# State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Fernando Martinez, Director Mining and Minerals Division



November 1, 2017

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

#### RE: Agency, Tribal and Public Comments - Minimal Impact New Mine Permit Application Permit Tracking No. LU035MN, American Magnesium, LLC, Dolomite Mine Luna County, NM

Dear Mr. Tognoni:

In a letter dated July 25, 2017, the Mining and Minerals Division ("MMD"), determined that a minimal impact new mining permit application submitted by American Magnesium, LLC ("AMG"), for its proposed dolomite mining project located in Luna County, New Mexico, was determined to be administratively complete. MMD then distributed the application to other reviewing state, federal and tribal agencies to begin technically reviewing the application pursuant to §19.19.3.304 (H) NMAC of the NM Mining Act Rules ("Rules").

MMD received responses (enclosed) on the review of the permit application from the New Mexico Environment Department ("NMED"), New Mexico State Forestry Division, the New Mexico Department of Cultural Affairs, and the New Mexico Department of Game and Fish, the White Mountain Apache Tribe and the Hopi Tribe. None of the comments received by MMD from the reviewing state agencies and tribes require response by AMG, at this time; however, it should be noted within the August 18, 2017, review and comment memorandum from NMED that it is withholding its environmental determination required by the Rules, until the after the Bureau of Land Management ("BLM") completes its project review process pursuant to the federal National Environmental Policy Act ("NEPA"). An environmental determination from NMED is required by MMD for approval of the permit application pursuant to §19.10.3.304.J(6) NMAC of the Rules. RE: Agency, Tribal and Public Comments - Minimal Impact New Mine Permit Application Permit Tracking No. LU035MN, American Magnesium, LLC, Dolomite Mine Luna County, NM

#### November 1, 2017

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Pursuant to §19.10.3.304.G NMAC, and because the project is proposed to be located upon federallyowned lands managed by the BLM, MMD cannot issue the permit unless the BLM has approved or acknowledged the proposed operation. MMD received no response from the BLM to our July 25, 2017, request for review and comment; and BLM has not otherwise officially acknowledged or approved the proposed operation; however, it is our understanding from its May 12, 2017, letter to MMD that the BLM must first complete its review process and public scoping and comment period, pursuant to NEPA, prior to issuing its acknowledgement of the proposed Plan of Operation, therefore, MMD cannot complete our review process and issue its minimal impact new mining permit until after MMD receives such acknowledgement or approval from BLM.

Additionally, MMD has received numerous unsolicited letters from the public providing comments on the proposed project. While there are no public participation requirements for minimal impact permitting and none of the letters from the public require response by AMG, at this time; the letters received by MMD to date are enclosed for your records.

If you have any questions, please contact me at 505-476-3437 or James Hollen of my staff at 505-476-3436 or via e-mail at: james.hollen@state.nm.us.

Sincerely.

Holland Shepherd, Manager Mining Act Reclamation Program ("MARP")/MMD

Enclosures: New Mexico Environment Department Memorandum, dated August 18, 2017 New Mexico State Forestry Division emailed comments, dated July 28, 2017 New Mexico Department of Cultural Affairs Letter, dated August 23, 2017 New Mexico Department of Game and Fish Letter, dated August 18, 2017 New Mexico State Engineer emailed comments, dated August 17, 2017 White Mountain Apache Tribe letter, dated July 25, 2017 Hopi Tribe letter, dated August 1, 2017 Public Commentary letters (8 total received on various dates), 2017

cc: Fernando Martinez, Director, MMD Holland Shepherd, Program Manager, MARP/MMD Gabriel Wade, Assistant General Counsel, EMNRD James Hollen, Permit Lead - Permit Tracking No. LU035MN Douglas Haywood, BLM - Las Cruces District Office Vickie Maranville, Permitting Lead, AMEC Foster Wheeler Stuart Butzier, Attorney, Modrall Sperling Mine File LU035MN



SUSANA MARTINEZ Governor

JOHN A. SANCHEZ Lieutenant Governor

# NEW MEXICO ENVIRONMENT DEPARTMENT

Ground Water Quality Bureau 1190 South St. Francis Drive (87505) P.O. Box 5469, Santa Fe, New Mexico 87502-5469 Phone (505) 827-2900 Fax (505) 827-2965 www.env.nm.gov



BUTCH TONGATE Cabinet Secretary

> J.C. BORREGO Deputy Secretary

## **MEMORANDUM**

Date: August 18, 2017

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

Through: Jeff Lewellin, Mining Act Team Leader, Mining Environmental Compliance Section

From: John Moeny, Surface Water Quality Bureau Neal Butt, Air Quality Bureau

# Subject: NMED Comments, American Magnesium Dolomite Mine Project, Minimal Impact New Mining Permit Application, Luna County, New Mexico, MMD Permit No. LU035MN

The New Mexico Environment Department (NMED) received correspondence from the Mining and Minerals Division (MMD) on July 25, 2017 requesting NMED review and provide comments on the above referenced MMD permitting action. The application is submitted for a minimal impact new mining project. MMD requested comments within 20 days of receipt in accordance with Section 19.10.3.304 H. NMAC. NMED has the following comments.

# **Background**

The applicant proposes to develop a 40-acre minimal impact dolomite mine located on public lands administered by the Bureau of Land Management (BLM). The proposed mine location is in Sections 26 and 27, T25S, R8W, near Deming, in Luna County, New Mexico. The proposed areal extent includes approximately 44 acres, located within the Tres Hermanas Mining District in the western foothills of the Little Florida Mountains, on a hill west of Mahoney Park. The application indicates reclamation will be performed on a rolling basis to ensure the area of disturbance remains below 40 acres to maintain minimal impact status.

The application includes a Plan of Operations (PoO) submitted to BLM. The following activities are proposed in the BLM PoO: drilling reverse circulation and core holes for mine planning; blasting operations (using the mine planning drill holes); geologic and geophysical mapping; construction of resource verification roads, drill sites, sumps, and maintenance of the existing roads within the project area; and, reclamation of project-related surface disturbance. No ore processing will be conducted on site.

# **Air Quality Bureau**

The Air Quality Bureau comments are attached under separate letterhead.

Holland Shepherd, Program Manager August 18, 2017 Page 2 of 2

# Surface Water Quality Bureau

The Surface Water Quality Bureau comments are attached under separate letterhead.

# **Mining Environmental Compliance Section**

The MMD permit application and BLM PoO indicate the depth to ground water is approximately 300 feet below ground surface at the base of the foothill, and the total dissolved solids concentration of ground water is approximately 250 mg/l. All mining will occur from the top to the base of the foothill and should not encounter ground water. A search of the New Mexico Office of the State Engineer (OSE) database that contains information related to wells installed throughout New Mexico was performed. One well was reported in the OSE database for Section 27, T25S, R8W and the depth to ground water is 200 feet. There were no wells reported in Section 26.

