State of New Mexico Energy, Minerals and Natural Resources Department

Michele Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd Leahy, JD, PhDDeputy Cabinet Secretary

Jerry Schoeppner PG, Director Mining and Minerals Division



ELECTRONIC TRANSMITTAL

April 19, 2021

Samantha Kretz, Environmental Engineer GCC Rio Grande Tijeras Mine and Mill 11783 State Hwy 337 South Tijeras, NM 87059

RE: Comments on; Modification Request for GCC Rio Grande Tijeras Mine and Mill (Permit BE001RE), February 25, 2021

Dear Ms. Kretz:

The New Mexico Mining and Minerals Division ("MMD") received *Modification Request for GCC Rio Grande Tijeras Mine and Mill (Permit BE001RE)*, dated February 25, 2021 and the associated Exploration Area Map, dated February 18, 2021. Thank you for your patience with our review of these documents. Below are MMD's and associated Agency comments on this submittal per §19.10.3.302 and §19.10.5 NMAC.

MMD Comments

1. Please contact MMD with a draft of the appropriate form of Financial Assurance ("FA") that GCC proposes to use for the increase in FA required regarding exploration activities proposed by the Modification 21-1 Application.

NMDG&F Comments

1. Review comments from the NMDG&F. No response is required.

NMED Comments

1. Review comments from the NMED. No response is required.

NMSF Comments

1. Review comments from the NMSF. No response is required.

NMDCA Comments

1. Review comments from NMDCA. No response is required.

NMOSE Comments

1. Review comments from NMOSE. Please respond to specific comments on pages 1 and 2 of the comment letter.

MMD is available to discuss this letter at your convenience. Please contact Clint Chisler, Permit Lead at (505) 467-9589 or by email at <u>clinton.chisler@state.nm.us</u> if you would like to discuss further or to schedule a meeting.

Sincerely,

Clint Chisler, Permit Lead

Clutho Chits

Mining Act Reclamation Program/MMD

Permit No. BE001RE

Attachment: Agency Comments

From: Roth, Daniela, EMNRD

To: Chisler, Clinton, EMNRD

Subject: RE: Tijeras Mine and Mill Permit No. BE001RE Mod. 21-1 Application Request for Comment

Date: Tuesday, March 9, 2021 10:20:15 AM

Dear Clinton Chisler:

Thank you for giving me the opportunity to review and comment on Modification 21-1 to the GCC Rio Grande Inc. Tijeras Mine and Mill Application in Bernalillo County, NM (Permit No. BE001RE). I do not anticipate any impacts to state listed endangered plants from Modification 21-1.

Please let me know if I can be of further help.

Sincerely,

Daniela Roth

Botany Program Coordinator EMNRD – Forestry Division 1220 S. Saint Francis Drive Santa Fe, NM 87505 505-372-8494 (cell) http://www.emnrd.state.nm.us/SFD/

From: Chisler, Clinton, EMNRD <Clinton.Chisler@state.nm.us>

Sent: Thursday, March 4, 2021 11:33 AM

To: Roth, Daniela, EMNRD < Daniela. Roth@state.nm.us>

Subject: Tijeras Mine and Mill Permit No. BE001RE Mod. 21-1 Application Request for Comment

Hi Daniela,

Attached is the Agency request for comment letter associated with the Tijeras Mine and Mill Permit No. BE001RE Mod. 21-1 Application (also attached). Please let me know if you have any questions or concerns or would like to schedule a site visit associated with this application. The application should be posted to our website by COB tomorrow. Thank you for your time.

