

State of New Mexico
Energy, Minerals and Natural Resources Department

Michele Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Fernando Martinez, Director
Mining and Minerals Division



May 15, 2019

Mr. Frank Bain
2425 Chof Trail
Flagstaff, AZ 86005

RE: Denial of Exploration Permit Application, Lordsburg Playa Lithium Minimal Impact Exploration Project, Hidalgo County, New Mexico, Permit Tracking No. HI018EM

Dear Mr. Bain,

In a letter dated March 15, 2019, the Mining and Minerals Division ("MMD") notified you of a pending denial of the application for the Lordsburg Playa Lithium Minimal Impact Exploration Project, Permit Tracking No. HI018EM, unless required financial assurance was provided to MMD within 30 days. To date, the financial assurance has not been received. MMD has provided you with a significant amount of time to provide financial assurance and per our phone conversation on March 11, 2019 we understand that funds for financial assurance will not be available for this project in the near future.

Since the required financial assurance has not been received, MMD hereby denies the permit application for the Lordsburg Playa Lithium Minimal Impact Exploration Project. You may re-submit the exploration permit application with an additional application fee when you are prepared to pursue this project in the future and have secured funds for the financial assurance.

If you have any questions, please contact me at (505) 476-3435 or Clint Chisler of my staff at (505) 476-3413 or by email at clinton.chisler@state.nm.us.

By Order of the Director,

Fernando Martinez, Director
Mining and Minerals Division

cc: Holland Shepherd, Mining Act Reclamation Program Manager
Dana David, Assistant General Council
Leighandra Keeven, BLM Geologist
Mine File (HI018EM)