As indicated in the BLM PoO, exploration and mining will occur in a phased approach. Exploration by advancement of boreholes and geologic logging will occur in the first phase of the operation. The second phase includes blasting to quarry the dolomite. The boreholes may be used for blasting purposes. Upon completion of each borehole, a temporary seal or plug must be installed to prevent surface runoff from entering the subsurface. Boreholes must not remain open from the time the borehole is completed until blasting occurs.

The mining of dolomite in Sections 26 & 27 will occur above the probable depth to ground water. To evaluate the potential for impacts to groundwater quality the applicant was requested to submit a Notice of Intent (NOI) to the Ground Water Quality Bureau in accordance with 20.6.2.1201 NMAC. The NOI was submitted on August 17, 2017 and is currently under review. As described in the MMD permit application and BLM PoO, no pits or ponds are to be used in the mining operation and only potable water will be used on site for advancement of boreholes and dust suppression on roads.

# **NMED Summary Comment**

Pending final review of the NOI, NMED finds the proposed activities are likely to have a minimal environmental impact if conducted and reclaimed in accordance with the submitted MMD permit application, BLM PoO, and recommendations listed above. The required environmental determination will be provided following review of the NOI, as well as the federal National Environmental Policy Act (NEPA) process.

If you have any questions, please contact Jeff Lewellin at (505) 827-1049.

cc: Bruce Yurdin, Division Director, NMED-WPD Shelly Lemon, Acting Bureau Chief, SWQB Richard Goodyear, Bureau Chief, AQB Fernando Martinez, Division Director, EMNRD-MMD James Hollen, Lead Staff, EMNRD-MMD Kurt Vollbrecht, Program Manager, MECS



NEW MEXICO ENVIRONMENT DEPARTMENT

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BUTCH TONGATE Cabinet Secretary JUAN CARLOS BORREGO Deputy Cabinet Secretary

# MEMORANDUM

- DATE: July 31, 2017
- TO:Jeff Lewellin, Mining Act Team LeaderMining Environmental Compliance Section, Ground Water Quality Bureau
- FROM: Neal Butt, Environmental Analyst Air Quality Bureau
- RE: Request for Review and Comment, Minimal Impact New Mining Permit Application, American Magnesium (AmMg) Dolomite Mine Project, Luna Co., NM Permit Tracking No. LU035MN

The New Mexico Air Quality Bureau (AQB) has completed its review of the above-mentioned mining project. Pursuant to the New Mexico Mining Act Rules, the AQB has the following comments:

# Air Quality Permitting History

The AQB has not issued any air quality permits for this operation.

# **Details**

Applicant proposes to develop a 40-acre dolomite mine to be located on public lands administered by the Bureau of Land Management (BLM), in part or all of Sections 26 and 27, Township 25 South, Range 8 West, near Deming, in Luna County, New Mexico. The Project Area includes approximately 44 acres, located within the Tres Hermanas Mining District in the western foothills of the Little Florida Mountains, centered on a relatively small hill just west of Mahoney Park.

The mine planning activities covered under the Plan of Operations (PoO) consist of: drilling reverse circulation and core holes for mine planning, blasting operations (using the mine planning drill holes), geologic and geophysical mapping, construction of resource verification roads, drill sites, sumps, and maintenance of the existing roads within the project area and the project access roads and reclamation of project-related surface disturbance. No ore processing with be conducted on site.

SUSANA MARTINEZ Governor JOHN A. SANCHEZ Lieutenant Governor

#### Request for Review and Comment, Minimal Impact New Mining Permit Application, American Magnesium (AmMg) Dolomite Mine Project, Luna Co., NM Permit Tracking No. LU035MN Page 2

AmMg plans to conduct blasting, under an approved blasting plan, which will be submitted independently by a licensed and permitted blasting contractor. Once the material is blasted, it will be loaded into over-the-road haul trucks for transportation off-site. Primary crushing may occur onsite if it is deemed necessary prior to loading the haul trucks. The blast and haul operation that is currently planned is similar in nature to a quarry operation, in that the material will be blasted and excavated from the top of the dolomite hill formation, moving toward the valley floor. At this stage of development, it is assumed that the blasting operation will achieve the required size of material to directly load the haul vehicles. No additional on-site crushing is proposed at this time, but that will be evaluated as operations proceed. Based on the production rate, it is possible for quarried material to be temporarily stored on-site prior to transport. The area required for any storage of quarried material will be counted as disturbance for purposes of calculations to ensure the project does not exceed the 40-acre disturbance footprint pursuant to 19.10.3.304.A NMAC.

# Air Quality Requirements

The New Mexico Mining Act of 1993 states that "Nothing in the New Mexico Mining Act shall supersede current or future requirements and standards of any other applicable federal or state law." Thus, the applicant is expected to comply with all requirements of federal and state laws pertaining to air quality. Current requirements which may be applicable in this mining project include, but are not limited to the following:

Subsection A of 20.2.72.200 NMAC, Application for Construction, Modification, NSPS, And NESHAP - Permits and Revisions, states that: "Permits must be obtained from the Department by:

(1) "any person constructing a stationary source which has a potential emission rate greater than 10 pounds per hour or 25 tons per year of any regulated air contaminant for which there is a National or New Mexico Ambient Air Quality Standard (e.g. PM, TSP). If the specified threshold in this subsection is exceeded for any one regulated air contaminant, all regulated air contaminants with National or New Mexico Ambient Air Quality Standards emitted are subject to permit review [...]"; and

(3) "Any person constructing or modifying any source or installing any equipment which is subject to 20.2.77 NMAC, New Source Performance Standards (e.g. Subpart OOO—Standards of Performance for Nonmetallic Mineral Processing Plants), 20.2.78 NMAC, Emission Standards for Hazardous Air Pollutants, or any other New Mexico Air Quality Control Regulation which contains emission limitations for any regulated air contaminant;"

Also, Paragraph (1) of Subsection A of 20.2.73.200 NMAC, Notice of Intent states that:

"Any owner or operator intending to construct a new stationary source which has a potential emission rate greater than 10 tons per year of any regulated air

#### Request for Review and Comment, Minimal Impact New Mining Permit Application, American Magnesium (AmMg) Dolomite Mine Project, Luna Co., NM Permit Tracking No. LU035MN Page 3

contaminant or 1 ton per year of lead shall file a Notice of Intent with the department."

# <u>Permitting Requirements for Regulated Equipment and Sources of Fugitive Dust (e.g. PM and TSP)</u>

The Air Quality Bureau regulates particulate matter emissions from stationary sources that process mined materials via: 20.2.15 NMAC, *Pumice, Mica, and Perlite Processing*; 20.2.19 NMAC, *Potash, Salt or Sodium Sulfate Processing Equipment – PM*; 20.2.42 NMAC, *Coal Mining and Preparation Plants – PM*; and 20.2.72 NMAC, *Construction Permits*. The emissions from equipment and activities such as crushers, screens, conveyors, baghouses, material drop and transfer points, haul roads, and storage piles must all be considered in determining applicability under 20.2.72 NMAC. Please contact the Permitting Section for additional guidance.

