

REV.DATE: 5/18/09

FOR MMD USE ONLY:

PROJECT NAME: _____

PERMIT #: _____

DATE RECEIVED: _____

DATE APPROVED: _____

LEAD INSPECTOR: _____

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
Director
Mining and Minerals Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505
Telephone: (505) 476-3400**

**SUBPART 3
MINIMAL IMPACT NEW 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 §304, Minimal Impact New Mining Operations, of the New Mexico Mining Act Rules for all regulations associated with Minimal Impact Mining operations.

Permit Application Requirements: (§304.A-C and §601)

- A minimal impact new mining operation will not be considered a minimal impact mining operation if it exceeds **10 acres of disturbed land**, except that pre-existing roads and reclaimed areas within the permit area will not be counted. Reclaimed, for this purpose means all financial assurance has been released, except the amount held to reestablish vegetation pursuant to §1204.
- Permit applications shall be submitted in ample time to have the permit issued before mining operations begin, and operations shall not begin until after the permit is issued.
- Six copies of the completed application need to be submitted.
- Confidential information needs to be **clearly** indicated and submitted separately.

→ Check the "YES" or "NO" box for each of the following characteristics as related to the proposed minimal impact mining operation:

YES **NO**

- | | | |
|--------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Located in or having a direct surface impact on wetlands, springs, perennial or intermittent streams, lakes, rivers, reservoirs or riparian areas. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 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 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. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 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. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Located in a known cemetery or other burial ground. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Located in an area with cultural resources listed on either the National Register of Historic Places or the State Register of Cultural Properties. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 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. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Expected to use or using cyanide, mercury amalgam, heap leaching or dump leaching in its operations. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Expected to result in point or non-point source surface or subsurface releases of acid or other toxic substances from the permit area. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Requiring a variance from any part of these Rules as part of the permit application. |

IMPORTANT NOTES!:

- 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 obligation to obtain permits required by other governmental entities.

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

1. OPERATOR INFORMATION (Rule 3.4 D. 1.)

1. OPERATOR INFORMATION (§304.D.1)

LIST PROJECT NAME:

NAME OF APPLICANT: MICREX DEVELOPMENT CORP.

ADDRESS: 156 - LAURIER N.W
EDMONTON
ALBERTA CANADA T5R5P9

PHONE #: 780-4842512

NAME OF OWNER (if different from applicant's name and address):

ADDRESS:

PHONE #:

NAME OF ON-SITE CONTACT OR OPERATOR'S REPRESENTATIVE:

ADDRESS:

PHONE #:

2. RIGHT TO ENTER INFORMATION (§304.D.1)

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

B. List the names and addresses of surface and mineral ownership within the proposed permit area:

1. **Surface Owner(s):**

<u>Name</u>	<u>Address</u>	<u>Phone #</u>
MICREX		780-4842512

2. **Mineral Owner(s):**

<u>Name</u>	<u>Address</u>	<u>Phone #</u>
MICREX		✓

C. List the author(s), title(s), date(s) and report number(s) of any cultural resource survey report(s) submitted to the agency(ies) or landowner(s) listed above:

4. ENVIRONMENTAL PERMITS HELD FOR OTHER OPERATIONS (Rule 3.4 D. 3.)

Provide a list of other environmental permits held for other mining operations within the United States and any violations issued for non-compliance with those permits.

NAME OR TYPE OF ENVIRONMENTAL PERMIT

NONE

LIST VIOLATION NUMBER, TYPE AND ISSUING AGENCY

NONE

5. MINING DESCRIPTION (Rule 3.4 D. 4.)

A. Type of mineral or minerals to be mined: SILVER AND GOLD

B. Check (✓) the method of proposed mining:
 Surface or X Underground

C. Describe the sizes and volumes of the facilities to be used:

Plant Site/Staging Area:

How Many 0 Acreage

Pits or Quarries : How Many 0 Acreage Volume (cu.yds.)

