



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Las Cruces District Office
1800 Marquess Street
Las Cruces, New Mexico 88005
www.blm.gov/nm/lascruces



In Reply Refer To:

NMNM 136678
3809 (L0310)

DEC 08 2017

RECEIVED

DEC 13 2017

MINING & MINERALS DIVISION

CERTIFIED--RETURN RECEIPT REQUESTED
7017 0190 0000 9025 3882

American Magnesium
David Q. Tognoni
P.O. Box 684
Elephant Butte, NM 87935-0684

Dear Mr. Tognoni:

On July 20, 2017, the Bureau of Land Management (BLM) received your amended Plan of Operations (Plan) to conduct mining activities near Deming in Luna County, New Mexico. Please refer to NMNM 136678 in future correspondence concerning this operation.

Consistent with the surface management regulations at 43 CFR 3809.411(a), the BLM has reviewed the Plan for completeness relative to 43 CFR 3809.401(b). Based on our review, the following information is required in order for the Plan to be complete:

1. Per 43 CFR 3809.401(b)(2)(i) maps must be at an appropriate scale showing drill sites, drill roads, access routes, support facilities, and structures, including temporary structures. Please enhance legibility of figures and display the items listed above. A map showing drill sites and roads was requested in the May 12, 2017 comment letter and was not included in the July 20, 2017 revised Plan.
2. Per 43 CFR 3809.401(b)(2)(ii) preliminary designs, cross sections, and operating plans for mining areas must be provided. Please provide a detailed plan for mining operations along with the appropriate cross sections.
3. Per 43 CFR 3809.401(b)(2)(iv) a rock characterization and handling plan must be included in your Plan. Please provide this information in your Plan.
4. Per 43 CFR 3809.401(b)(2)(vi) spill contingency plans must be included in your Plan. On page 2-9 it states that a Spill Prevention Plan will be included as Appendix A which will be provided at a later date. This plan must be provided in order for your Plan to be complete.

5. Per 43 CFR 3809.401(b)(2)(vii) a general schedule of operations from start to closure must be included in your Plan. Please update the Plan to include this information.
6. Per 43 CFR 3809.401(b)(2)(viii) a plan for all access routes must be included in your Plan. Please update your Plan to include a plan for maintaining access routes, figures that show where maintenance on access routes will take place, and where culverts will be installed.
7. Per 43 CFR 3809.401(b)(3) a reclamation plan that meets the standards of 43 CFR 3809.420 must be included in your Plan. In a response to New Mexico Mining and Minerals Division (MMD) comment 2, it is stated that a reclamation plan will be provided at a later date. The BLM has not received this plan and must have a complete reclamation plan before your Plan will be considered complete.
8. Per 43 CFR 3809.41(b)(3)(i) a drill-hole plugging plan must be provided. This information was requested in the May 12, 2017 comment letter and not provided in the July 20, 2017 revised Plan. Please include this information.
9. BLM comment 2 response states that there will be both exploration activities and mining activities conducted under the Plan. However, there are no details outlining how the mining activities will occur. Please revise the Plan with additional detail on the mining activities.
10. BLM comment 5 response states that no drill pads will be constructed but then states that a 10-foot by 10-foot working footprint will be required. This sounds like a drill pad and listed in Table 1 is surface disturbance associated with drill pads. Please revise the Plan to correct these contradicting statements.
11. BLM comment 6 response states the Peru Industrial Site might be the location for ore processing. Before the BLM can issue a decision on the Plan, a definitive location must be determined in order for the BLM to complete a National Environmental Policy Act analysis on the Plan.
12. BLM comment 7 response states that a Conceptual Feasibility of Magnesium Metal Complex near Deming, New Mexico report would be provided to give BLM details on how the ore will be processed. This report has not been provided to the BLM. The BLM cannot determine if your Plan will cause unnecessary and undue degradation to public land without information about how the ore will be processed.
13. BLM comment 8 response revised the Plan to include the proposed equipment but did not include equipment sizes as requested in the May 12, 2017 comment letter, nor were the locations of any equipment staging areas.