Fugitive dust is a common problem at mining sites. Fugitive dust emissions are regulated generally by 20.2.72.200.A NMAC (e.g. 10 lb./hour or 25 TPY). However, specific strategies to control fugitive dust are left up to the discretion of the owner and operator of the source. The following control strategies can be included in a comprehensive facility dust control plan (from EPA's *Compilation of Air Pollutant Emission Factors, AP-42*):

Unpaved haul roads and traffic areas: paving of permanent and semi-permanent roads, application of surfactant, watering, and traffic controls, such as speed limits and traffic volume restrictions.

Paved roads: covering of loads in trucks to eliminate truck spillage, paving of access areas to sites, vacuum sweeping, water flushing, and broom sweeping and flushing.

Material handling: wind speed reduction and wet suppression, including watering and application of surfactants (wet suppression should not confound track out problems).

Bulldozing: wet suppression of materials to "optimum moisture" for compaction.

Scraping: wet suppression of scraper travel routes.

Storage piles: enclosure or covering of piles, application of surfactants.

Miscellaneous fugitive dust sources: watering, application of surfactants or reduction of surface wind speed with windbreaks or source enclosures.

The above is not intended to be an exhaustive list of all requirements that could apply. The applicant should be aware that this evaluation does not supersede the requirements of any current federal or state air quality requirement.

# **Recommendation**

The AQB has no objection to the current request for a new minimal impact permit.

The applicant is expected to comply with all requirements of federal and state laws pertaining to air quality. This written evaluation does not supersede the applicability of any forthcoming state or federal regulations.

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



SUSANA MARTINEZ Governor JOHN A. SANCHEZ Lt. Governor

# NEW MEXICO ENVIRONMENT DEPARTMENT

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BUTCH TONGATE Cabinet Secretary

J. C. BORREGO Deputy Secretary

#### **MEMORANDUM**

- TO: Jeff Lewellin, Mining Act Team Leader Mining Environmental Compliance Section Ground Water Quality Bureau (GWQB)
- FROM: John Moeny, Surface Water Quality Bureau
- SUBJECT: Request for Comments, Minimal Impact New Mining Permit Application, American Magnesium Dolomite Mine Project, Luna County, MMD Permit No. LU035MN
- DATE: August 14, 2017

On July 25, 2017, the NMED received a request for comments regarding a Minimal Impact New Mining Permit for a dolomite mine located in Luna, County, south of Deming, NM. The proposed mine lies in the foothills of the Florida Mountains, on public lands managed by the Bureau of Land Management (BLM). On May 2, 2017 a site visit to the mine site was convened with representatives of American Magnesium LLC, the BLM, Mining and Minerals Division and staff scientists from the NMED Silver City Field Office representing the Groundwater and Surface Water Quality bureaus.

## Summary of Proposed Action

American Magnesium intends to mine dolomite deposits contained within a low foothill (image below) on the west side of the Florida Mountains and extract magnesium from the ore at an offsite facility. Mining would resemble a quarry operation with explosives used to fracture the dolomite and heavy equipment used to remove the dolomite to either a stockpile or processing facility. Prior to mining activity, the ore body would be characterized via exploratory drilling at multiple locations. Mining the ore body would proceed from highest elevations on the foothill to the valley floor and at completion the post-mining land surface would be "at-grade" with the surrounding land form. No open pits, headwalls or underground features are anticipated. No permanent structures or facilities are planned for the mine location, however haul roads may be constructed that would bisect ephemeral drainages surrounding the proposed mine. Ore processing and magnesium extraction will occur at a facility off-site with a proposed location near Deming, NM. Details on processing and extraction are vague in the current application and Plan of Operations, consequently this comment and analysis pertains only to the mine site and associated actions required to quarry the dolomite. The SWQB cannot analyze potential impacts resulting from the off-site processing facility based on the information provided in this application.

## Relevant State and Federal Water Quality Regulations

No perennial or intermittent water bodies are known in the vicinity of the proposed dolomite mine. However, stormwater impoundments created by ditches or berms to prevent erosion and collect water may be subject to the State's Antidegradation Policy as described in NMAC 20.6.4.8.

Construction activities in support of the drilling, mining or hauling in ephemeral drainages may require a federal Clean Water Act Section 404 Dredge and Fill Permit and the corresponding Section 401 State of New Mexico Certification of the federal permit. For details contact the US Army Corps of Engineers Las Cruces Regulatory Office at 575.268.8612.

Certain mining activities may require a permit from EPA under Section 402 (NPDES) of the Clean Water Act, under the Multi-Sector General Permit (MSGP). The permittee must submit the appropriate application to EPA prior to initiating activities that may result in a discharge. For additional information, contact:

EPA Region 6 1445 Ross Avenue Suite 1200 Dallas, Texas 75202 Ph: 800-887-6063 or 214-665-2760 if calling from outside Region 6

If you have questions about this coverage please contact Sarah Holcomb, SWQB, at (505) 827-2798

In addition to the regulations above, the following best management practices are recommended to protect surface water quality.

- It is recommended that a minimum setback from ephemeral watercourses of 100 feet be required of staging areas, equipment yards, lay-down areas, stockpiled ore and overburden and other disturbed areas associated with mine activities.
- Fuel, oil, hydraulic fluid, lubricants, and other petrochemicals must not be stored within any watercourse and must have a secondary containment system to prevent spills.
- Appropriate spill clean-up materials such as absorbent pads must be available on-site at all times during road construction, site preparations, drilling and quarrying activities to address potential spills.
- Report all spills immediately to the NMED as required by the New Mexico Water Quality Control Commission regulations (20.6.2.1203 NMAC). For non-emergencies

during normal business hours, call 505-428-2500. For non-emergencies after hours, call 866-428-6535 or 505-428-6535 (voice mail, twenty-four hours a day). For emergencies only, call 505-827-9329 twenty-four hours a day (NM Dept of Public Safety).

• The applicant must contain any water produced from the exploration holes at the drill site and prevent overland flow and erosion. Drilling cores must be collected and disposed of properly.

# Impacts to Surface Water Quality

The SWQB finds that American Magnesium LLC's dolomite mining operation is likely to have a minimal environmental impact if operated and reclaimed with the approved permits including stormwater pollution controls and the comments above. Again, this determination is based solely on the application and Plan of Operations submitted for review of the mine location near the Florida Mountains and does not pertain to any processing or manufacturing facility that may be required once the mine is operational.

If you have any questions, please phone me at (575) 956-1545.



Proposed dolomite quarry on the left, with ephemeral drainage in the foreground.

Dear James Hollen:

Thank you for providing me with the opportunity to review and comment on the AmMg Minimal Impact New Mining Operations Permit application near Deming, NM (Permit Tracking No. LU035MN).

