



February 25, 2021

Clint Chisler
Reclamation Soil Scientist
Mining and Minerals Division
Mining Act Reclamation Program
Via email at: Clinton.chisler@state.nm.us

Subject: Modification Request for GCC Rio Grande Tijeras Mine and Mill (Permit BE001RE (TA001RE))

Dear Mr. Chisler:

GCC Rio Grande, Inc. ("GCC") requests a modification to the total exploration related drilling depths and surface disturbances in the Tijeras Mine and Mill Permit No. BE001RE in accordance with the provisions of the New Mexico Mining Act, Sections 69-36-1 through 69-36-20, NMSA 1978 and the New Mexico Mining Act Rules.

Details and further discussion relevant to the proposed permit modification is provided in this application. A summary of the existing permit and background information for the Tijeras Mine and Mill is presented in section 1. Sections 2 and 3 provide justification that the proposed changes at the Tijeras facility require a modification rather than a revision of the existing permit and check off application requirements. Section 4 describes the requested exploration drilling expansions. Section 5 details the increase in financial assurance required for the expanded drilling program. Attached to this letter is a Financial Assurance Estimate (FAE) for the increased liability from this modification.

1. Facility Background and Relevant Permitting History

The Tijeras Mine and Mill permit area consists of approximately 2,219 acres and is located at approximately 35.07171° North Latitude, 106.39780° West Longitude. The Tijeras Mine and Mill has been in operation since 1959 at 11783 State Highway 337, Tijeras, New Mexico, 87509. Ideal Basic Industries began construction and development of the site in 1958. Holnam, Inc. acquired the property and its operations in 1990. In 1995, GCC Rio Grande purchased the site and the facility.

The New Mexico Mining Act, enacted in 1993 at 69-36-1 et seq., NMSA, required existing mining operations to submit a permit application and a closeout plan. A permit application was submitted, and the agency issued MMD Permit #BE001RE on May 23, 1996. This permit authorizes the permittee to conduct mining and reclamation operations at the facility. The required closeout plan was submitted to MMD as an amendment to MMD Permit #BE001RE. On June 30, 1998, MMD issued Permit Revision 98-1 approving the closeout plan and incorporating it as a permit requirement. On September 12, 2007, MMD approved Permit Modification 06-1, codifying the current design limits of Tijeras Mine and Mill. Finally, in August of this year. On July 6, 2015, MMD issued permit modification 14-01, for financial assurance replacement. On August 19, 2015, MMD requested an update to the closeout plan and financial assurance for #BER001RE. On November 06, 2016, MMD approved Permit Modification 16-2 for new units in Quarries 357NE, 357NW and 19N totaling an additional 86.2 acres; On June 1 2017, MMD issued Permit Modification 17-1, which was a modification to the FA instrument replacement. On October 10, 2019, MMD issued Permit Modification 18-1, which approved the new mine closeout plan

and associated financial assurance. On July 15, 2020, MMD issued Permit Modification 20-1, which approved exploration drilling verbiage and verbiage of off-spec coal management to the Closeout Plan.

2. Justification that Proposed Changes Require a Modification

Section 19.10.5.505 of the New Mexico Administrative Code (NMAC) differentiates between the requirements for hard rock permit modifications and hard rock permit revisions. Applicable portions of the NMAC from Section 19.10.5.505 are included below in bold, followed by an explanation in red of why the Tijeras facility's proposed mining and reclamation changes necessitate a permit modification, as opposed to a permit revision.

(1) The Director shall consider the following factors and their level of impact to determine whether a permit modification would have a significant environmental impact:

(a) Whether the proposed change would authorize an expansion of design limits beyond that currently authorized by the permit that:

(i) Would be located in or is expected to have a direct surface impact on wetlands, springs, perennial or intermittent streams, lakes, rivers, reservoirs or riparian areas.

No tributary water courses, wetlands, wells, springs, stock water ponds, reservoirs, perennial or intermittent streams and ditches on the affected land and on adjacent lands will be affected by the proposed mining operations.

(ii) Is expected to have a direct impact on ground water that has a total dissolved solids concentration of less than 10,000 mg/l.

There are no known water tables within the vertical profile of the area to be mined. Therefore, there will be no direct impacts to any groundwater.

(iii) Is expected to result in point or non-point source surface or subsurface releases of acid or other toxic substances from the permit area.

