

State of New Mexico  
Energy, Minerals and Natural Resources Department

---

**Michelle Lujan Grisham**  
Governor

**Sarah Cottrell Propst**  
Cabinet Secretary

**Todd E. Leahy, JD, PhD**  
Deputy Cabinet Secretary

**Fernando Martinez, Director**  
Mining and Minerals Division



May 3, 2019

Carol N. Brewka  
Managing Member  
American Magnesium, LLC  
P.O. Box 1013  
Elephant Butte, NM 87935-1013

**RE: Technical Comments on the Amended Plan of Operations (dated April 2019),  
American Magnesium, LLC, Dolomite Mine, Luna County, New Mexico, Permit  
Tracking No. LU035MN**

Dear Ms. Brewka:

The Mining and Minerals Division (“MMD”) reviewed the Revision 4 of the Plan of Operations (“Revision 4”) prepared by Daniel B. Stephens & Associates, Inc. and submitted by American Magnesium, LLC (“AmMg”) in April 2019. The permit application for a new minimal impact mining operation permit submitted by AmMg to MMD frequently refers to the Plan of Operations, therefore the Revision 4 is a document directly related to MMD’s permitting process. Upon review of Revision 4, MMD has the following comments to be addressed, in writing, by AmMg:

1. AmMg’s Revision 4 states that exploration drill pads will be 100 square feet and that in steep terrain a “bulldozer will be used to blade a road for the drill rig” where needed. Please provide:
  - a. a map showing the anticipated locations of the drill pads and dimensions
  - b. a map showing expected roads that will be required for drilling rig access
  - c. an estimate of total acreage to be disturbed from resource verification (exploration)
  
2. Section 3.4.3 of Revision 4 proposes perimeter wall slopes of 1:1 and possibly a 1:2 slope for the eastern wall. All wall slopes will need to be a minimum of 2H:1V in the interim and the final slopes at final reclamation must be a minimum of 3H:1V. This will be a future permit condition.

Re: Technical Comments on Amended Plan of Operations (dated April 2019), American Magnesium, LLC, Dolomite Mine, Luna County, New Mexico

May 3, 2019

Page 2

3. As a future permit condition, MMD will require disturbance created from resource verification (exploration) to be reclaimed within one year of completion of drilling.
4. Cover material, or topdressing, will need to be replaced at a minimum of 12 inches. In MMD's experience, vegetation is hard to establish with just 6 inches of topdressing and the goal of reclamation is to establish a self-sustaining ecosystem. To achieve 12 inches of cover, borrow areas maybe required. If so, they must be reclaimed. This will be a future permit condition.

Please provide written responses to these comments within 30-days after your receipt of this letter.

MMD would be happy to meet with you and/or your consultants to further explain any of these comments. The snapshot-in-time mining and reclamation plan details might be better discussed in person so that AmMg can address them accordingly.

These comments must be addressed before MMD will deem the permit technically complete.

If you have any questions, please feel free to contact me at (505) 476-3437 or by email at [Holland.Shepherd@state.nm.us](mailto:Holland.Shepherd@state.nm.us).

Sincerely,

Holland Shepherd, Manager  
Mining Act Reclamation Program ("MARPs")  
Mining and Minerals Division

cc: Fernando Martinez, Director, MMD  
Leighandra Keeven, BLM Las Cruces  
Bill Auby, BLM Santa Fe  
Mine File (LU035MN)