

**PERMIT MODIFICATION 19-1 TO PERMIT NO. GR012MN
KB MINE
MINIMAL IMPACT NEW MINING OPERATION**

**MINING AND MINERALS DIVISION
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT**

This Modification 19-1 (“Modification 19-1”) to Permit No. GR012MN (“Permit”) is issued by the Director of the Mining and Minerals Division (“MMD”) of the New Mexico Energy, Minerals and Natural Resources Department to:

Southwest Silica Flux Company
Whose correct address is: P.O. Box 36
Hanover, NM 88041

(“Permittee”) in order to conduct mining, exploration and reclamation at the KB Mine, Grant County, New Mexico.

This Modification 19-1:

1. Releases the KB Mine from the requirements of the New Mexico Mining Act; and
2. Releases the total amount of Financial Assurance (“FA”) for the site in the amount of \$24,182.00.

In order to accomplish the approval contemplated by Modification 19-1, the following subparagraphs are added to Permit No. GR012MN:

Section 1 (19-1). STATUTES AND REGULATIONS

- A. This Permit modification is issued pursuant to the New Mexico Mining Act, NMSA 1978, §69-36-1, et seq. (1993, as amended through 2019) (“Act”) and New Mexico Mining Act Rules, Title 19, Chapter 10 of the New Mexico Administrative Code (“NMAC” or “Rules” or “Regulations”).
- B. This Permit modification is subject to the Act, the Rules, and any other regulations which are now or hereafter in force under the Act; and all such regulations are made a part of this Permit by this reference.

Section 2 (19-1). PERMIT APPLICATION PACKAGE

- A. The permit application package for Modification 19-1 (“19-1 PAP”) consists of a written request from the Permittee, received by MMD on August 15, 2018, for full release of financial assurance and release of permit number GR012MN from the New Mexico Mining Act.

PERMIT MODIFICATION 19-1 TO PERMIT NO. GR012MN
KB MINE

Page 2 of 5

- B. An addendum to 19-1 PAP was received by MMD on June 1, 2019, which includes the modification fee and details required by §19.10.12.1210 A. NMAC for release of the KB Mine.
- C. *KB Mine, Permit No. GR012MN Modification 19-1 Application Notice of Administratively Complete*, dated June 20, 2019.
- D. *Request for Review and Comment, Minimal Impact New Mine Modification Application for release ("Modification 19-1") Southwest Silica Flux Company; KB Min, Grant Co., NM Permit Tracking No. GR012MN* (sent to State Agencies), dated June 21, 2019.
- E. Agency Comment Letters from NMDG&F (dated July 3, 2019), NMED (dated July 3, 2019), and NMDCA (dated June 27, 2019).
- F. September 26, 2019 MMD Inspection Report and Associated Vegetative Transect Data Sheets.

Section 3 (19-1). FINDINGS OF FACT

The Permit Application Package

- A. The Permittee has paid the permit modification fee of \$250.00 as required by §19.10.2.201 of the Rules.
- B. 19-1 PAP has been reviewed in accordance with §19.10.6.608 NMAC and is complete, accurate, and complies with the requirements for permit modifications under §19.10.6.608 of the Rules.
- C. Pursuant to §19.10.6.608.D and §19.10.9 NMAC, the proposed change does not require public notice nor the opportunity for public hearing.
- D. Pursuant to §19.10.6.608.D(1) of the Rules, the proposed change would not have a significant environmental impact.
- E. Pursuant to §19.10.6.608.D(2) of the Rules, 19-1 PAP was accompanied by sufficient information for the Director to determine whether any of the factors listed in §19.10.6.608 NMAC are present.
- F. Pursuant to §19.10.6.608.D(3) NMAC, the Director consulted with the New Mexico Environment Department, Department of Game and Fish, State Forestry, State Historic

PERMIT MODIFICATION 19-1 TO PERMIT NO. GR012MN
KB MINE

Page 3 of 5

Preservation Division, and the Office of the State Engineer and requested comments on 19-1 PAP.

- G. Comments on 19-1 PAP were received from the NM Dept. of Cultural Affairs, Department of Game and Fish, and the New Mexico Environment Department.

Inspection

- H. An inspection and evaluation of the reclaimed disturbance within the KB Mine Permit Area was conducted by MMD and the U.S. Forest Service on June 19, 2019. All areas were found acceptable.

Financial Assurance

- I. The following First New Mexico Bank Certificates of Deposit (original numbers), with all associated interest gained, held jointly between MMD and the U.S. Forest Service are hereby released in accordance with §19.10.12.1210 NMAC. The original official amount held jointly comes to a total of \$24,182.00
1. CD No. 3020007530 issued on 9-30-1997 in the amount of \$14,134.00
 2. CD No. 3020007531 issued on 12-14-1998 in the amount of \$3,591.00
 3. CD No. 3020007532 issued on 12-14-1998 in the amount of \$6,457.00

Section 4 (19-1). CONCLUSIONS OF LAW

- A. The request for permit modification is complete and accurate and complies with the requirements of the Act and §19.10.3.304 NMAC.

All other provisions, modifications, and revisions for mining and reclamation contained in the KB Mine Permit, Permit No. GR012MN, remain unchanged.

PERMIT MODIFICATION 19-1 TO PERMIT NO. GR012MN
KB MINE

Page 4 of 5



CERTIFICATION

I certify that I have read, understand and will comply with the requirements of the Permit, this Permit Modification, the Act and the Rules, including without limitation that I will allow the Director to enter the Permit Area as required by the Permit and/or the Rules and/or as otherwise required by law.

B. Maxwell
Authorized Representative of the Permittee

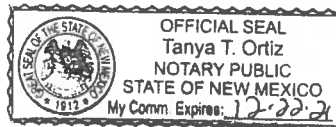
President
Title

Southwest Silica Flux Co.
Company

Subscribed and sworn to before me this 24th day of July, 2019
Tanya T. Ortiz
Notary Public

My Commission Expires

12.22.21




PERMIT MODIFICATION 19-1 TO PERMIT NO. GR012MN
KB MINE

Page 5 of 5

ORDER

NOW THEREFORE, IT IS HEREBY ORDERED that the Director approves Permit Modification 19-1 to the KB Mine, Permit No. GR012MN, located in Grant County, New Mexico. The approval releases all financial assurance for the mine site and releases the mine from the requirements of the New Mexico Mining Act.

By Order of the Director, Mining and Minerals Division of the New Mexico Energy, Minerals and Natural Resources Department, of the State of New Mexico.

By: 

Fernando Martinez, Director
Mining and Minerals Division
Energy, Minerals and Natural Resources Department

Date: 7/30/2019