FORM: MMDME
REV.DATE:4/28/95
[MMDME.FRM]

MINING & MINERALS
DIVISION

COPY

FOR MMD USE ONLY:

PROJECT NAME Midnigh

PERMIT # SICOT ME

DATE RECEIVED: 3/31/96

DATE APPROVED:_

LEAD INSPECTOR: 1/0

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

Director

Mining and Minerals Division 2040 South Pacheco St. Santa Fe, New Mexico 87505

Telephone: (505) 827-5970

RULE 3 MINIMAL IMPACT EXISTING MINING OPERATIONS PERMIT APPLICATION

The following information is required under the New Mexico Mining Act (Sections 69-36-1 through 69-36-20, NMSA 1978) and associated rules. The Mining and Minerals Division of the Energy, Minerals and Natural Resources Department is the administrative agency through which this application is to be processed. See Rule 3.3, Minimal Impact Existing Mining Operations, of the New Mexico Mining Act Rules for all regulations associated with Minimal Impact Mining operations.

Permit Application Requirements: (Rule 3.3 A., B., C. & D.)

- A minimal impact existing mining operation that continues mining operations will not be considered a minimal impact existing mining operation if it exceeds 10 acres of disturbed land, except that permanent roads and areas within the permit area that are reclaimed will not be counted.
- ⇒ A minimal impact existing mining operations that has discontinued or does not continue active mining operations may consist of unlimited acres of disturbed land except sites with the following characteristics:
 - 1) sites that exceed state or federal standards for soil or water contamination;
 - 2) sites likely to create acid mine drainage; or
 - 3) sites where the applicant proposes to seek a waiver from the usual reclamation requirements for a pit or waste unit.
- ⇒ Applications for existing minimal impact mining operation shall be submitted by December 31, 1994.
- ⇒ The application shall include a closeout plan or a compliance schedule for completion of a close out plan, which shall be submitted no later than December 31, 1995.
- ⇒ Six copies of the completed application need to be submitted.
- ⇒ Confidential information needs to be clearly indicated and submitted separately.

Page 2

FORM: MMDME

Permi	it Appli ⇒	ication Requirements (con't): (Rule 1) Check the "YES" or "NO" box for each of the following characteristics
YES	NO	as related to the proposed minimal impact mining operation:
	ZĬ.	Located in or having a direct surface impact on wetlands, springs, perennial or intermittent streams, lakes, rivers, reservoirs or riparian areas.
	Δ	Located in designated critical habitat areas as determined in accordance with the federal Endangered Species Act of 1973 or in areas determined by the Department of Game and Fish as likely to result in an adverse impact on an endangered species designated in accordance with the Wildlife Conservation Act, Sections 17-2-37 through 17-2-46 NMSA 1978 or by the State Forestry Division for the Endangered Plants Act, section 75-6-1 NMSA 1978.
	⅓	Located in an area designated as Federal Wilderness Area, Wilderness Study Area, Area of Critical Environmental Concern, or an area within the National Wild and Scenic River System.
	Ž	Located in a known company or other business and
_		Located in a known cemetery or other burial ground.
		Located in an area with cultural resources listed on either the National Register of Historic Places or the State Register of Cultural Properties.
		Having or expected to have a direct impact on ground water that has a total dissolved solids concentration of less than 10,000 mg/l, except exploratory drilling intersecting ground water may be performed as a minimal impact operation.
	Ä	Expected to use or using cyanide, mercury amalgam, heap leaching or dump leaching in its operations.
	X	Expected to result in point or non-point source surface or subsurface releases of acid or other toxic substances from the permit area.
	X	Requiring a variance from any part of these Rules as part of the permit application.

IMPORTANT NOTE!!:

If you have checked "YES" to any of the above boxes, the mining operation does not qualify as a minimal impact mining operation. Do not continue to fill out the remainder of this form.

If you do meet the above requirements and have checked "NO" to all of the above boxes, continue filling out this application.

Obtaining a Mining Act permit does not necessarily satisfy the obligations to obtain permits required by other government agencies.

Page 3 FORM: MMDME

- ⇒ PLEASE FILL IN ALL APPLICABLE INFORMATION AS COMPLETELY AS POSSIBLE.
- ⇒ PLEASE PRINT OR TYPE ALL INFORMATION.

