

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Fernando Martinez, Director
Mining and Minerals Division



December 14, 2016

Jeff Lewellin, Mining Act Team Leader
Mining Environmental Compliance Section
New Mexico Environment Department - Groundwater Quality Bureau
P.O. Box 5469
Santa Fe, New Mexico 87502-5469

RE: Request for Review and Comment, Supplemental Information to Closeout Plan and Financial Assurance Proposal; Deming Mill and Tailing Impoundment Permit No. LU009RE

Dear Mr. Lewellin:

On October 19, 2016, the New Mexico Mining and Minerals Division (“MMD”) received a response from GEO Southwest (“GSW”) providing supplemental information and addressing comments that were provided to GSW by MMD in response to a request for additional information in support of GSW’s Closeout Plan and Financial Assurance (“FA”) Proposal. Additionally, on December 7, 2016, GSW provided MMD with a Phase I Environmental Site Assessment (“ESA”) in support of real estate collateral being pledged by GSW as an FA mechanism pursuant to 19.10.12.1208.C NMAC. Previously, comments were provided to MMD from the New Mexico Environment Department (“NMED”) on GSW’s Closeout Plan submittal in letters to MMD dated December, 2014.

Pursuant to 19.10.5.505.B (3) NMAC, MMD is requesting review and comment from your agency regarding the new information provided by GSW in support of the Closeout Plan and FA for the site. This new information may or may not impact NMED’s pending determination pursuant to 19.10.5.506. J (5) NMAC; however, MMD requests that NMED review and provide MMD with any comments NMED may have on the ESA toward assisting MMD in the assessment as to whether there are any significant existing environmental concerns regarding the acceptability of the proposed real estate collateral as FA. The ESA prepared for GSW by Enviro-

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Ag Engineering is enclosed with this letter. The ESA and other supplemental information regarding the Closeout Plan may also be viewed and downloaded from MMD's website at:

<http://www.emnrd.state.nm.us/mmd/MARP/LU009RE.html>

In accordance with 19.10.5.505.B (3) NMAC, your agency has 30 days from the date of receipt of this letter in which to provide comments or any other additional information where applicable. For additional information regarding the New Mexico Mining Act Rules, please visit our Website at: www.NMMines.com, or contact me, at (505) 476-3436, or via e-mail at: james.hollen@state.nm.us, with any questions regarding this request.

Regards,



James Hollen – Permit Lead LU009RE
Mining and Minerals Division

Enclosure: *Phase I Environmental Site Assessment*

Cc w/o enclosure: Holland Shepherd, Program Manager, Mining Act Reclamation Program, (MARF)/MMD
Mine File LU009RE