There will not be any new point sources created by proposed changes to the mining and closure plans. Therefore, no new sources of potential release of acid or toxic forming materials into the hydrologic system at the quarry will occur.

(iv) Would be located in designated critical habitat areas as determined in accordance with the federal Endangered Species Act of 1973 or in areas determined by the Department of Game and Fish likely to result in an adverse impact on an endangered species designated in accordance with the Wildlife Conservation Act, Sections 17-2-37 through 17-2-46 NMSA 1978 or by the State Forestry Division for the Endangered Plants Act, Section 75-6-1 NMSA 1978.

Based on the information available from the U.S. Fish and Wildlife Service, no critical habitat areas are located within the proposed new units.

(v) Would adversely impact cultural resources listed on either the National Register of Historic Places or the State Register of Cultural Properties.

There are no cultural resources identified on either the National Register of Historic Places or the New Mexico State Register of Cultural Properties in the proposed mining site. All proposed activities take place within the disturbed or affected mining areas currently identified and approved in Permit No. BE001RE.

(vi) Would be located in a known cemetery or other burial ground.

None of the proposed mining or reclamation activities are located in a known cemetery or burial ground.

(vii) Would be located in an area designated as a Federal Wilderness Area, Wilderness Study Area, Area of Critical Environmental Concern, or an area within the national Wild and Scenic River System.

Proposed mining and reclamation activities will not occur in a Federal Wilderness Area, Wilderness Study Area, Area of Critical Environmental Concern, or an area within the national Wild and Scenic River System.

(b) Whether the proposed change would result in a significant increase in the amount of financial assurance as determined by the Director; or

Proposed modifications do not result in a significant change in the financial assurance. A Financial Assurance Evaluation, that describes close out plan liability for the modified mining and reclamation plans is provided in this document below.

(c) Whether the proposed change would significantly depart from the nature or scale of the permit.

New mining and financial assurance modifications described in this application will occur within the currently approved permit boundary for Permit No. BE001RE. Therefore, changes described in this modification are not significantly different from the approved permit.

3. Application Checklist

19.10.5.502 PERMIT APPLICATION REQUIREMENTS:

A. A minimum of six copies of each application for a permit under this Part shall be submitted to the Director. The Director may require additional copies for distribution by the Director to other governmental agencies with an interest in, or jurisdiction over, elements of the proposed operation.

This application will be submitted electronically; one paper copy will be submitted to your office for MMD file per conversation.

B. All information submitted to the Director shall be made available for public inspection and copying at the Director's office, except as designated confidential. Information in the application which the applicant desires to keep confidential shall be clearly indicated and submitted separately from the rest of the application.

(1) If the operator designates as confidential an exploration map, financial information, information concerning the grade or location of ore reserves or trade secret information, the Director shall maintain the information as confidential and not subject to public records or disclosure laws.

(2) If a request is made for public review of the information held confidential, the Director shall notify the operator and provide a reasonable opportunity for substantiation of the claim that public disclosure of the information could harm the competitive position of the operator. If the claim is not substantiated to the satisfaction of the Director, the information shall be released.

(3) When a request is made for public review of information designated as confidential, the Director shall attempt to notify the operator within 24 hours of the request, and shall provide written notification by certified mail.

There is no information designated as confidential in current modification effort.

C. Each application shall be signed by an applicant or authorized agent of the applicant for the operation with the following certification made:

I certify that I have personally examined and am familiar with the information submitted herein, and based on my inquiry of those individuals responsible for obtaining the information, I believe the submitted information is true, accurate, and complete.

Please see certification and signature in Section 6 below.

D. Each application under this Part shall be in a format acceptable to the Director and contain the following:

(1) The name of the applicant to whom the permit will be issued.

GCC Rio Grande, Inc. (GCC)

(2) A map(s) and list, including names and addresses, of all owners of surface and mineral estates within the proposed permit area, as shown by the most recent county assessor's property tax schedule.