This mining project is located in the vicinity of the Florida Mountains, which have been identified as an Important Plant Area in the New Mexico Rare Plant Conservation Strategy, due to the significant number of rare and endangered plants growing in this area, including the NM State Endangered night-blooming cereus (*Peniocereus greggii var. greggii*). As described in the Biological Survey Report, the night-blooming cereus has the potential to occur in the project area, although it was not found during surveys. This state listed endangered plant is known to occur in various locations in Luna County, including the vicinity of the Florida Mountains. I highly recommend additional surveys for this cryptic species during the flowering season, when it is easier to detect. If plants are a found, they should be avoided, or impacts should be minimized through a variety of mitigation measures available.

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

Sincerely,

# Daniela Roth

Botany Program Coordinator EMNRD – Forestry Division 1220 S. Saint Francis Drive Santa Fe, NM 87505 505-476-3347 http://www.emnrd.state.nm.us/SFD/

From: Hollen, James, EMNRD
Sent: Tuesday, July 25, 2017 4:10 PM
To: Roth, Daniela, EMNRD <Daniela.Roth@state.nm.us>
Subject: Requests Review & Comment - AmMg Dolomite Mine Project - LU035MN

Attached, please find your electronic copy of correspondence from the NM Mining and Minerals Division regarding the above-referenced subject. A hard-copy of the document has been mailed to the recipient via US Mail. Please print copies for your files, as needed.

Thank you,

James Hollen - Sr. Mine Reclamation Specialist/Geologist/Archaeologist Mining Act Reclamation Program, Mining & Minerals Division New Mexico Energy, Minerals & Natural Resources Dept. Wendell Chino Building - 3rd Floor, Rm. 360 1220 S. St. Francis Dr. - Santa Fe, NM 87505 - USA 505/476-3436 - james.hollen@state.nm.us Visit us on the Web at: www.emnrd.state.nm.us



GOVERNOR Susana Martinez



DIRECTOR AND SECRETARY TO THE COMMISSION Alexandra Sandoval DEPUTY DIRECTOR Donald L. Jaramillo

18 August 2017

James Hollen, Permit Lead Mining Act Reclamation Program (MARP) New Mexico Mining and Minerals Division (MMD) 1220 South St. Francis Drive Santa Fe, NM, 87505

# STATE OF NEW MEXICO DEPARTMENT OF GAME & FISH

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RE: Minimal Impact New Mining Permit Application, American Magnesium Dolomite Mine Project, Luna County, New Mexico, Permit No. LU035MN. NMDGF No. 17952.

Dear Mr. Hollen:

In response to your letter dated 25 July 2017 the Department of Game and Fish (Department) has reviewed American Magnesium's proposed minimal impact dolomite mine project. A site visit was conducted by Department personnel on 15 August 2017. Habitat in the proposed mine permit area consists of largely undisturbed Chihuahuan Desert habitat. The Department does not anticipate significant impacts to wildlife or sensitive habitats and provides the following recommendations to minimize potential impacts to wildlife.

To comply with the Migratory Bird Treaty Act and avoid the potential destruction of occupied migratory bird nests, eggs or nestlings, ground disturbance and vegetation removal activities should be conducted outside of the breeding season for songbirds and raptors (1 March – 1 September). If ground disturbing and clearing activities must occur during the breeding season, the area should be surveyed for active nest sites prior to any disturbance. For any active nests, an adequate buffer zone should be established in order to minimize disturbance. Buffer distances should be 100 feet from songbird and raven nests, and 0.25 miles from raptor nests. Active nest sites in trees or shrubs that must be removed should be mitigated by qualified biologists or wildlife rehabilitators. Department biologists are available for consultation on nest site mitigation, and can facilitate contact with qualified personnel.

Fencing used to exclude livestock from entering the mine permit area should be wildlife-friendly. Guidelines and options for wildlife-friendly fencing can be found on the New Mexico Department of Game and Fish website at: (<u>http://www.wildlife.state.nm.us/conservation/habitat-information/habitat-handbook/</u>).

Two drainages are located immediately to the north and south of the proposed mining area. In order to minimize any additional excess soil erosion, the Department recommends maintaining a buffer area of native vegetation that is undisturbed by mining activity for at least 150 feet on both sides of the arroyos.

It should also be noted that the complete list of wildlife species observed in Table 5 of the Plan of Operations significantly under represents the diversity of wildlife that can occur within the mine permit area. Additional wildlife species observed during the Department's site visit included; Red-tailed Hawk, Swainson's Hawk, Turkey Vulture, pyrrhuloxia, Rufous Hummingbird, Loggerhead Shrike, and Striped Whipsnake. Old abandoned mine shafts that are located on the dolomite formation may also be providing important bat habitat and should be surveyed for bat activity prior to any disturbance.

James Hollen 18 August 2017 Page -2-

The Department considers the Florida Mountains a unique and important habitat for wildlife that is currently designated as a Wilderness Study Area (WSA) by the Bureau of Land Management. The proposed mine permit area is adjacent to the WSA, and intuitively seems like it should be part of it. The negative impacts to the scenic value of the area should also be taken into account. The Department understands that the dolomite formation American Magnesium wants to mine is a common variety that is widespread in the region, and recommends that a mine site that is not in such close proximity to the Florida Mountains WSA would be a preferred alternative.

Thank you for the opportunity to review and comment on this project. If you have any questions, please contact Ron Kellermueller, Mining and Energy Habitat Specialist at: <u>ronald.kellermueller@state.nm.us</u> or (505) 476-8159.

Sincerely,

ronles Hayes

Chuck L. Hayes, Assistant Chief Ecological and Environmental Planning Division

cc: USFWS NMES Field Office

From:	Rappuhn, Doug H., OSE
To:	Hollen, James, EMNRD
Cc:	Musharrafieh, Ghassan R., OSE; Valentine, Lloyd, OSE
Subject:	NMOSE Hydrology Bureau review of MMD LU035MN Subpart 3 Minimal Impact Mining Operations Permit Application for American Magnesium, LLC, Foothills Dolomite Quarry Project, Luna County
Date:	Thursday, August 17, 2017 9:56:21 PM
Attachments:	MMD mineral exploration boreholes encountering groundwater NMOSE general comments 2017 08 17.pdf

Hello Mr. Hollen -

The NMOSE Hydrology Bureau has reviewed the MMD LU035MN Subpart 3 Minimal Impact Mining Operations Permit Application for the American Magnesium, LLC, Foothills Dolomite Quarry Project for the exploratory drilling and mining of a magnesium-rich dolomite outlier / foothill located approximately 13 miles southeast of the Town of Deming, Luna County. The applicant proposes the (presumed dry) exploratory borings be back-filled pending re-use as blast holes for this surface mining project.

I did not attend a joint regulatory site inspection for the proposed project.

Two administrative concerns were noted in the NMOSE review:

- Proposed investigatory borehole depth was not noted in submittals. For the purposes of this NMOSE review, it is expected that project drilling will not extend deeper than that of the approximate elevation of surrounding alluvial topography, noted as the approximate reclamation topographical surface.
- There may be a disconnect between applicant's MMD application bearing MMD notation (page 1) that "A minimal impact new mining operation will not be considered a minimal impact mining operation if it exceeds 10 acres of disturbed land..." and applicant plan of operations (page 1 /

3<sup>rd</sup> paragraph) contention that "At any given time during the project, however, there will be no more than 40 un-reclaimed acres of disturbance at one time."