Stockpiles: How Many Acreage Volume (cu.yds.) 500 Tons

Waste Dumps: How Many Acreage Volume (cu.yds.) 500 Tons

List for New road(s) the following:

Length (ft.) 0 Width (ft.)

Length (ft.) 0 Width (ft.)

LIST PERMIT VIOLATIONS; NUMBER, TYPE AND ISSUING AGENCY:

NONE

5. MINING DESCRIPTION (§304.D.4)

- A. Type of mineral or minerals to be mined:
- B. Check the method of proposed mining: _____ Surface or Underground
- C. Describe the sizes and volumes of the facilities to be used:

Plant Site/Staging Area:

How Many _____ Acreage _____

Pits or Quarries: How Many _____ Acreage _____ Volume (cu.yds.) _____
Stockpiles: How Many _____ Acreage _____ Volume (cu.yds.) 500 TONS
Waste Dumps: How Many _____ Acreage _____ Volume (cu.yds.) 500 TONS

List the following for **New Road(s)**:

Length (ft.) 0 Width (ft.) 0
 Length (ft.) 0 Width (ft.) 0

List the following for extension or widening of **Existing Road(s)**:

Length (ft.) 0 Width (ft.) 0
 Length (ft.) 0 Width (ft.) 0

Other Disturbances: Type

How Many _____ Acreage _____ Volume (cu.yds.) _____

TOTAL ACREAGE TO BE DISTURBED: UNDER 3 Acres

D. Describe the type of processing that will be conducted on site:

NONE

E. Describe the typical equipment to be used for the mining operations:

COMPRESSOR
UNDERGROUND & SURFACE LOADERS
GENERATOR
UNDERGROUND TRUCK

6. CHEMICAL USE (§304.D.4)

A. List all chemicals proposed to be used by the mining operation.

<u>Name:</u>	<u>Use:</u>
EXPLOSIVES	BLASTING
MOTOR OIL	EQUIPMENT
DIESEL FUEL	✓

7. GROUND WATER INFORMATION (§304.D.5)

A. Provide an estimate of depth to ground water and the total dissolved solids (T.D.S.) concentration.

Depth to ground water (ft.) 800 FT. T.D.S. concentration UNKNOWN

B. Describe the source of groundwater information:

MINE IS DRY

- C. Describe any dewatering activities to be conducted during mining operations:

NONE

8. PERFORMANCE STANDARDS (§304.D.7)

- A. Provide a general description of how the mining and reclamation will be designed and operated using the most appropriate technology and best management practices:

NO PROCESSING - SHIPPING AS IS.
RECONTOUR DUMP AREA.
REGRADE TO BLEND IN
SEED WITH NATIVE SEEDS

- B. Provide a general description of how the mining and reclamation will be designed and operated to assure protection of human health and safety, the environment, wildlife, and domestic animals:

AREA FENCED + GATED
WARNING SIGNS POSTED

- C. Provide a general description of how the mining and reclamation will be designed and operated to safeguard the public from unauthorized entry into shafts, adits and tunnels and to prevent falls from highwalls or pit edges:

GATES LOCKED
NO PIT EDGES

- D. Provide a general description of how the mining and reclamation will be designed and operated so the disturbed area will not contribute suspended solids above background levels, or where applicable the Water Quality Control Commission's standards, to intermittent and perennial streams:

KEEP DUMPS AT SAFE GRADE
BERMED SO RUN-OFF WILL NOT ENTER

- E. Provide a general description of how the mining and reclamation will be designed and operated to control erosion:

SEED BED PREPARATION;
RIPPING OVERBURDEN
BROADCAST SEEDING

9. RECLAMATION PLAN (§304.D.8)

The operation will be operated and reclaimed to 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 (i.e. grazing):
GRAZING
- B. List the proposed post mining land use (i.e. wildlife):
GRAZING
- C. Describe how reclamation activities will avoid adverse impact to cultural resources:
NONE KNOWN

- D. Describe any backfilling and grading operations to be performed after mining:

BACKFILL THE PORTALS AND GRADE
OVER THE PARKING DUMP.

