

**PERMIT MODIFICATION 20-1 TO PERMIT NO. MK008ME
PUEBLO ALTO MINE
MINIMAL IMPACT EXISTING MINING OPERATION

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

This Modification 20-1 ("Modification 20-1") to Permit No. MK008ME ("Permit") is issued by the Director of the Mining and Minerals Division ("MMD") of the New Mexico Energy, Minerals and Natural Resources Department to:

Mesa Verde Humates, LLC
P.O. Box 785
Bernalillo, New Mexico 87004

Whose correct address is:

("Permittee") for the Pueblo Alto Mine, located in McKinley County, New Mexico.

This Modification 20-1:

1. Changes the Post-Mining Land Use ("PMLU") from livestock grazing and wildlife habitat to industrial use for approximately 60-acres of the north portion of the Pueblo Alto Mine Permit Area. The change in PMLU is to accommodate the future installation of solar photovoltaic energy system at this location by the Landowner.

In order to accomplish the approval contemplated by Modification 20-1, the following subparagraphs are added to Permit No. MK008ME:

Section 1 (20-1). 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 2020) ("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 1a (20-1). PERMIT APPLICATION PACKAGE

- A. The permit application package for Modification 20-1 ("20-1 PMP") consists of a written request from the Permittee, dated March 20, 2020, to change the PMLU of approximately 60-acres of the Permit Area from livestock grazing and wildlife habitat to industrial use.



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- B. 20-1 PMP includes a map of the Pueblo Alto Permit Area boundary and shows the approximate north half of the Permit Area proposed for the PMLU change. The approximate south half of the Permit Area retains the PMLU of livestock grazing and wildlife habitat. The map provided by Permittee is included in Appendix 1 of this Modification 20-1.
- C. 20-1 PMP includes a signed statement by the private landowner, Mr. Darren Tanner ("Landowner"), stating that the landowner is in agreement with Mesa Verde Humates, LLC's proposal to request a change in the PMLU.

Section 3 (20-1). **FINDINGS OF FACT**

- A. The Permittee has paid the permit modification fee of \$250.00 as required by §19.10.2.201 of the Rules.
- B. The application for permit modification has been reviewed in accordance with §19.10.5.505 of the Rules. The application for permit modification is complete, accurate, and complies with the requirements for permit modifications under §19.10.5.505 of the Rules.
- C. Pursuant to §19.10.5.505.B(1) of the Rules, the proposed changes would not have a significant environmental impact.
- D. Pursuant to §19.10.5.505.B of the Rules, the proposed change does not require public notice nor the opportunity for public hearing.
- E. The Permit Area and approximate 60-acre area proposed for a change in the PMLU is private land owned by Mr. Darren Tanner.
- F. Construction of the proposed solar photovoltaic energy generation system is estimated by Mesa Verde Humates, LLC to commence as early as 2021.
- G. Financial assurance in the amount of \$82,453.00 is in place and has been determined by MMD to be sufficient to meet the requirements of the Act, Rules, and the Permit.

Section 9 (20-1). **GENERAL OBLIGATIONS AND CONDITIONS**

Post-Mining Land Use Change

- A. Landowner is planning to complete construction of a solar photovoltaic energy generation system on the approximate 60-acres in the north end of the Permit Area. In order for the PMLU of industrial use to remain, the solar system shall be installed by December 31,



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2022, otherwise the PMLU of industrial use for this area shall expire. The PMLU shall then revert back to livestock grazing and wildlife habitat with the required revegetation standards outlined in Permit No. MK008ME and/or Mining Act Rules.

