

From: [davidh](#)
To: [Eustice, Chris, EMNRD](#); dts@att.net; david@gceintl.com
Subject: RE: Iron Duke FA
Date: Thursday, November 3, 2011 11:39:45 AM

Chris,

I have talked with Gulf Coast concerning Questions 1-3.

1) Gulf Coast agrees to operate without use of Areas 7, 15, and 16.

2) No additional disturbances within the patented claims will be necessary to operate.

3) The proposed FA cost estimate requires no changes as it included no FA for Areas 7, 15, and 16.

Please let me know if you have additional questions.

Dave Hamilton
R.T. Hicks Consultants
505 266 5004

On Wed, 2 Nov 2011 20:51:47 +0000, Eustice, Chris, EMNRD wrote:

> David,

>

> Through the various meetings and discussions MMD has been told, by
> the

> operator, that all disturbances and operations would occur only

> within

> the proposed permit area boundaries, as depicted on Plate 1A, and

> without having to amend the permit application package (PAP) to

> include additional, unplanned, disturbances. Basically that means MMD

> will not permit the proposed disturbances outside the proposed permit

> area boundaries (such as disturbance 7, 15 and 16).

>

> Pursuant to MARP Rule 303.E(1), MMD has accepted the statement,

> within

> the PAP, of the basis on which the applicant has the right to enter,

> and subsequently, MMD understands that the federal government owns

> the

> surrounding property. If disturbance is planned on federal property,

> MMD will have to, by statute, include that federal agency (e.g.,

> BLM)

> in the review process and the FA process.

>

> Please provide clarification;

>

> 1. Can the operation be performed without using disturbance #'s 7,

> 15

> and 16 that are depicted on Plate 1A?

>

> 2. Will other disturbance be needed, within the permit boundary, to

> accommodate the exclusion of 7, 15, and 16?

>

> 3. Can the FA cost estimate be completed based upon the current plan

> of operations and the reclamation plan described in the PAP?

>

> Please advise. If you need to discuss please contact me at your

> convenience as I plan to be in the office the rest of the week.
>
> Chris Eustice
>
> Sr. Environmental Engineer
>
> MMD, Mining Act Reclamation Bureau
>
> 1220 South St. Francis Drive
>
> Santa Fe, NM 87505
>
> 505.476.3438
>
> FROM: David Hamilton [<mailto:david@rthicksconsult.com>]
> SENT: Tuesday, November 01, 2011 9:37 AM
> TO: Eustice, Chris, EMNRD
> SUBJECT: RE: Iron Duke FA
>
> Chris,
>
> The 2 areas not covered by the FA are Areas are part of Area 7 and
> Area 10 which are on BLM land. The 2 pieces together add up to 0.7
> acres.
>
> Should I make no mention of this at all?
>
> Dave Hamilton
>
> RT Hicks Consultants
>
> Office: 505-266-5004
>
> FROM: Eustice, Chris, EMNRD [<mailto:chris.eustice@state.nm.us>]
> SENT: Tuesday, November 01, 2011 9:13 AM
> TO: David Hamilton
> SUBJECT: RE: Iron Duke FA
>
> Dave, Reading through the cover letter (PDF attachment) it is stated
> on the first page;
>
> "The total working area during Phase I is about 4.79 acres of which
> 4.09 acres are subject to the MMD financial assurance. ,,"
>
> Why is only 4.09 acres required to be covered and not the whole 4.79
> acres? I need some clarification as the FA must be based upon the
> worst case scenario. I'm thinking 4.79 acres is the maximum
> disturbance during phase I (one). Please advise.
>
> Chris Eustice
>
> Sr. Environmental Engineer
>
> MMD, Mining Act Reclamation Bureau
>
> 1220 South St. Francis Drive
>

> Santa Fe, NM 87505
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> 505.476.3438
>
> FROM: David Hamilton [<mailto:david@rthicksconsult.com>] [1]
> SENT: Monday, October 31, 2011 2:29 PM
> TO: Eustice, Chris, EMNRD
> SUBJECT: RE: Iron Duke FA
>
> Chris,
>
> I think everything here is all "spritzed up" as one of my professors
> said one time.
>
> Dave Hamilton
>
> RT Hicks Consultants
>
> Office: 505-266-5004
>
> FROM: Eustice, Chris, EMNRD [<mailto:chris.eustice@state.nm.us>] [2]
> SENT: Friday, October 28, 2011 4:39 PM
> TO: David Hamilton
> SUBJECT: RE: Iron Duke FA
>
> Dave, I've read your email (below) and the attachment. I think we are
> pretty close but need a little clarification on the bulleted items
> below.
>
> · Total disturbance equals 7.56 acres but the Phase I (4.09 ac) and
> the Phase II (4.07 ac) add up to 8.16 acres. This needs an
> explanation
> and/or clarification because all associated disturbance (within the
> permit boundary) needs to be accounted for in the FA.
>
> · Please provide the updated Plates and the Table that lists all
> disturbances as I'll need those to thoroughly evaluate.
>
> · Your use of the Guidance for estimating the reclamation costs is
> good but will need to be adjusted accordingly as you conceptualize
> the
> phased FA. I say this because I think whatever number (\$'s) you come
> up with will correlate well with the reclamation plan and will be the
> FA amount. Of course I will have to concur before we proceed any
> further
>
> We'll talk and finish this up next week. Contact me at your
> convenience.
>
> Chris Eustice
>
> Sr. Environmental Engineer
>
> MMD, Mining Act Reclamation Bureau
>
> 1220 South St. Francis Drive
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> Santa Fe, NM 87505
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> 505.476.3438
>
> FROM: David Hamilton [<mailto:david@rthicksconsult.com>] [3]
> SENT: Friday, October 28, 2011 4:21 PM
> TO: Eustice, Chris, EMNRD
> SUBJECT: Iron Duke FA
>
> Chris,
>
> The latest revision.
>
> Areas 15 and 16 are withdrawn from use.
>
> Phase 1 gets a new Area 18. This increases the FA area to 4.09
> acres.
>
>
> Phase 1 FA = 1 acre * \$5400 + 3.09acres * 3300
>
> = \$15597
>
> Areas 2, 12, 13, and 18 are reclaimed
>
> Then:
>
> Phase 1 Re-Veg Conting. = \$800/acre * 0.6 * 1.44 acres
>
> = \$691
>
> Phase 2 begins.
>
> Phase 2 FA + Phase 1 Re-Veg Conting. = (1 acre * 5400 + 3.07 acres *
> \$3300) + \$691
>
> = \$16222
>
> I don't have the complete Plates up to speed yet.
>
> Dave Hamilton
>
> RT Hicks Consultants
>
> Office: 505-266-5004
>
>
>
> Links:
> -----
> [1] <mailto:david@rthicksconsult.com>
> [2] <mailto:chris.eustice@state.nm.us>
> [3] <mailto:david@rthicksconsult.com>