Clint

CLINTON M. CHISLER
RECLAMATION SOIL SCIENTIST
MINING AND MINERALS DIVISION
MINING ACT RECLAMATION PROGRAM
WENDELL CHINO BUILDING 3RD FLOOR ROOM 363
1220 S. ST. FRANCIS DRIVE
SANTA FE, NM 87505
OFFICE/CELL: (505) 467-9589
CLINTON CHISLER@STATE.NM.US



STATE OF NEW MEXICO

DEPARTMENT OF CULTURAL AFFAIRS HISTORIC PRESERVATION DIVISION

BATAAN MEMORIAL BUILDING 407 GALISTEO STREET, SUITE 236 SANTA FE, NEW MEXICO 87501 PHONE (505) 827-6320 FAX (505) 827-6338

March 11, 2021

Clint Chisler,
Permit Lead
Mining Act Reclamation Program ("MARP")
Mining and Minerals Division
1220 South Saint Francis Drive
Santa Fe, NM 87505

Re: HPD Log# 114723, Request for Review and Comment, Regular Existing Mine Modification 21-1 Application, dated February 25, 2021, GCC Rio Grande Inc. Tijeras Mine and Mill, Bernalillo Co., NM, Permit Tracking No. BE001RE

Dear Mr. Chisler:

I am writing in response to your request for review and comment on the above referenced Mine Modification Plan received at this office March 4, 2021.

Pursuant to 19.10.5.505 NMAC, Permit Modifications and Revisions, the Director shall determine whether a permit modification would have an adverse impact on cultural resources listed on either the National Register of Historic Places or the State Register of Cultural Properties or be located in a known cemetery or other burial ground.

According to our files, there are no cultural resources listed on either the National Register of Historic Places or the State Register of Cultural Properties in the permit area. There are also no known cemeteries or other burial grounds. Based on this information, this permit will have no adverse impacts to cultural resources listed on the National or State Registers.

Although there are no cultural resources listed on either the National Register of Historic Places or the State Register of Cultural Properties, the permit area has not been archeologically surveyed since 1974; therefore this office recommends a cultural resources survey be conducted on any undisturbed portions of mine property where proposed new ground disturbance will occur for this permit. This survey should be performed by a qualified professional to determine if any historic or archaeological properties are present and if so, to provide documentation of those resources to our office. This information can then be used to evaluate the National Register of Historic Places eligibility of any resources identified during the survey and determine project effects on those resources. A list of state permitted archaeologists and archaeological firms are available from this office upon request or can be downloaded from our web site at:

http://www.nmhistoricpreservation.org/documents/consultants.html

Finally, the permit application indicates that land ownership in the proposed permit area includes the United States Forest Service (USFS), the USFS should be contacted regarding requirements for identification of cultural resources in areas that will be affected by proposed mining activities.

If you have any questions concerning these comments, please do not hesitate to contact me by phone at (505)-452-6115 or e-mail me at richard.reycraft@state.nm.us

Sincerely,

Richard Reycraft

Richard. Reycraft Staff Archaeologist



Michelle Lujan Grisham Governor

Howie C. Morales
Lieutenant Governor

NEW MEXICO ENVIRONMENT DEPARTMENT

Ground Water Quality Bureau

1190 Saint Francis Drive / PO Box 5469 Santa Fe, NM 87502-5469 Phone (505) 827-2900 Fax (505) 827-2965 www.env.nm.gov



James C. Kenney
Cabinet Secretary

Jennifer J. Pruett
Deputy Secretary

MEMORANDUM

Date: April 5, 2021

To: Holland Shepherd, Program Manager, Mining Act Reclamation Program

Through: Anne Maurer, Mining Environmental Compliance Section

From: Amber Rheubottom, Mining Environmental Compliance Section

Alan Klatt, Surface Water Quality Bureau

Sufi Mustafa, Air Quality Bureau

Subject: NMED Comments, Modification 21-1, GCC Rio Grande, Inc., Tijeras Mine and Mill,

New Mexico Mining Act Permit No. BE001RE

The New Mexico Environment Department (NMED) received correspondence from the Mining and Minerals Division (MMD) on March 5, 2021 requesting NMED review and provide comments on the above-referenced MMD permitting action. The Tijeras Mine and Mill is permitted as a regular existing mine. MMD requested comments on the workplan within 30 days of receipt in accordance with Section 19.10.5.503.C NMAC. NMED has the following comments.