#### Surface water

USGS topographic maps of the project area suggest the presence of any surface water would be limited to ephemeral arroyo flow related to precipitation events. No springs were mapped within a minimum two-mile radius of the project claims.

#### **Groundwater**

Water wells may tap locally-perched groundwater, water-bearing channel alluvium, or a regional groundwater system. All represent forms of groundwater subject to the application of NMOSE regulations and required Water Rights Division filings. Information regarding current water rights in the project area was retrieved from the NMOSE-NMWRRS database within an approximate two-mile radius of the project claims. Eleven wells were identified within said radius, but all wells were collared at surface elevations lower than 4800' msl, where elevation of land surface around base of the project hill is approximately 4840' to 4920' msl. Shallowest static water levels were reported at least 200' below well collar elevation, suggesting project drilling (boring depth unspecified, but if limited to a depth consistent with the elevation of the terrain immediately surrounding the project hill) is unlikely to encounter groundwater. A historical static water level measured in the Mahoney Park windmill well located approximately 0.7 miles east of the project claims reflected a spring-time 1972 water level measurement of approximately 120' bgl at that location, suggesting a groundwater elevation likely ranging 120' – 200' below land surface at the flank of the project foothill.

Although apparently unlikely, should groundwater be encountered in project exploratory boreholes, the applicant shall immediately notify the Office of the State Engineer by filing a NMOSE Application for Permit to Drill an Exploratory Well and concurrently file a NMOSE Well Plugging Plan of Operations in accordance with Subsection C of NMAC 19.27.4.30, as revised 6/30/2017.

A listing of general NMOSE exploratory drilling project comments otherwise potentially pertinent to the project is also attached to this e-mail.

Douglas H. Rappuhn Hydrology Bureau / New Mexico Office of the State Engineer 5550 San Antonio Drive NE Albuquerque, NM 87109-4127 Phone: 505-383-4018 / Fax: 505-383-4030 e-mail: doug.rappuhn@state.nm.us

The actual MMD application may be viewed on the MMD website at: <u>http://www.emnrd.state.nm.us/MMD/MARP/LU035MN.html</u>

### <u>General Concerns Related to NMOSE Regulation of Exploratory Borehole Drilling</u> <u>Encountering Groundwater and Associated Plugging of those Borings</u>

Well drilling activities, including exploratory borehole drilling (drilling of "mine drill holes") that penetrate a water-bearing stratum and well plugging, are regulated in part under 19.27.4 NMAC (New Mexico Administrative Code) promulgated 6/30/2016, which requires any person engaged in the business of well drilling within New Mexico to obtain a Well Driller License issued by the NMOSE (New Mexico Office of the State Engineer). Therefore, a New Mexico licensed Well Driller shall perform the drilling and plugging of exploratory boreholes that encounter groundwater.

Additionally, all onsite well drilling activities, including but not limited to exploratory borehole drilling encountering groundwater and plugging of such water-bearing boreholes shall be conducted under the supervision of the New Mexico licensed Well Driller or a NMOSE-registered Drill Rig Supervisor under the direction of the licensed Well Driller.

Plugging of exploratory boreholes that encounter groundwater will occur under joint jurisdiction of the NMOSE and MMD (Mining and Minerals Division). Filing and acceptance of the NMOSE Well Plugging Plan of Operations (<u>http://www.ose.state.nm.us/STST/Forms/WD-08%20Well%20Plugging%20Plan%20of%20Operations\_2016-01-20\_final.pdf</u>) in conjunction with filing NMOSE Applications for Permit to Drill a Well with no Consumptive Use of Water (<u>http://www.ose.state.nm.us/WR/Forms/WR-07%20Application%20for%20Permit%20to%20Drill%20a%20Well%20With%20No%20Consum</u> <u>ptive%20Use\_2012-06-14\_final.pdf</u>) are required where it is expected water-bearing stratum/strata may be penetrated by project boreholes.

Additional NMOSE filings will be required where it is requested that an exploratory borehole be converted to a water well. The well design and construction shall be subject to the provisions of 19.27.4 NMAC Regulations. Appropriation of water from such a conversion may require a water right. The MMD may disallow the conversions of exploratory borings to water wells if not permitted specifically in the MMD permit.

Any exploration drilling where a water-bearing stratum is encountered will be subject to pertinent sections of those rules and regulations contained in 19.27.4 NMAC (6/30/2017), including but not limited to Sections 19.27.4.30.C NMAC for plugging and abandonment of non artesian wells; 19.27.4.31 NMAC for artesian wells; and 19.27.4.36 NMAC for mine drill holes that encounter water. A complete version of the NMOSE 19.27.4 NMAC regulations can be found on the NMOSE website at

http://164.64.110.239/nmac/parts/title19/19.027.0004.htm

#### **Use/extraction of Temporary Casing**

When drilling through caving overburden or unconsolidated geologic units, use of temporary casing may be desired. Any temporary casing should be inserted into a borehole of sufficiently large diameter to allow easy extraction upon termination of all drilling. To help prevent deleterious fall-in or drainage of cuttings/sediments into the annulus outside the temporary casing, the top of the annulus should be made appropriately fluid-tight.

If the temporary casing becomes stuck in-place, difficulties in the proper plugging of the borehole and resultant potential for commingling of aquifers or surface water drainage may occur via an unsealed annulus. When setting of temporary casing occurs or is expected, appropriate detail of the proposed casing extraction and borehole clean-out process prior to plugging will be required in the NMOSE Well Plugging Plan of Operations if the borehole encounters a water-bearing stratum. Should casing be left in a water-bearing boring, 19.27.4 NMAC provisions apply, including those requiring an appropriate type and extent of annular seal surrounding the well casing.

#### **Exploratory Borehole Plugging**

Terms of borehole plugging will be established jointly by the evaluation of the NMOSE Well Plugging Plan of Operations and the review of the relevant MMD application for water-bearing boreholes. Approved high-solids bentonite abandonment-grade sealants and/or approved cement slurries will be required for plugging as deemed hydrogeologically appropriate by the agencies. If the exploratory borings do not encounter groundwater, MMD plugging regulations (19.10.3 NMAC) prevail over those of 19.27.4 NMAC.

NMOSE well plugging regulations require tremie placement of the column of well sealant, which shall extend from the bottom of the borehole to ground surface. The NMOSE defers to the discretion of the MMD for the choice of sealant versus natural fill in the upper ten to twelve feet of a borehole plug to facilitate site restoration.

Required plugging of water-bearing exploratory borings shall occur within the timeframe specified by either the NMOSE or MMD. The MMD may enforce a plugging time frame that would minimize cave-in and the potential for incomplete plugging due to blockages in the borehole.