GCC owns all of the surface estate within the proposed permit boundary except for the United States Forest Service (USFS) property in the southeast portion of the permit boundary (see attached map, *Surface/Mineral Estate Ownership [from Special Warranty Deed]*) and the small rectangular-shaped notch in the northeast $\frac{1}{4}$ of Section 28. In the southeast portion of the Tijeras Mine and Mill, GCC maintains the indicated mining claims with the BLM annually. The small portion in the NE section of the proposed permit boundary represents a past encroachment onto USFS property. The area was mined for limestone and subsequently reclaimed; although the dates are uncertain, historical aerial photography indicates surface disturbance in the area in May of 1991. Supporting documentation for these delineations are included as attachments to the application for the modification submitted by GCC in August 2016.

(3) A statement of the basis on which the applicant has the right to enter the property to conduct the mining and reclamation. The applicant will allow the Director to examine, if necessary, the documents which establish such basis.

Rio Grande Portland Cement Corp C/O Mexcement Inc. (GCC) retains both surface and mineral estate ownership; see item D (2) above and see attached map, *Surface/Mineral Estate Ownership (from Special Warranty Deed)*.

(4) The site assessment previously submitted pursuant to Section 69-36-5 of the Act shall be considered part of the application. If information in the site assessment requires updates to provide information necessary for evaluation of the permit or if the site-specific conditions at the time of the assessment significantly deviate from conditions at the time of submittal of the permit application, such updated information or deviations must be described in the application.

No updates to the site assessment are needed, as site specific conditions have not significantly deviated.

(5) A map(s) showing all existing and proposed pits, shafts, adits, stockpiles, waste units, impoundments, leach piles, processing facilities, and support facilities such as office buildings. The map(s) shall identify the proposed permit area and design limits of each unit of the operation.

This information is described in the narrative and shown on Figure 2 of the 2019 GCC Tijeras Mine and Mill Closeout Plan

(6) A description of undisturbed vegetation including a comprehensive list of species and their relative abundance with regards to cover and production.

These data were collected and summarized in "GCC Rio Grande Inc., Tijeras Limestone Quarry, Vegetation Test Plots, 2008 Final Monitoring Report" by Habitat Management, Inc. and are incorporated by reference in the GCC Tijeras Mine and Mill Closeout Plan

(7) Evidence that other applicable state and federal permits to be obtained either have been or will be issued before the activities subject to those permits begin.

GCC Rio Grande was issued an update Title V operating permit on July 28, 2017. Information in Section 6 of the 2019 GCC Tijeras Mine and Mill Closeout Plan, Environmental Standards Compliance contains additional details.

(8) The applicant shall designate an agent and provide the agent's street address for the service of notices and orders in writing from the Director. This information shall be kept current if a permit is granted.

GCC Rio Grande Inc.'s agent in the matter is Samantha Kretz, Environmental Engineer, 11783 State Hwy 337 South, Tijeras, NM, 87059.

(9) A copy of the proposed form of notices required under 19.10.9 NMAC.

This application is for a permit modification only and does not require public notice.

(10) A permit fee as determined pursuant to 19.10.2 NMAC

The required modification fee of \$1000 is enclosed.

(11) Any additional information necessary for evaluation of the permit application as required by the Director.

See Sections 6 below.

E. To avoid duplication and conflicting requirements, the applicant may include information from environmental permits relevant to the application. Permits issued by other governmental agencies shall be accepted by the Director to the extent such permits satisfy the requirements of the Act and 19.10 NMAC.

This information is detailed in Section 6 of the 2019 GCC Tijeras Mine and Mill Closeout Plan, Environmental Standards Compliance.

F. Where physically separate but interrelated mining operations are located in close proximity to each other and are under the control of the same owner or operator, the applicant may request or the Director may determine to issue one permit for all of the operations and require only one permit application and closeout plan.

The proposed permit modification comprises all mining operations within the proposed permit boundary; no other operations in close proximity are proposed to be considered.

4. Exploration Drilling Expansion

GCC requests to expand the hole depths and acre disturbances associated with exploration drilling. The facility is currently approved for 4,040 feet hole depth and one-acre of surface disturbance. GCC requests to increase the hole depth an additional 3,130 feet hole depth and one acre of disturbance. This would bring the total approved to 7,170 feet hole depth and two acres of disturbance. Figure 2 contains a map of expected exploration area locations.

Individual hole depths will vary between 80 and 600 ft. The materials sought are limestone, sandstones, siltstones and clays. New access roads will be required in a few locations but most drill sites can be accessed using preexisting roads to minimize total disturbance.