- E. Describe what mitigation steps will be taken to reconstruct or protect the hydrologic balance of the site after mining:

NO WATER WILL BE DIVERTED
 PARKING DUMP WILL BE GRADED
 PLANT NATIVE SEEDS

- F. Describe how topsoil or topdressing will be salvaged, stockpiled and distributed for the re-establishment of vegetation:

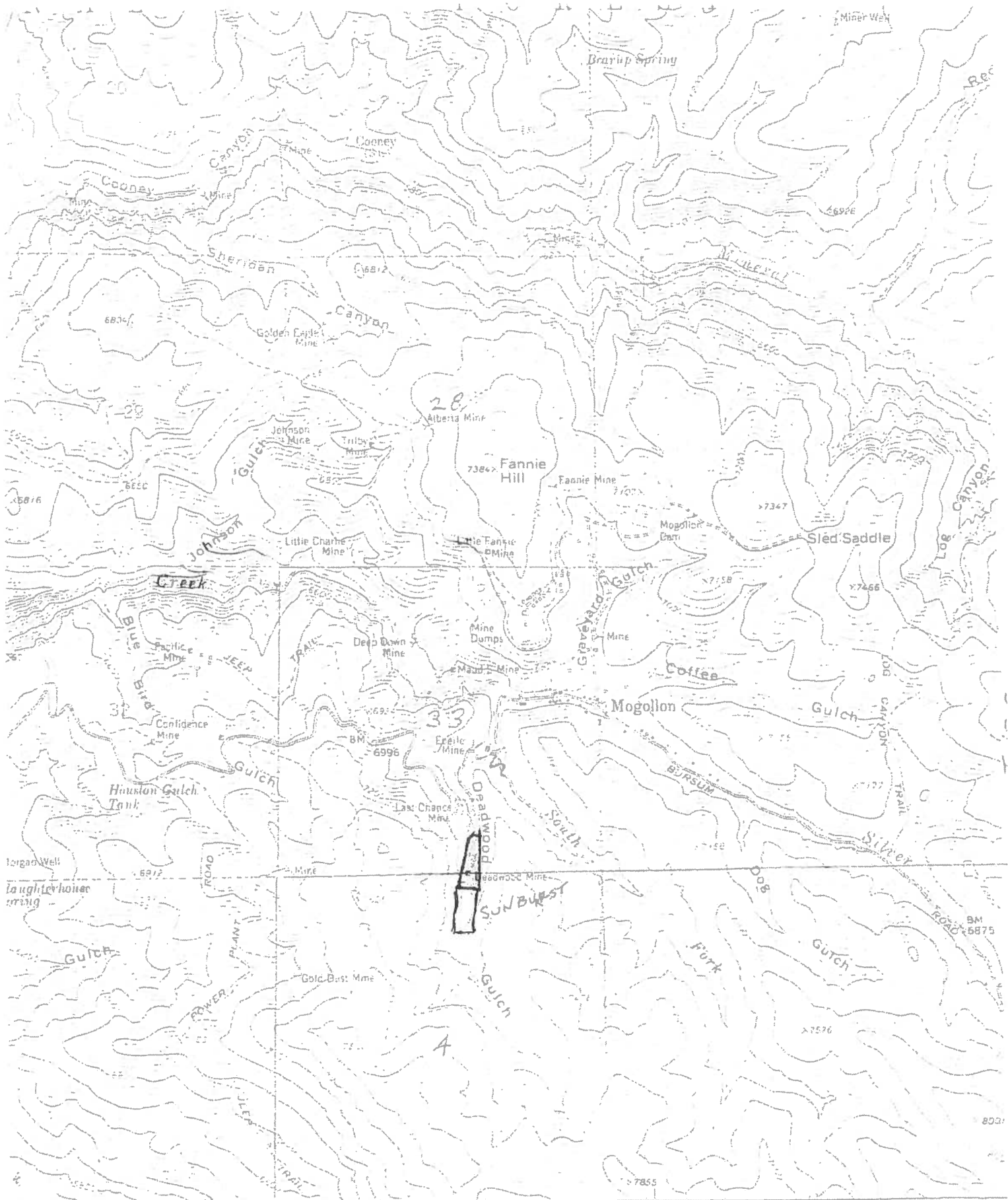
PARKING DUMP WILL BE GRADED
 WILL PLANT NATIVE SEEDS

- 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 BED PREPARATION WILL INVOLVE
 RIPPING REMAINING OVERBURDEN
 MATERIALS THEN BROADCAST SEEDING
 NO FERTILIZERS PLANNED

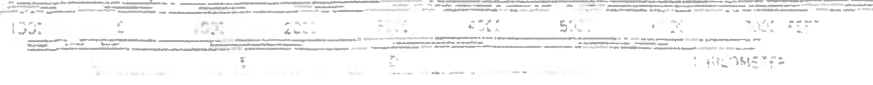
- H. Describe in detail the plant species to be used in the re-establishment of vegetation:

<u>Plant Name:</u>	<u>Rate of application (lb/ac)</u>
<u>OACHARD GRASS</u>	<u>3</u>
<u>MUTTON "</u>	<u>3</u>
<u>BUTTER RABBITBRUSH</u>	<u>2</u>
<u>WESTERN WHEAT GRASS</u>	<u>3</u>
<u>YELLOW SWEET CLOVER</u>	<u>2</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>



103 (HOLT MOUNTAIN) 425G IV SE 104 R 19 W 105 4720 4730 4740 106

SCALE 1:24,000



I. Will the seeds be broadcast or drilled into the seed bed?

BROADCAST

J. Describe the type of mulch material to be applied after seeding and its application rate:

ALFALFA HAY MULCH 1000 LBS PER ACRE

K. What structures will be on the site and how will they be removed or reclaimed? (Buildings, portals, adits, shafts, bore holes, ponds, etc.):

PORTAL WILL BE SEALED
ANY BUILDINGS BROUGHT IN WILL BE
REMOVED.

