

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 Secretary

Jerry Schoeppner, PG, Director
Mining and Minerals Division



March 24, 2021

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

**RE: Financial Assurance Amount Approval, Foothill Dolomite Mine, Permit No. LU035MN,
American Magnesium, LLC**

Dear Ms. Brewka,

On October 14, 2020, the New Mexico Mining and Minerals Division (“MMD”) received a Standard Reclamation Cost Estimate (“SRCE”) submitted by American Magnesium for the Foothill Dolomite minimal impact mine operation. MMD reviewed the SRCE and provided American Magnesium comments on December 9, 2020 and received a revised SRCE from American Magnesium, dated January 18, 2021 which addressed MMD’s comments.

MMD has reviewed the revised SRCE (dated January 18, 2021) and has determined the proposed financial amount to be adequate for the proposed project. The financial assurance instrument(s) required pursuant to 19.10.3.304.J.(3) and 19.10.12.1208 NMAC for \$1,411,072.00 do not need to be submitted until the Bureau of Land Management’s permit process is completed.

If you have any questions, please contact me at (505) 470-5354 or jennifere.johnson@state.nm.us.

Sincerely,

Jennifer Johnson, Permit Lead
Mining Act Reclamation Program (“MARF”)
Mining and Minerals Division

cc: Holland Shepherd, MARP Program Manager
Leighandra Keveen, Bureau of Land Management
Mine File (LU035MN)