5. Financial Assurance (FA)

Per MMD guidance and the calculation shown in Figure 3, GCC will provide additional financial assurance in the amount of \$48,720.00 for the expanded drilling program.


	Approved	Increase	Total
Number of Holes	25	19	44
Total Hole Depth	4,040	3,130	7,170
Total Acreage Disturbance	1	1	2
FA Totals	65,460.00	48,720.00	114,180.00

6. Permit Application Certification

GCC Rio Grande, Inc.
Tijeras Mine and Mill

I certify that I have personally examined and am familiar with the information submitted herein, and based on my inquiry of those individuals responsible for obtaining the information, I believe the submitted information is true, accurate, and complete.


Samantha Kretz, GCC Tijeras


Date

Please don't hesitate to contact me if you have any questions or require any additional information.

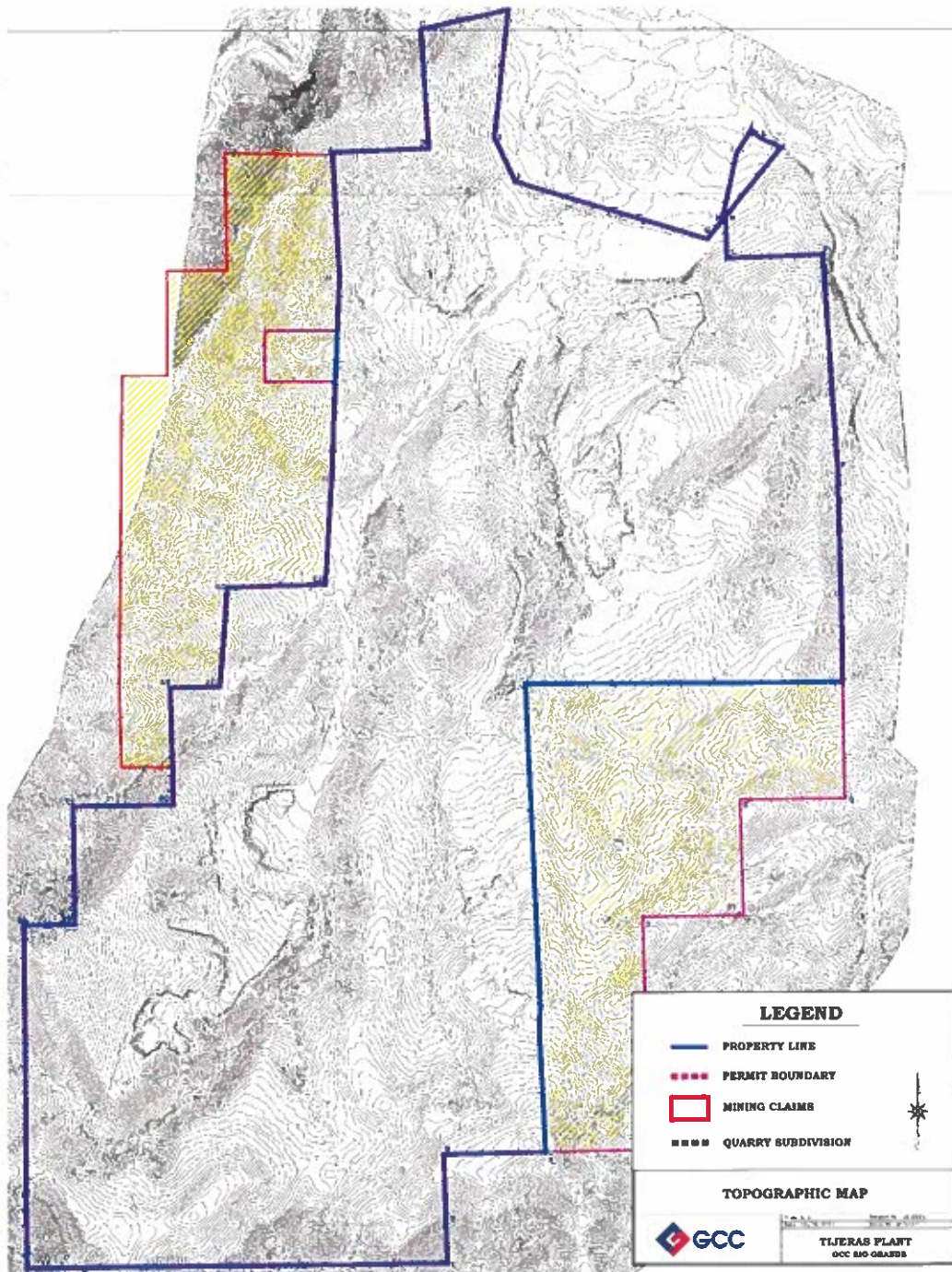


Figure 1: GCC Rio Grande Tijeras Mine and Mill

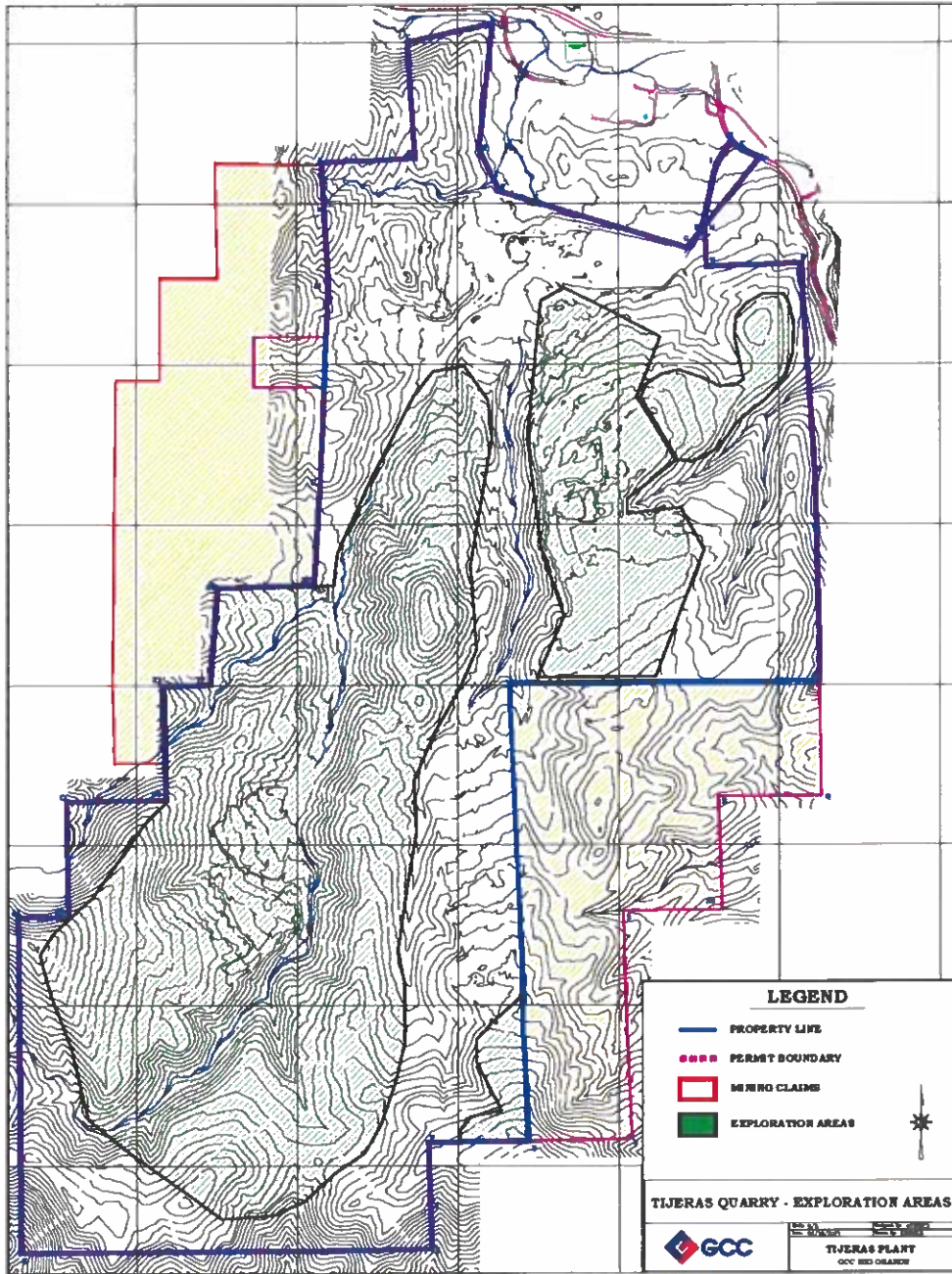


Figure 2: Hydrologic feature with Exploration Areas

Financial Assurance For Exploration Drilling					
GCC Drill Hole Numbers	Drill Hole Depths	Acre Disturbance Estimate	Cost per Hole Depth	MMD Exploration Cost for FA	