- B. Permittee may submit written requests for time extensions for Landowner to complete construction of the solar photovoltaic generation system to MMD for prior approval. Time extensions for construction/completion of the solar system shall be submitted at least 30-days prior to expiration of the industrial use PMLU.
- C. Approval or denial of any requested time extensions shall be at the discretion of the MMD Director. Progress on implementation of the industrial PMLU shall be demonstrated in order for any future approvals of time extensions.
- D. After completion of the photovoltaic system, due to limited re-vegetative growth at the site, Permittee shall interseed previously reclaimed areas of the Pueblo Alto mine. Permittee shall scarify the north and south reclamation areas and apply a sterile annual grass such as triticale and the seed mix and application rates which were previously approved by MMD prior to construction of the solar photovoltaic system.
- E. Permittee shall notify MMD at least 30-days prior to interseeding activities so that an inspection may be performed.

Section 10 (20-1).

CONCLUSIONS OF LAW

- A. The request for permit modification is complete and accurate and complies with the requirements of the Act and 19.10.3.303 NMAC.

All other provisions, modifications, and revisions for mining and reclamation contained in the Pueblo Alto Permit, Permit No. MK008ME, remain unchanged.

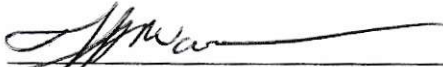


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CERTIFICATION

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.



Authorized Representative of the Permittee

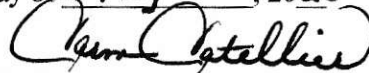
Operations Manager

Title

Mesa Verde Humates, LLC

Company

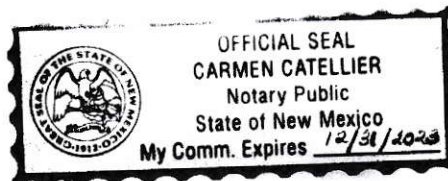
Subscribed and sworn to before me this 27th day of May, 2020



Notary Public

My Commission Expires

Dec. 31, 2023



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ORDER

NOW THEREFORE, IT IS HEREBY ORDERED that Permit Modification 20-1 to the Pueblo Alto Mine, Permit No. MK008ME to change the PLMU of approximately 60-acres of the north portion of the Permit Area from livestock grazing and wildlife habitat to industrial use to facilitate installation of a solar photovoltaic generation system, is approved.

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: _____

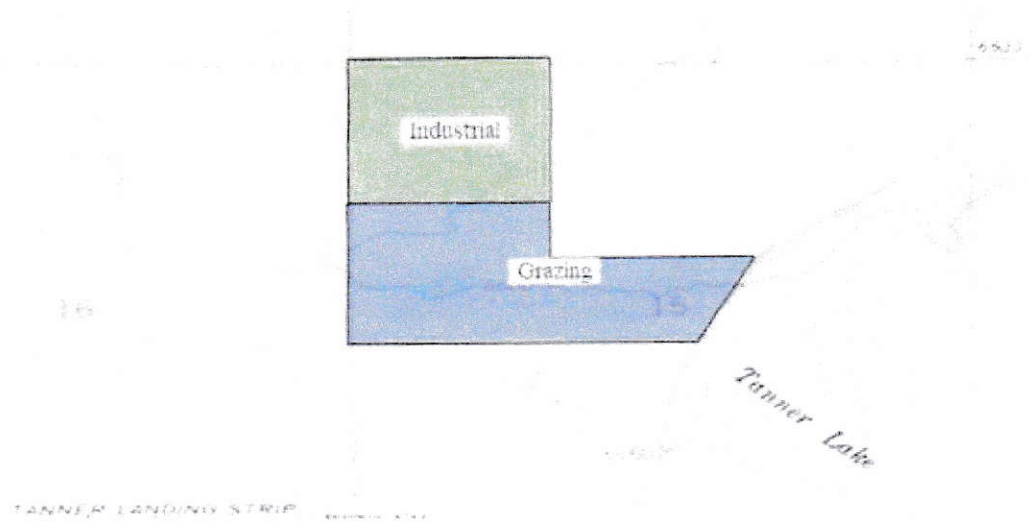
Jerry Schoeppner, Director
Mining and Minerals Division
Energy, Minerals and Natural Resources Department

Date: 6/2/2020

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Appendix 1 – Map of Pueblo Alto PMLU Areas



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