#### Drill Rig Fuels, Oils and Fluids

Drill rigs contain and consume fuels, oil, and hydraulic fluids, and are subject to leaks. The rig often remains in-place longer than other pieces of exploration equipment onsite, are frequently running, and are positioned immediately above and adjacent to the open borehole. As a standard practice to prevent contamination and reduce site cleanup activities, it may be beneficial to use bermed, impermeable ground sheeting under the drill rig. Consideration of bermed containment volume sufficient to accommodate a high-intensity precipitation event is also a good practice.

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MINING & MINERALS DIVISION

Herman G. Honanie CHAIRMAN

Alfred Lomahquahu Jr. VICE-CHAIRMAN

August 1, 2017

Fernando Martinez, Director, Mining and Minerals Division Attention: James Hollen New Mexico Energy, Minerals, and Natural Resources Department 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Re: New Mining Operation Application: American Magnesium Dolomite Mine Project, Luna County, Permit No. LU035MN

Dear Mr. Martinez,

This letter is in response to your correspondence dated July 25, 2017, with an enclosed cultural resources survey report, regarding an application from American Magnesium LLC to develop a dolomite mine within the Tres Hermanas Mining District on Bureau of Land Management lands in, Luna County, the Foothills Dolomite Quarry, Permit No. LU035MN.

The Hopi Tribe claims cultural affiliation to earlier identifiable cultural groups in New Mexico. The Hopi Cultural Preservation Office supports identification and avoidance of prehistoric archaeological sites and Traditional Cultural Properties, and we consider the archaeological sites that are habitations of our ancestors to be "footprints" and Hopi Traditional Cultural Properties. Therefore, we appreciate the Mining and Minerals Division (MMD)'s continuing solicitation of our input and your efforts to address our concerns.

The Hopi Cultural Preservation Office has stated that we are interested in consulting on any proposal in New Mexico with the potential to adversely affect prehistoric sites. We have reviewed the cultural resources survey that identifies five prehistoric isolated occurrences in the 40 acre project area. Therefore, we have determined that this project is unlikely to affect cultural resources significant to the Hopi Tribe.

However, if any cultural features or deposits are encountered during project activities, these activities must be discontinued in the immediate area of the remains, and the State Historic Preservation Office must be consulted to evaluate their nature and significance and if any Native American human remains or funerary objects are discovered during construction they must be reported as required by law. Should you have any questions or need additional information, please contact Terry Morgart at tmorgart@hopi.nsn.us. Thank again you for your consideration.

Kuwanwisiwma, Director

Hopi Cultural Preservation Office

xc: New Mexico State Historic Preservation Office



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

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August 23, 2017

James Hollen Permit Lead Mining Act Reclamation Program Mining and Minerals Division 1220 South St. Francis Drive Santa Fe, NM 87505

# Re: Minimal Impact New Mining Permit, American Magnesium Dolomite Mine, Luna Co, NM LU035MN (HPD log 106134)

Dear Mr. Hollen:

I am writing in response to your request for review and comment on the above referenced minimal impact mining permit application received July 27, 2017.

The locations of the proposed mine fall within T25S, R8W, Sections 26 and 27. American Magnesium's permit application indicates private ownership of mineral rights and that the Bureau of Land Management owns the surface rights. According to our files there are no historic properties listed on the State Register of Cultural Properties or the National Register of Historic Places and no historic cemeteries in the permit area.

According to our files, the project area was surveyed for twice in 2016 for cultural resources. The first survey documented two archaeological sites, and the BLM determined these not eligible for the National Register of Historic Places (NRHP). The second survey (NMCRIS 136415), which was conducted by Dos Rios Consultants for the dolomite mine, located three mines but recorded these as isolated occurrences rather than archaeological sites.

Although I have not been able to locate BLM's consultation for the mine among our records, BLM will consider project effects on any archaeological sites that may be eligible for listing on the National Register pursuant to Section 106 of the National Historic Preservation Act.

If you have any questions, please do not hesitate to contact me. I can be reached by email at <u>bob.estes@state.nm.us</u> or by telephone at (505) 827-4225.

Sincerely,

Bob Estes Ph.D. HPD Staff Archaeologist



# White Mountain Apache Tribe Office of Historic Preservation PO Box 1032 Fort Apache, AZ 85926 Ph: (928) 338-3033 Fax: (928) 338-6055

Го:	Fernando Martinez, Mining and Minerals Division
Date:	July 25, 2017
Re:	American Magnesium Dolomite Mine Project. Luna Co., NM Permit # LU035MN
• • • • • • • • • • • •	• • • • • • • • • • • • • • • • • • • •

The White Mountain Apache Tribe Historic Preservation Office appreciates receiving information on the proposed project, dated <u>July 25, 2017</u>. In regards to this, please attend to the following checked items below.

# Please refer to the additional notes in regards to the proposed project:

Thank you for allowing the White Mountain Apache tribe the opportunity to review and respond to the above proposed development of the dolomite mine within the Tres Hermanas Mining District in the foothills of the Little Florida Mountains, Luna County, New Mexico, and we have determined the proposed project *will not have an impact* on the White Mountain Apache tribe's historic properties and/or traditional cultural properties.

Regardless, any/all ground disturbing activities should be monitored *"if"* there are reasons to believe that there are human remains and/or funerary objects present, and if such remains are encountered they shall be treated with respect and handled accordingly until such remains are repatriated to the affiliated tribe(s).

Thank you. We look forward to continued collaborations in the protection and preservation of places of cultural and historical importance.

Sincerely, *Mark T. Altaha* White Mountain Apache Tribe - THPO April 24, 2017

340 Solana Road SE Deming, New Mexico 88030

Bill Childress, District Manager United States Department of Interior Bureau of Land Management Las Cruces District Office 1800 Marquess Street Las Cruces, NM 88005-3371

Dear Mr. Childress,

This letter is requesting an Environmental Impact Statement be conducted in deciding on LU035MN American Magnesium's application for a BLM minimal impact permit to mine magnesium/dolomite in Deming, New Mexico.

However, before moving forward with this request for an EIS, a clarification to the public is requested. BLM states a minimal impact new mining operation for magnesium/dolomite will not be considered a minimal impact mining operation if it exceeds 10 acres for magnesium/40 for dolomite of disturbed land. American Magnesium's application cites 44 disturbed acres, thus exceeding the BLM minimal impact criteria for all new mining operations.

Regarding the Environmental Impact Statement, BLM § 3517.16 states (a) We will consider whether the agreement will conserve natural resources and is in the public interest.

Only an Environmental Impact Statement can provide the information necessary for the BLM to make an informed decision that will conserve natural resources and is in Deming, New Mexico's public interest. Having an understanding of the purpose and need to mine magnesium/dolomite here in Deming, the range of alternative actions available for the proposed mining operation, knowing the impact on our threatened and endangered flora and fauna species here in Deming, the impact on the bordering BLM Environmental Study areas, the impact blasting can have on our air, wells, noise, and the structural integrity of our homes, are just a few of the critical impacts we can understand through the results of an EIS. Additionally, being the homeland of the indigenous Chiricahua Apache people, preserving this historical and archeologically sensitive area here in Deming is vital; a right of the people. For the purpose of conserving natural resources and our public interest is why we have asked our government agencies to provide an Environmental Impact Statement when such actions are proposed.