Q02-01	200	0.00	\$2,800.00	First Acre	\$8,900.00
Q02-02	100	0.02	\$1,400.00	Additional Acre	\$4,900.00
Q03-01	600	0.00	\$8,400.00	\$ per foot of depth	\$14.00
Q03-02	50	0.00	\$700.00		
Q03-03	120	0.00	\$1,680.00		
Q03-04	120	0.00	\$1,680.00		
Q03-05	120	0.00	\$1,680.00		
Q04-01	150	0.00	\$2,100.00		
Q04-02	150	0.00	\$2,100.00	Total FA Amount	
Q05-01	200	0.00	\$2,800.00	Depth Cost	\$100,380.00
Q05-02	200	0.00	\$2,800.00	Acre Disturbance Cost	\$13,800.00
Q07-01	200	0.00	\$2,800.00	Total Cost	\$114,180.00
Q07-02	600	0.00	\$8,400.00		
Q07-03	200	0.00	\$2,800.00		
Q07-04	50	0.00	\$700.00	Mod 20-1 FA	\$65,460.00
Q07-05	80	0.00	\$1,120.00	Mod 21-1 FA	\$48,720.00
Q07-06	120	0.00	\$1,680.00	Total FA	\$114,180.00
Q08-01	150	0.00	\$2,100.00		
Q08-02	150	0.01	\$2,100.00		
Q08-03	150	0.01	\$2,100.00		
Q08-04	150	0.01	\$2,100.00		
Q10-01	500	0.00	\$7,000.00		
Q15-01	400	0.09	\$5,600.00		
Q15-01B	180	0.05	\$2,520.00		
Q15-02	180	0.05	\$2,520.00		
Q15-03	180	0.05	\$2,520.00		
Q15-04	180	0.22	\$2,520.00		
Q15-05	180	0.12	\$2,520.00		
Q15-06	180	0.06	\$2,520.00		
Q17-01	130	0.45	\$1,820.00		
Q17-02	130	0.23	\$1,820.00		