L. What roads are part of the mine site and how will they be reclaimed? Please provide an estimate of road square footage and explain if reclamation will involve ripping, scarification, backfilling, recontouring, and retopsoiling, etc.:

NO ROADS

M. What will be the time frame for reclamation, (e.g. time of year, during mining, after mining, etc)?

WHEN MINE IS DETERMINED TO BE INACTIVE
(IE 180 DAYS) RECLAMATION IN EITHER LATE
SPRING OR EARLY SUMMER.

Proposed reclamation dates: Begin: ___/___/___ End: ___/___/___

UNKNOWN.

10. OTHER REQUIRED PERMITS FOR THIS OPERATION (§304.D.9)

- A. Provide a list of other permits required for the operation and the anticipated schedule for receipt of these.

<u>Permit Name & Issuing Agency</u>	<u>Date or anticipated date of receipt</u>
NONE	

11. FINANCIAL ASSURANCE AND PERMIT FEES (§304.E & F)

- A. Provide a financial assurance estimate based on the cost of reclaiming the site by a third party. Include supporting calculations. Operations with less than 2 acres total disturbance are not required to provide financial assurance.
- B. Attach the permit fees as determined pursuant to Subpart 2. The permit application fee for a minimal impact new mine is \$1,000.00.

12. CERTIFICATION REQUIREMENT (§304.J.5)

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. Further, I hereby allow the Director to enter the permit area for the purpose of conducting inspections until release of financial assurance.

Signature of Applicant: 

Name (typed or print): MICREX DEVELOPMENT CORP. (OWNER)

Title/Position: PRES. CEO

Date: NOV 3, 2017

Signature of Notary:



Frank C. Mackay
Barrister & Solicitor

A NOTARY PUBLIC in and for the
Province of Alberta

┌ Notary Seal ─┐