Although not required in an Environment Impact Statement, having a clear understanding of the financial viability of American Magnesium's two man team is vital to the success of the agreement. Regarding American Magnesium's proposed agreement being "in the public interest", first and foremost, is evaluating the company's strength and diversity in their

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leadership team, financial foundations, and capacity for long term management of this proposed mining project.

Having read American Magnesium's application, BLM plan of operations, briefing and executive summary, it appears American Magnesium's plans, ideas and flow for this mining project have been roughly put to paper. Execution of such a project on the other hand, requires strong, diverse leadership, solid financial planning/investment, and a team of people with a historic track record in taking such mining ventures to market, and beyond with successful long term management skills. Success for this mining project to be in the public interest while conserving natural resources, requires articulate plans on all fronts.

This two-man team, as their own executive summary, briefing, roughly sketchy out application, and BLM plan of operations points out, does not demonstrate a preparedness to meet the rigorous requirements for success in taking the agreement forward in the public interest here in Deming, New Mexico.

Please advise.

Thank you.

Sincerely,

K. Dianne Stephens

pc:/Jim Hollen, Permit Lead – Permit Tracking Lead LU035MN Mining Act Reclamation Program

May 3, 2017

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

Via Email and U.S. Mail

Dear Mr. Tognoni:

Thank you for providing me with information about your (American Magnesium LLC) proposal to develop a "Magnesium Mine" near our property in rural Luna County.

Based on the materials you sent, contacts with the BLM District Office and the New Mexico Mines and Minerals Division (MMD), and my own private research; I have decided your proposal to develop a magnesium mine in the Florida Mountains will not have my support. Frankly, at this point it seems infeasible. I base this conclusion on the following facts and observations:

1. What you are seeking to do in your Plan of Operations (PoO) and Minimal Impact New Mine application is better characterized as exploratory work for a Dolomite Quarry. The applications do not reference any ancillary infrastructure of your proposal to build a mine as set forth in your December 2016 Executive Summary. Your PoO does not include access across BLM land for your proposed conveyor belt. The National Environmental Policy Act (NEPA) process will compel full disclosure and analysis of all cumulative impacts, both on and off BLM land. This will have to include your eventual identification of a site for crushing and refining the dolomite.

2. You represented in promotional materials that the Minimum Impact Mine permit should be issued in Q2 of 2017. This is unlikely. The New Mexico MMD has found your application insufficient. Further, it will not act on any application until the BLM completes its review process. I do not expect the BLM to complete the NEPA process any time soon, with a project of your scope under consideration. I expect the first tier Environmental Assessment will find significant impact requiring a full Environmental Impact Statement (EIS).

3. I believe that the BLM may not accept the validity of the 1872 Act claims of this Common Variety. I believe they will find the Dolomite quarry to require a lease pursuant to the 1955 Common Varieties Act. I think the 1957 Kottlowski

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study (that you rely on for your claims) establishes there are numerous deposits of nearly identical Fussleman Dolomite in south central New Mexico. There is no "unique property" of Dolomite you seek to quarry as required by law.

4. Your Private Offering Memorandum of January 31, 2016 discloses a funding scheme for this project which demonstrates that American Magnesium does not have the financial ability to build the mine you describe. Your tiered funding arrangement will likely bog down during Phase Two, which is described as your "First Offering". I do not believe that any sophisticated investor would pony up \$25,000 based on the Offering Memorandum, Subscription Agreement, and reasonable due diligence.

5. I am guessing that the only people who have received income from this venture to date are the original filers of the mining claims acquired by AM, and the management of AM. The remainder has gone to consultants and lawyers. If no permit is granted, you could walk away having transferred your mining claims for value, having paid off the other initial claimants (investors?), and having drawn a salary in the meantime. I fear the First Offering investors will be left holding nothing, as your Subscription Agreement so clearly warns.

6. Your personal history does not support your credibility. No need to cite specifics, since you can Google and electronically trace yourself. Your previous ventures and activities speak for themselves.

7. There is substantial and growing opposition to your proposal in Luna County. There are numerous well educated and financially able residents who will fight you tooth and nail to protect the Florida Mountains Wilderness Study Area (WSA) and the unique biology of the WSA. The ability of this opposition to force expensive mitigation strategies cannot be discounted, and further puts in question your ability to deliver the project you are promoting.

8. I do not believe it is feasible to build this project for the \$94,000,000 you identify in the Offering Memorandum. The 15 mile conveyor system could cost \$94,000,000 itself. This is likely considering: i) the crossing of numerous county, state, and federal highways, including I-10, ii) the crossing of the Southern Pacific railroad, and iii) the need to acquire rights (if you can) to cross private land.

9. I do not think your scheme to chop up this huge project into a series of smaller 40 acre "rolling reclamation" quarry sites will mask your intentions to develop a much larger project. I suppose you would have had to do 10 acre "rolling reclamation" sites had you not successfully lobbied the Mine Commission

last April to raise the limit for "dolomite" and a few other minerals from 10 to 40 acres.

Based on these observations, together with the detrimental impact your proposal will have on our property and its value, it is my intention to align myself with those opposing the approval of your Plan of Operations and Minimal Impact Mining Permit without a full EIS that considers the cumulative on and off-site impacts of the entire proposal, and their proper mitigation.

I will also request that the BLM evaluate whether the AM owned 1872 claims for the common variety Dolomite are valid. The basis of this is set forth in item 3, above.

Wit

Wesley Light Sunshine Wells Ranch 12710 Lucca Rd SW, Luna County P.O. Box 2002 Angel Fire, NM 87710

cc. Veighandra Keevan, BLM Las Cruces James Hollen, New Mexico Mining and Minerals Division Rachal Conn, Amigos Bravos Administrative Director, Friends of the Floridas Beth Bardwell, Audubon New Mexico Alegernon D'Ammassa, Deming Headlight May 19, 2017

Mr. Bill Childress, District Manager, Bureau of Land Management 1800 Marquess St. Las Cruces, NM 88005



RE: American Magnesium Plan of Operations, Luna County

#### Dear Mr. Childress:

We have seen the Plan of Operations (PoO) for the magnesium mine located near our property at the base of the Florida Mountains. Based on our review, we have many questions regarding appropriate mitigation, which we will raise during the scoping process for the eventual NEPA review of the PoO. In particular, we do not clearly understand the relationship between American Magnesium's exploratory dolomite quarry and the one billion dollar mine complex being promoted to local residents. Hopefully the NEPA process will clarify these matters.

However, we do wish to raise one critical issue at the outset of this process. American Magnesium is basing their proposed mining project on 1872 Act claims for a locatable mineral. This is an improper use of the 1872 Act to claim ownership of a "Common Variety" mineral, subject to lease under the 1955 Common Varieties Act. Prior to expending a lot of time and money on administrative review of the PoO, it might be good to address the threshold question of the validity of these 1872 Act mining claims.