1. OPERATOR INFORMATION (Rule 3.3 E. 1.)

LIST PROJECT NAME: N	Midnight Mine
NAME OF APPLICANT:_	Hanover Land and Cattle Company
ADDRESS:	P.O. Box 424 - 303 Fierro Road
	Hanover, NM 88041
PHONE #:	(505)537–3391
NAME OF OWNER (if dif	ferent from applicant's name and address):
ADDRESS:	SAMP.
PHONE #:	
NAME OF ON-SITE CONT	TACT OR OPERATOR'S REPRESENTATIVE: Mr. Tommy Williams
ADDRESS:	P.O. Box 424 - 303 Fierro Road
	Hanover, NM 88041
PHONE #:	(505)537–3391

2. RIGHT TO ENTER INFORMATION (Rule 3.3 E. 1.)

A. Describe or provide evidence for the basis of the applicant's right to enter the property to conduct the mining and reclamation.

Hanover Land and Cattle Company (HLC) owns four patented claims within the permit area, and controls the mineral rights on seven unpatented claims on land administered by the U.S. Forest Service through the right of location under the Mining Law of 1872.

FORM: MMDME

- B. List the names and addresses of land owners within the proposed permit area.
 - 1. Land owners

<u>Name</u>		Address	Phone #
	ervice,Gila National. anger District	Forest 3005 E. Camino Del Bosque Silver City, NM 88061	(505)388-8201
Hanover Land 8	S. Cattle Company	P.O. Box 424 - 303 Fierro Road Hanover, NM 88041	(505)537–3391
C.		(s), title(s), date(s) and report number report(s) submitted to the agency(in the agen	•

3. MAPS (Rule 3.3 E. 2.)

- A. Provide a legal description of the site [Township(s), Range(s) and Section(s): T12S, R9W, Sec. 1 (no USGS survey)
- B. Provide a topographic map(s) of at least 1 inch = 2,000 feet (or appropriate for the size of disturbance) showing the areas of land to be disturbed by the proposed mining and reclamation. Identify general area shown on the map(s) by Township, Range and Section(s). If the area to be mined contains the following features, show them on the map(s):
 - 1. Boundary of the proposed permit area with the existing and proposed area of disturbance.
 - 2. Previously disturbed areas.
 - 3. Perennial, intermittent and ephemeral streams; springs; wetlands; riparian areas; lakes and reservoirs.
 - 4. Proposed and existing roads and other access routes.
 - 5. Residences.
 - 6. Support facilities.
 - 7. Cemeteries, burial grounds; cultural resources listed or eligible for listing on either the National Register of Historic Places or the State Register of Cultural Properties.
 - 8. Pipelines.
 - 9. Oil, gas, monitoring and water wells in the permit area and within ½ mile of the permit area.
 - 10. Identify the location of shafts, adits, trenches, ponds, pits, quarries, stockpiles, wastes dumps etc.

1	MINING	DESCRIPTION	(Rule	3.3	E.	3.)
T.		D200:::: 110::	111010	9.9	-	9.	8

- A. Type of mineral(s) to be mined: Ag, Au, Cu, Silica flux
- B. Check (✓) the method of proposed mining:
 _x Surface or _x Underground
- C. Describe the sizes and volumes of the facilities to be used:

Plant Site/Staging Area:

How Many NONE Acreage NONE

Pits or Quarries: How Many NONE Acreage NONE Volume (cu.yds.) N/A

Stockpiles: How Many NONE Acreage NONE Volume (cu.yds.) N/A

Waste Dumps: How Many NONE Acreage NONE Volume (cu.yds.) N/A

List for New road(s) the following:

Length (ft.) N/A Width (ft.) N/A Width (ft.) N/A Width (ft.) N/A

List for Extension or widening of existing road(s) the following:

Length (ft.) N/A Width (ft.) N/A
Length (ft.) N/A Width (ft.) N/A

NOTE: The width is the total width of disturbed land surface, not just the width of the roadway.

Other Disturbances: Type Existing roads less than 1 acre, existing waste rock dumps less than 2 acres.

How Many N/A Acreage as Volume (cu.yds.) 5,000

TOTAL ACREAGE TO BE DISTURBED NONE acres.

Page 6 FORM: MMDME D. Describe the type of processing that will be conducted on site: none E. Describe all equipment to be used for the mining operations. none **5**. CHEMICAL USE (Rule 3.3 E. 3.) A. List all chemicals proposed to be used by the mining operation. <u>Name</u> Use none

Page 7
FORM: MMDME



6. GROUND WATER INFORMATION (Rule 3.3 E. 4.)

Α.	Provide an estimate of depth to ground water and the total dissolved solids concentration.
	Depth to ground water (ft.) 220 T.D.S. concentration 300-500mg/L
В.	Describe the source of ground water information: PREVIOUS OPERATORS
C.	Describe any dewatering activities to be conducted during mining operations:
	NONE

7. CLOSEOUT PLAN/RECLAMATION PLAN (Rule 3.3 E. 6.)

Reclamation of the disturbed area shall be reclaimed to a condition that allows for re-establishment of a self-sustaining ecosystem appropriate for the life zone of the surrounding areas following closure unless conflicting with the approved post-mining land use.