Q17-03	130	0.16	\$1,820.00		
Q17-04	130	0.20	\$1,820.00		
Q18-02	80	0.00	\$1,120.00		
Q19-01	60	0.00	\$840.00		
Q19-02	60	0.00	\$840.00		
Q19-03	60	0.00	\$840.00		
Q19-04	60	0.00	\$840.00		
Q19-05	60	0.00	\$840.00		
Q19-06	60	0.00	\$840.00		
Q19-07	130	0.00	\$1,820.00		
Q19-08	80	0.00	\$1,120.00		
Q21-01	80	0.02	\$1,120.00		
Q21-02	80	0.02	\$1,120.00		
Total	7,170	1.78	\$100,380.00		

Figure 3: Exploration Drilling Financial Assurance



GCC Rio Grande, Inc.
 11783 Highway 337
 Tijeras, NM 87059-0100

Check Number 000000374
 Check Date 02/25/2021
 Stub 1 of 1

Payee: NEW MEXICO MINING & MINERALS
 ON
 1220 ST. FRANCIS DRIVE
 SANTA FE NM 87505

Date of Inv	Doc Number	Your Invoice No	Text	Discount	Net Amount
02/16/2021	1900000527	02162021		0.00	1,000.00
Additional Remarks:				Total	1,000.00



GCC Rio Grande, Inc.
 11783 Highway 337
 Tijeras, NM 87059-0100

JP MORGAN CHASE BANK, N.A.
 New York, NY

1-2/210

ONE THOUSAND*****

Pay to the order of:
 NEW MEXICO MINING & MINERALS DIVISI
 ON
 1220 ST. FRANCIS DRIVE
 SANTA FE NM 87505

PAYEE	CHECK DATE	CHECK NUMBER	AMOUNT
600982	02/25/2021	000000374	*****1,000.00

Oliver C.

Yess

⑈000000374⑈ ⑆021000021⑆ 192845557⑈