As you no doubt know, the range of BLM management options under the leasing process established for Common Varieties is significantly different than options under the 1872 Act. Before scoping a NEPA review, it is essential to know what range of management options are available, including the option not to issue a lease. This would be the "no action" alternative for a 1955 Act lease request. We are not sure the "no action" alternative for the current PoO review, given the 1872 Act claims, has the same frame of reference.

Without going into great legal detail, we would direct your attention to the lengthy discussion of the use of 1872 Act claims for Common Varieties set forth in <u>Re: David Q. Tognoni</u>, IBLA 94-476, 138 IBLA 308, March 6, 1997. We think, if the test set forth in <u>McClarty v. Secretary of the Interior</u>, 408 F.2d 907 (9th Cir. 1969) is applied to the facts surrounding these current claims, the dolomite in question would be deemed a Common Variety subject only to lease. In fact, a close look at the 1957 Kottlowski study relied upon by American Magnesium, proves it is a Common Variety.

According to the New Mexico Bureau of Geology and Mineral Resources syllabus of the Kottlowski study: "Almost unlimited deposits of high purity bedded dolomite, which could be utilized for the production of metallic magnesium and magnesium compounds, occur in south-central New Mexico." Further, the study identifies dozens of locations with dolomite testing virtually the same on Magnesium content. Letter to Childress, May 19,2017, Page Two

We would request that the BLM conduct a validity assessment on American Magnesium's 1872 Act Claims prior to reviewing the PoO and beginning the NEPA process. In particular, to determine (1) if the dolomite claimed is a Common Variety subject to the 1955 Act, and (2) if not, is the dolomite claimed "presently profitably marketable" as required under the 1872 Act.

Although we have no competing claims to give us automatic standing for a validity contest, we hope that the BLM will stand in our place and carefully review this issue. As the manager of the public's land, the legal nature of any third party tenure is always critical.

Wesley a Left Wesley Light

Diana Bren Diana Bell

**Sunshine Wells Ranch** 

P.O. Box 2002

Angel Fire, NM 87710

Cc: Leighandra Keeven, BLM

James Hollen, NMMMD



NM Energy Minerals & Natural Resources 1220 & St Strancis Dr Santa de NM 87505

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or dolomits in the Ilorida for magnesium to be some sort of seam & poperiuls seems continue to examine closely. Claims of 5,000 jobs, no damage to Wining & Mineral, the mountain, are not will oun words, view, air, etc., tuly, aynn heave deary of Sune 14, 2017 Re: LUO35MN proved



# **CHAMBER OF COMMERCE**

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MINING & MINERALS DIVISION

Energy, Minerals and Natural Resources Department Mining and Minerals Division Mr. Fernando Martinez, Director Wendell Chino Building, Third Floor 1220 South St. Francis Dr. Santa Fe, NM 87505

Dear Mr. Fernando Martinez:

On Wednesday, June 21, 2017, the Board of Directors of the Deming Luna County Chamber of Commerce voted unanimously to support the American Magnesium project and to request that the MMD approve the application submitted for a Minimal Impact Mining permit as quickly as possible.

The Board felt that Economic Development of this magnitude is imperative to bring back growth and prosperity to this community. It is expected that this project will bring much needed jobs for the families and businesses of Luna County and revenues for the city and county governments.

This decision was by the board in representation of the members of the Deming/Luna County Chamber of Commerce, allowing Deming Luna County to continue to be a great place to work, live, play and do business.

Sincerely,

**Bill Byford** 

Bill Byford President

P.O. Box 8 • 800 E. Pine St. Deming, NM 88031 Tel: (575) 546-2674 • Fax: (575) 546-9569 www.demingchamber.com



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Deming MainStreet Program 800 East Pine Street Deming, NM 88030

Energy, Minerals and Natural Resources Department Mining and Minerals Division Mr. Fernando Martinez, Director Wendell Chino Building, Third Floor 1220 South St. Francis Dr. Santa Fe, NM 87505

Dear Mr. Fernando Martinez:

On Wednesday, June 28, 2017, the Board of Directors of the Deming MainStreet Program voted unanimously to support the American Magnesium project and to request that the MMD approve the application submitted for a Minimal Impact Mining permit as quickly as possible.

The Board felt that Economic Development of this magnitude is imperative to bring back growth and prosperity to this community. It is expected that this project will bring much needed jobs for the families and businesses of Luna County and revenues for the city and county governments.

It is our goal to help support, collaborate and enhance all that Deming has to offer and allowing Deming Luna County to continue to be a great place to work, live, play and do business.

Sincerely,

Juz

Christie Ann Harvey President

August 8, 2017

Mr. Fernando Martinez, Division Director Mining & Minerals Division 1220 S St Francis Dr. 3rd Floor Santa Fe, NM 87505

RECEIVED AUG 1 0 2017 MINING & MINERALS DIVISION

RE: American Magnesium, LLC and David Q. Tognoni Revised Application for a minimal impact mine

Dear Mr. Martinez,

I thank you for your time in reading this letter. I would like to point out some errors and omissions in Mr. Tognoni's recent application to your office.

- 1. In both the Executive Summary and 2.0 Description of Operations, paragraph 2.2 he refers to the mine location on the west slope of the "Little Florida Mountains". That is incorrect information. The Little Floridas are a separate range and a separate place than the proposed mine site.
- 2. The application states that there will be approximately ten on-site personnel at the mining site. Mr. Tognoni has been promising Deming that there will be "hundreds of high-paying jobs" during the mining operations. I think this constitutes deception and tells us something about this man's character.
- 3. There are natural arroyos and water flow patterns that come down from the mountain into the flatland. People have built their homes to avoid these natural features. Shouldn't there be a study of how removing our foothills will change these natural waterways and impact the homes that are near or below the mining site?
- 4. Using McCan Road as a delivery road makes no sense when the trucks can go straight out to Highway 11 and North to the processing plant. I would ask the hundreds of residents along McCan Road if they would like to have ore trucks rumbling past their homes night and day.

I respectfully ask the Mining and Minerals Division to reject the American Magnesium application due to errors, omissions, lies and the general wishes of the people who live near the Florida Mountains.

Sincerely,

michal & Marcia Coulson

Michael and Marcia Coulson



19 September 2017

American Magnesium Project

Attention: Dave Togoni

SUBJECT: AMERICAN MAGNESIUM MINING PROJECT-DEMING, LUNA COUNTY, NEW MEXICO

Mr. Togoni:

As the non-profit designated to economic development in Deming, Luna County, Deming Luna County Economic Development, Inc. (DLCED) is committed to assisting in workforce development and job creation; the American Magnesium project proposes great job creation and the opportunity to collaborate with many entities to produce a qualified workforce for generations to come.

DLCED supports projects that provide a positive and sustainable economic impact on Deming: environmentally, socially, and economically. DLCED looks forward to hearing about the progression of the American Magnesium Project, and actively participating in community planning sessions, in conjunction with the local governments and other economic development focused organizations.

Sincerely,

Bruce Ashburn, President