- A. List adjacent land use other than mining: Livestock, wildlife, recreation
- B. List the proposed post mining land use: Livestock, wildelife, recreation
- C. Describe how reclamation activities will avoid adverse impact to cultural resources.

No cultural resources have been identified and no adverse effects will occur.

D. Describe any backfilling and grading operations to be performed after mining. Shafts and adits will be backfilled or otherwise protected.

Regrading to	aporoximate	original	contours	will	be	performed.

Page 8 FORM: MMDME

> E. Describe what mitigation steps will be taken to reconstruct or protect the hydrologic balance of the site after mining: Berms, silt fences and/or other controls will be established to prevent transport of sediments from reclaimed portions of the site. Controls will be maintained until the establishment of vegetation equal to that which exsisted prior to disturbance resulting from mining activities. F. Describe how topsoil or topdressing will be salvaged, stockpiled and distributed for the re-establishment of vegetation. Prior to disturbance associated with the reinitation of mining activities, available growth media from areas to be disturbed will be removed and stockpiled. A berm or other sediment control structure will be established around the growth media stockpile. Salvaged growth media will be used as top dressing in final reclamation efforts. G. Describe what kind of seed bed preparation will take place prior to seeding. What soil amendments will be added? Scarification of the seed bed needs to take place. Will this involve discing or ripping? Seed beds will be disced or ripped prior to seeding associated with final reclamation. Soil amendments will be added if determined to be necessary.

Page 9 FORM:	MMDM	E
H.	Venet	ibe in detail the plant species to be used in the re-establishment of ation. To be determined in consultation with the USFS prior to final Name reclamation. Rate of application (lb/ac.)
	1.	Will the seeds be broadcast or drilled into the seed bed? To be determined
	J.	Describe the type of mulch material and rate per acre to be applied after seeding: To be determined in consultation with the USFS.
	Κ.	What structures are on site and how will they be removed or reclaimed? (Buildings, portals, adits, shafts, bore holes, ponds, etc.)
7	he rem	mains of buildings pre-dating HLC's operations at the site will be
1	emove	d or buried on-site. Existing portals, adits and shafts will be
k	oackfi]	lled with waste material removed as a result of past mining activities
, -E	Bore ho	oles will be sealed with a bentonite seal.
	L.	What will be the time frame for reclamation, (e.g. time of year, during mining, after mining, etc)?
I	Final 1	reclamation will commence at such time as future mineral exploration
ā	and/or	mining activities are completed.
	-	

End:_/_/_.

Proposed reclamation dates: Begin: / /

Page	10)		
FORM	1:	MM	DME	

Roads s	What roads are part of the mine site and how will they be reclaimed? Please provide an estimate of square feet of road and explain if reclamation will involve ripping, scarification, backfilling and recontouring, retopsoiling, etc.: Shown on Figure 1 (with the exception of Forest Access Road #895) are those which will
	laimed during final reclamation. Their area is approximately 6,000 square feet. Roads
	e ripped and revegetated with a seed mixture to be determined in consultation with the
	ntation and erosion control structures will be installed as necessary, and will be main
	vegetation success equivalent to that which existed on-site prior to disturbance is ach
N.	Describe the type of post-reclamation monitoring that will be conducted for the mining site: ne site will be inspected quaterly subsequent to final reclamation. Items to be inspected.
	nclude the integrity of sediment and erosion control structures and revegetation success
	Trace are missients, or committee any crostal children participates and respectation parties
•	The at the strong of beautiful and croster culture structures and revegeration success
OTHE	R REQUIRED PERMITS (Rule 3.3 E. 7.)
OTHE	
Α.	R REQUIRED PERMITS (Rule 3.3 E. 7.) Provide a list of other permits required for the operation and the
Α.	Provide a list of other permits required for the operation and the anticipated schedule for receipt of these.
Α.	Provide a list of other permits required for the operation and the anticipated schedule for receipt of these.
Α.	Provide a list of other permits required for the operation and the anticipated schedule for receipt of these.
Α.	Provide a list of other permits required for the operation and the anticipated schedule for receipt of these.
Α.	Provide a list of other permits required for the operation and the anticipated schedule for receipt of these.
Α.	Provide a list of other permits required for the operation and the anticipated schedule for receipt of these.
Α.	Provide a list of other permits required for the operation and the anticipated schedule for receipt of these.