14. BLM comment 9 response states that quarrying is proposed in the Plan. The May 12, 2017 comment letter requested a reclamation plan, locations of ore stockpiles, and overburden stockpiles. Please revise the Plan to include this information.
15. BLM comment 10 response did not revise the Plan to identify modification or maintenance of the road that is the boundary to the Florida Mountains Wilderness Study Area as requested in the May 12, 2017 comment letter. Please revise the Plan to include text and figures to explain, in detail, how this road will be maintained and modified.
16. BLM comment 11a response states that following drilling, all holes will be filled with rock chip cuttings until blasted. This is not an appropriate method of plugging drill-holes. If the holes remain open and not plugged properly, each hole will be required to be covered under the financial guarantee.
17. MMD comment 6 response states that no waste rock material will be generated. The BLM does not believe this statement to be true, as there are no known mining operations that do not generate waste rock.
18. Table 1 does not show disturbance for the laydown yard that is mentioned on page 2-5 in section 2.7. Please revise the table to reflect this disturbance.
19. Table 1 does not show any disturbance related to the quarrying operation. Please revise this table to reflect the quarrying operation disturbance.
20. Page 2-1 states that the target deposit is dolomite, but the project is to mine magnesium. What ore type are you mining?
21. Page 2-3 states that there will be overburden/topsoil and the amount will be determined through resource verification. The amount of overburden/topsoil and the location of an overburden/topsoil stockpile must be provided before a plan with quarrying/mining is considered complete.
22. Page 2-3 states that mining will occur from the top down and states that it will be similar to quarrying. More detail is needed to determine if mining operations will prevent unnecessary and undue degradation of public land. Please revise the Plan with greater detail on the mining operations.
23. Page 2-4 states that primary crushing may be needed. What is the size and type of the crusher? Where will crushing occur onsite? Please revise the Plan to include this information and include a figure showing the location.
24. Page 2-4 states that quarried materials may be temporarily stored onsite. Where will they be stored and how much material would be stored onsite?

25. Page 2-5, section 2.7 mentions a laydown yard. What are the dimensions of the laydown yard? Where will this yard be located within the project area? Please revise the text and include a figure showing the layout of the laydown yard and location of the yard.
26. Page 2-5 states there will be an office trailer and portable sanitation facilities but on page 2-7 it states that there will be no facilities onsite, then states that there may be a logging/core trailer, a 5,000-gallon water tank, two temporary storage facilities for explosives, a storage silo, and a job trailer for employees. Please revise the Plan to eliminate contradictory statements.
27. Page 2-6 states that overland travel will be required to access drill sites. How much overland travel? Also, due to the topography of the site and outcropping of bedrock, road construction would be expected to access drill sites. Please display all drill sites on a map.
28. Page 2-6 states that if blasting is necessary, a blasting plan would be provided to MMD. This plan must be provided to the BLM. Also, it is expected that blasting would occur during mining operations. This plan will need to be provided before the Plan would be considered complete.
29. Page 2-7 states that there will be fencing onsite. Please show on a map the location of fencing.
30. Page 2-8 states that the New Mexico Environmental Department would be notified of any spills. The BLM must also be notified of any spills as the project is on public land.
31. Page 2-9 states that water will be brought to the project area via a 5,000-gallon water tank. Where is this water coming from?
32. Sections 2.15, 2.15.1, 2.15.2, 2.15.3, Table 3, 2.15.5, Table 4, 2.15.8, 2.15.8.1, Table 5, Table 6, Table 7, 2.15.8.2, and paragraphs 1-3 of 2.15.4, are not considered environmental protection measures and these sections are not germane to the Plan. Please remove this information.
33. Figure 3 is not clear on what it is trying to depict. What is the project boundary?
34. Figure 4 is not clear on what it is trying to depict. Is the proposed alternate route on the map the main access route into the claim block? This is not an existing route, how do you proposed to construct this route and how do you propose to cross the arroyo?
35. Figure 5 is not clear on what it is trying to depict. There is no legend on this map. Are the white dots drill sites? How are you accessing the drill sites?
36. Figure 6 is not clear on what it is trying to depict. What is the purpose of this figure?

37. Page 4-1 states that there will be diversions, including existing diversions to divert water away from the disturbed areas. How will these diversions be constructed? Where are these diversions located? How will these diversion structures be maintained?
38. Page 4-1 states that Best Management Practices (BMP) will be used to limit erosion. Please list the BMPs.
39. Page 5-2, section 5.2.3 states that there will be no provisions for removal of equipment, supplies, and structures but this contradicts several statements earlier in the Plan that equipment, supplies, and structures will be onsite. What will these provisions be?
40. Page 5-2, section 5.2.4 states that sumps will be fenced until dried then backfilled. Other than page 5-2, section 5.2.4, there is no mention of sumps. If sumps will be created and used, please revise the Plan in the appropriate sections to include sump information.
41. Section 5.0 Interim Management Plan only states what the Plan will be during the exploration/resource verification stage of the Plan. Revise the Plan to include an interim management plan for the mining/quarrying operations.

Within 15 days, the BLM will be contacting you to set up a meeting to discuss the comments and questions listed above.

Please provide a response to the listed information requests at your earliest convenience. You may provide replacement pages or a narrative response. Upon receipt of the required information, the BLM will determine whether or not the Plan is complete.

Once the Plan is determined complete, the BLM will solicit public comment on the Plan under 43 CFR 3809.411(c), either separate from or as a part of the environmental review process required by the National Environmental Policy Act. Soliciting public comment must occur before making a decision on the Plan according to 43 CFR 3809.411(d).

If you have any questions, please contact Leighandra Keeven, Geologist, at (575) 525-4337.

Sincerely,



Bill Childress
District Manager

cc:

✓ James Hollen
Vickie Maranville
Stuart R. Butzier