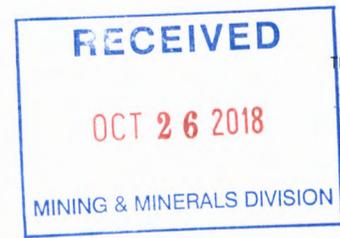




CHAPMAN, WOOD AND GRISWOLD, INC.

MINING ENGINEERS AND GEOLOGISTS  
4015 CARLISLE BOULEVARD, N.E., SUITE C  
ALBUQUERQUE, NEW MEXICO 87107



TELEPHONE: (505) 883-0220

October 24, 2018

Mr. Holland Shepherd, Program Manager  
Mining and Minerals Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

**Re: American Minerals Manganese Site, Deming, New Mexico  
Permit Nos. LUOO1RE and DP1234**

Dear Mr. Shepherd:

The former manganese-processing operation closed in 2003 and the site was reclaimed in 2005 under an Approved Plan. The site went through its mandatory 12-year period of post-reclamation monitoring in 2017. Following inspections by personnel from MMD and NMED a **Remedial Action Plan** was devised to cure observed erosional concerns of the surface cover. The Plan also included a remedy to deal with exposures of manganese tailings situated in the berm adjacent to the Rio Mimbres which cuts through the northeast portion of the 20-acre Lease. The **Plan** was submitted in May 2018.

Under an approved **Remedial Action Plan**, remedial work was completed on the site in the period June 19 to July 3, 2018. This work included the delivery and spreading of close to 1000 cu yds of coarse gravel and cobbles on selected areas for the purpose of controlling erosion by both wind and water. Some parts of the exposed manganese tailings were excavated and buried in an onsite pit. The remediated areas were seeded with the recommended seed mix for the area. A **Final Remedial Report** was submitted on July 17, 2018.

Early in 2017 the **Groundwater Bureau** was satisfied with the quality of the groundwater and no further sampling would be required. However, following the completion of the remedial work and during discussions with personnel from ED regarding site closure, the **Groundwater Bureau** requested one final sampling of the monitor well. This was done on August 18, 2018 and a report was submitted on September 20, 2018. The results were comparable to those of the past several years.

The site is owned by the City of Deming and discussions with City personnel indicated that the only realistic future use of the site would be for some currently unidentified Industrial purpose such as a solar site. The site has been maintained and managed under a **PLMU of "Grazing and Wildlife"** since the completion of reclamation. In 2006 the City of Deming requested a modification of the **PLMU** to **"Industrial"** and later withdrew the application. A \$500 permit-modification fee was submitted to MMD and has been retained by the Agency. The fee is now \$1000 (Refer to letter from James Hollen of MMD on March 2, 2017 to D. Irving, Agent for American Minerals. Enclosed is a check for \$500 to cover the additional modification fee. According to MMD the **"Industrial"** designation will provide a much easier path to closure under the Mining Act.

It is now American Minerals desire to proceed as expeditiously as possible to site **Closure**. A **Release** from further obligations and liabilities and a release of the remaining **\$7500 Reclamation Bond** is hereby requested. This will probably require **Public Notification**, notification to all land owners within one-half mile of the site (at least 50), and notification to about 30 individuals and Agencies identified on a list maintained by the Mining and Minerals Division. The monitor well will also require destruction under guidelines issued by the Office of the State Engineer.

Sincerely yours

**CHAPMAN, WOOD AND GRISWOLD, INC**

A handwritten signature in blue ink that reads "Douglas F. Irving". The signature is written in a cursive style with a clear first initial and last name.

**Douglas F. Irving**

Agent for American Minerals Inc.

**Attachment:** Check for \$500 for an additional PLMU modification fee

**Copy:** Paul Hall, American Minerals

Keith Ehlert, Mining Compliance Section of ED