAX (505) 827-6338



March 30, 2015

David Otori
Permit Lead
Mining and Minerals Division
1220 South Saint Francis Drive
Santa Fe, NM 87505

Re: Request for Comments, Updated Closeout Plan, Amendment to Revision 10-1,
Permit No. CI002RE, Mt. Taylor Mine

Dear Mr. Otori:

I am writing in response to your request for review and comment on the above referenced updated closeout plan received at the State Historic Preservation Office (SHPO) February 26, 2015.

As this office has previously stated, an archaeological survey of the mine has not been conducted and activities associated with operation of the mine and closeout plan have the potential to affect unidentified significant archaeological sites. Drainage upgrades, installation of riprap and fencing, the removal of sediment on NM 334, proposed borrow areas and removal of facilities and the discharge pipeline are activities that have the potential to inadvertently damage cultural resources that may be eligible for listing on the State Register of Cultural Properties or the National Register of Historic Places.

In order to prevent inadvertent damage to cultural resources, this office recommends that an archaeological consultant conduct an archaeological survey of any areas that may have the potential for unknown archaeological sites and determine whether ground disturbing activities associated with the close out plan will have an effect on archaeological sites prior to implementation. Although most of the area within the mine permit area is heavily disturbed, there are areas within the fence and along the slopes that are not so disturbed as to preclude the existence of archaeological sites.

As you know, the Mt. Taylor TCP is listed on the State Register of Cultural Properties and its boundary meets the mine permit boundary on the east. Reactivation of the mine has the potential to indirectly alter the setting of the TCP, and introduce noise, lights and atmospheric elements that may adversely impact the use of the TCP by Native American

tribes who continue to use the Mt. Taylor area for traditional and ceremonial activities. In addition, Native American tribes could view the mine shaft and underground workings as an adverse effect to Mt. Taylor because the extent of the shaft is within the boundaries of Mt. Taylor.

Because of the potential adverse effects to the Mt. Taylor TCP, Mining and Minerals Division (MMD) should be consulting with the SHPO under §18-8-7 of the Prehistoric and Historic Sites Preservation Act, NMSA 1978. Consultation under this Act requires MMD to consider whether the issuance of the permit to reactive the mine will be a “use” (or adverse effect) of the Mt. Taylor TCP and to solicit alternatives to avoid a “use” or select an alternative that causes the least harm to the TCP.

Finally, MMD should continue Native American consultation on this project. Please provide us with an update on the status of your consultation.

If you have any questions concerning these comments, please do not hesitate to contact me. I can be reached by telephone at (505) 827-4064 or by email at michelle.ensey@state.nm.us.

Sincerely,



Michelle M. Ensey
Archaeologist

Log: 100928

Ohori, David, EMNRD

From: Myers, Kevin, OSE
Sent: Thursday, February 26, 2015 11:47 AM
To: Ohori, David, EMNRD
Cc: Johnson, Mike S., OSE
Subject: NMOSE Comments for Amendment to Revision 10-1 FW: NMOSE comments for Revision 14-1 MMD permit No. CI002RE - Renew Standby Status - Mt. Taylor Mine

David,

On February 24, 2015, the New Mexico Office of the State Engineer Hydrology Bureau (NMOSE) received a request for review and comments from the Mining and Minerals Division (MMD) for the Amendment to Revision 10-1 for an Updated Closeout Plan for the Mt. Taylor Mine – Rio Grande Resources(RGR) Corporation – MMD Permit No. CI002RE (Amendment to Revision). NMOSE has reviewed the January 29, 2015 letter from RGR. As summarized in January 5, 2015 email below, NMOSE has previously commented on multiple permitting actions ongoing for the Mt. Taylor Mine. The Amendment to Revision reduces the number of permitting actions by discontinuing Revision 13-1 as a separate action and by incorporating the updated closeout plan from Revision 13-1 into Revision 10-1.

NMOSE has no comments on the Amendment to Revision.

If you have any questions about the above, contact me.

Kevin Myers, Hydrologist
Hydrology Bureau - NM OSE
P.O. Box 25102
Santa Fe, NM 87504-5102
Ph: (505) 476-7402
Fax: (505) 476-0220

<http://www.ose.state.nm.us/>

From: Myers, Kevin, OSE
Sent: Monday, January 05, 2015 12:28 PM
To: Ohori, David, EMNRD
Cc: Johnson, Mike S., OSE
Subject: NMOSE comments for Revision 14-1 MMD permit No. CI002RE - Renew Standby Status - Mt. Taylor Mine

David,

On December 2, 2014, the New Mexico Office of the State Engineer Hydrology Bureau (NMOSE) received a request for review and comments from the Mining and Minerals Division (MMD) for the Revision 14-1 to renew standby status for the Mt. Taylor Mine – Rio Grande Resources Corporation – MMD Permit No. CI002RE (Revision). Mt. Taylor Mine is located in Section 24, T13N, R8W near the village of San Mateo in Cibola County. NMOSE has reviewed the materials for this Revision, which requests renewal of standby by adding a 5-year term thru October 12, 2019 or when mine returns to active status. Previously, NMOSE has commented six times on three CI002RE revisions numbered 10-1 (OSE comments August 4, 2010), 13-1 (OSE comments April 11, 2013 & February 13, 2014) and 13-2 (OSE comments March 7, 2014; June 9, 2014 & August 20, 2014). The previous revisions include an updated closure/closeout plan, a renewal of standby status for two years (thru October 12, 2014) and a change from standby to active status.

NMOSE has no comments for this Revision.

If you have any questions about the above, contact me.

Kevin Myers, Hydrologist
Hydrology Bureau - NM OSE
P.O. Box 25102
Santa Fe, NM 87504-5102
Ph: (505) 476-7402
Fax: (505) 476-0220

<http://www.ose.state.nm.us/>

Ohori, David, EMNRD

From: Roth, Daniela, EMNRD
Sent: Friday, February 27, 2015 2:40 PM
To: Ohori, David, EMNRD
Subject: RE: Application to Renew Standby Status, Mount Taylor Mine (Permit No. CI002RE) - Revision 10-1

Dear David Ohori:

Thank you for giving me the opportunity to comment on the application to renew the Standby Status for the Mount Taylor Mine in Cibola County, New Mexico (Permit No. CI002RE, Revision 10-1). I do not anticipate any impacts to state listed endangered plants from revision 10-1. In addition, I reviewed the updated closeout plan and have no further comments.

Please let me know if I can be of further help.

Sincerely,

Daniela Roth

BOTANY PROGRAM COORDINATOR
EMNRD-Forestry Division
1220 S. St. Francis Dr.
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