The necessary permits will be obtained from the appropriate State and Federal agencies prior to the reinitation of mining activities at the site. A list of permits which will be required will be submitted prior to the reinitiation of mining activity.

9. FINANCIAL ASSURANCE AND PERMIT FEES (Rule 3.3 F. & G.)

- A. Financial assurance shall be provided in the amount of \$5,000 per permit plus \$2,500 per acre of disturbed land, unless the applicant makes a showing satisfactory to the Director that a lesser amount is appropriate, or the Director determines that a larger amount is required to perform the closeout plan.
- B. Attach the permit fees as determined pursuant to Rule 2 and a proposal for the required financial assurance.

10. CERTIFICATION REQUIREMENT (Rule 3.3 K. 4.)

Each application shall be signed and notarized by an applicant for the operation with the following certification made:

I certify that I have personally examined and am familiar with the information submitted herein, and based on my inquiry of those individuals responsible for obtaining the information, I believe the submitted information is true, accurate, and complete. I agree to comply with the requirements of the permit, these Rules and the Act, and I hereby allow the Director to enter the permit area for the purpose of conducting inspections.

Signature of Applicant

Name (typed or print)

Title/Position

Date

Signature of Notary

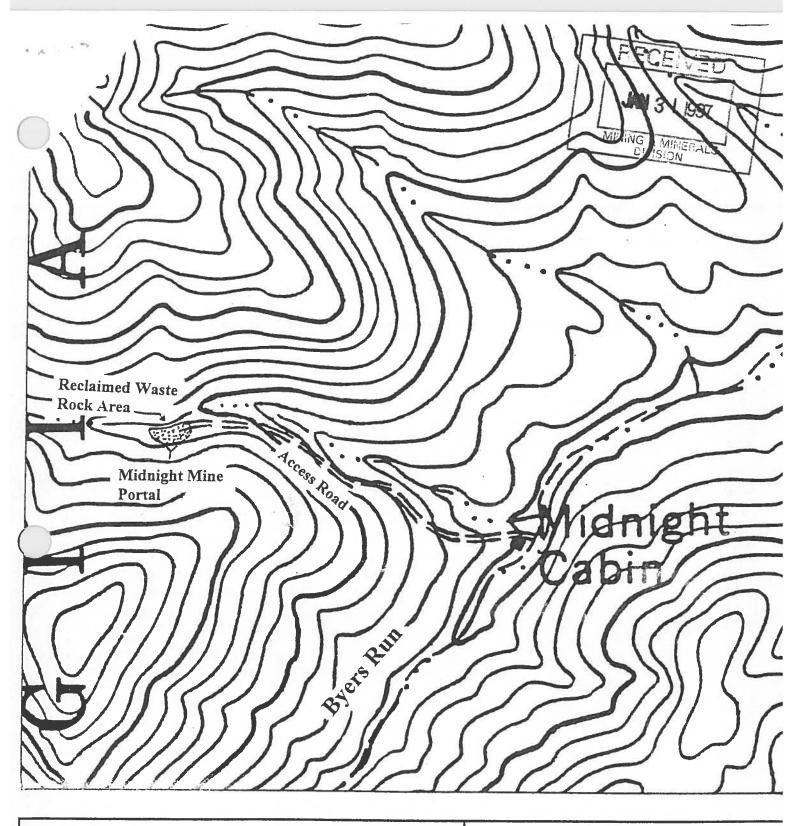
OFFICIAL SEAL
Phyllis F. Disciddie
NOTARY PUBLIC
STATE OF NEW MENICO
My Commission Expires: 4-17-49

Jonny G. Williams
V. P. & Gon. Mor.

July 31, 1796

Dhyllis J. Druvddy

--- Notary Seal ---!



Hanover Land & Cattle Co. Figure 1a

dnight Mine - Existing Disturbance

Date: Scale: Drawn By: 1-17-97 1" = 400'

C. Rempes

Revision Date By

Legend

Waste Rock Area (reclaimed)



Contour Interval = 40'

REFERENCE: USGS 7.5 MINUTE SERIES (TOPOGRAPHIC) DNIGHT WINSTON, NEW MEXICO OUADRANGLE (1965) KING NO. 2 M.S. MIDNIGHT Bald Eagle CORBE MINING COMPANY - MIDNIGHT MINE PROPERTY



PATENTED AND UNPATENTED MINING CLAIMS