Background

GCC Rio Grande, Inc. (applicant) proposes to expand the permitted borehole cumulative depth from 4,040 feet (ft) to 7,170 ft, which is an increase of 3,130 ft. There are 25 existing boreholes, but this will be increased by 19 boreholes for a total of 44 boreholes. In addition, the applicant is proposing to increase the surface disturbance by one acre for a total of two acres. All proposed activities are located within the approved permitted boundary. Individual borehole depths will vary between 80 and 600 feet. New access roads will be required in a few locations, but most boreholes will be accessed by existing roads.

Air Quality Bureau

The Air Quality Bureau comments are attached under separate letterhead.

Holland Shepherd, Program Manager April 5, 2021 Page 2 of 2

Surface Water Quality Bureau

The Surface Water Quality Bureau comments are attached under separate letterhead.

Mining Environmental Compliance Section (MECS)

The MECS has no comments.

NMED Summary Comment

NMED finds that the proposed work presented in the application will be protective of the environment if done in accordance with the approved permits, pollution controls, and the comments above.

If you have any questions, please contact Kurt Vollbrecht at (505) 660-9420.

cc:

Clint Chisler, Lead Staff, EMNRD-MMD Kurt Vollbrecht, Program Manager, NMED-MECS Shelly Lemon, Bureau Chief, NMED-SWQB Elizabeth Bisbey-Kuehn, Chief, NMED-AQB



Howie C. Morales
Lt. Governor

NEW MEXICO ENVIRONMENT DEPARTMENT

Surface Water Quality Bureau

1190 Saint Francis Drive, PO Box 5469 Santa Fe, NM 87502-5469 Telephone (505) 827-2855 www.env.nm.gov



James C. Kenney
Cabinet Secretary

Jennifer J. Pruett
Deputy Secretary

MEMORANDUM

DATE: March 29, 2021

TO: Anne Maurer, Mining Environmental Compliance Section,

Ground Water Quality Bureau

FROM: Alan Klatt, Watershed Protection Section, Surface Water Quality Bureau

SUBJECT: Request for Comments, Modification 21-1, GCC Rio Grande Inc., Tijeras Mine

and Mill, Bernalillo County, New Mexico Mining Act Permit No. BE001RE

The Surface Water Quality Bureau (SWQB) of the New Mexico Environment Department (NMED) has reviewed the Subject Request for Comments. GCC Rio Grande Inc. is requesting to expand exploration hole depths from 4,040 feet to 7,170 feet, increase surface disturbances from one acre to a total of two acres, and 25 holes to 44 holes. Pursuant to 19.10.5.505 B (3) New Mexico Administrative Code, SWQB has prepared the following comments:

GCC Rio Grande Inc. should provide support for the statement on page 2 of the Modification Request that says "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" by listing Best Management Practices and other actions that ensure water resources will not be affected by the proposed mining operation.

For questions related to these comments, please contact Alan Klatt, SWQB, at 505-819-9623.



Michelle Lujan Grisham Governor

Howie C. Morales

NEW MEXICO ENVIRONMENT DEPARTMENT

525 Camino de los Marquez, Suite 1
Santa Fe, New Mexico, 87505
Phone (505) 476-4300 Fax (505) 476-4375
www.env.nm.gov



James C. Kenney
Cabinet Secretary

Jennifer J. Pruett
Deputy Secretary

MEMORANDUM

DATE: March 25, 2021

TO: Kurt Vollbrecht, Program Manager, Mining Environmental Compliance Section

FROM: Sufi Mustafa, Staff Manager, Air Dispersion Modeling and Emission Inventory

Section, Air Quality Bureau

RE: Request for Comments, Modification 21-1, GCC Rio Grande Inc., Tijeras Mine and Mill, Bernalillo County, New Mexico Mining Act Permit No. BE001RE

The New Mexico Air Quality Bureau (AQB) has completed its review of the above-mentioned mining project. Pursuant to the New Mexico Mining Act Rules, the AQB provides the following comments.

Air Quality Permitting History

The AQB has not issued an air quality permit for this project.

Details

GCC Rio Grande Inc. proposes a mining permit modification for its Tijeras Mine and Mill. The modification will expand exploration drilling depths and increase disturbed land area. Some new access roads will also be created.

Air Quality Requirements

The New Mexico Mining Act of 1993 states that "Nothing in the New Mexico Mining Act shall supersede current or future requirements and standards of any other applicable federal or state law." Thus, the applicant is expected to comply with all requirements of federal and state laws pertaining to air quality.

20.2.15 NMAC, *Pumice, Mica and Perlite Processing*. Including 20.2.15.110 NMAC, *Other Particulate Control*: "The owner or operator of pumice, mica or perlite process equipment shall not permit, cause, sufferor allow any material to be handled, transported, stored or disposed of or a building or road to be used, constructed, altered or demolished without taking reasonable precautions to prevent particulate matter from becoming airborne."

Request for Comments, Modification 21-1, GCC Rio Grande Inc., Tijeras Mine and Mill, Bernalillo County, New Mexico Mining Act Permit No. BE001RE

Page 2

Paragraph (1) of Subsection A of 20.2.72.200 NMAC, *Application for Construction, Modification, NSPS, and NESHAP - Permits and Revisions*, states that air quality permits must be obtained by:

"Any person constructing a stationary source which has a potential emission rate greater than 10 pounds per hour or 25 tons per year of any regulated air contaminant for which there is a National or New Mexico Ambient Air Quality Standard. If the specified threshold in this subsection is exceeded for any one regulated air contaminant, all regulated air contaminants with National or New Mexico Ambient Air Quality Standards emitted are subject to permit review."

Further, Paragraph (3) of this subsection states that air quality permits must be obtained by:

"Any person constructing or modifying any source or installing any equipment which is subject to 20.2.77 NMAC, New Source Performance Standards, 20.2.78 NMAC, Emission Standards for Hazardous Air Pollutants, or any other New Mexico Air Quality Control Regulation which contains emission limitations for any regulated air contaminant."

Also, Paragraph (1) of Subsection A of 20.2.73.200 NMAC, Notice of Intent, states that:

"Any owner or operator intending to construct a new stationary source which has a potential emission rate greater than 10 tons per year of any regulated air contaminant or 1 ton per year of lead shall file a notice of intent with the department."

The above is not intended to be an exhaustive list of all requirements that could apply. The applicant should be aware that this evaluation does not supersede the requirements of any current federal or state air quality requirement.

Fugitive Dust

Air emissions from this project should be evaluated to determine if an air quality permit is required pursuant to 20.2.72.200.A NMAC (e.g. 10 lb/hour or 25 TPY). Fugitive dust is a common problem at mining sites and this project will temporarily impact air quality as a result of these emissions. However, with the appropriate dust control measures in place, the increased levels should be minimal. Disturbed surface areas, within and adjacent to the project area, should be reclaimed to avoid long-term problems with erosion and fugitive dust. EPA's Compilation of Air Pollutant Emission Factors, AP-42, "Miscellaneous Sources" lists a variety of control strategies that can be included in a comprehensive facility dust control plan. A few possible control strategies are listed below:

Request for Comments, Modification 21-1, GCC Rio Grande Inc., Tijeras Mine and Mill, Bernalillo County, New Mexico Mining Act Permit No. BE001RE

Paved roads: covering of loads in trucks to eliminate truck spillage, paving of access areas to sites, vacuum sweeping, water flushing, and broom sweeping and flushing.

Material handling: wind speed reduction and wet suppression, including watering and application of surfactants (wet suppression should not confound track out problems).

Bulldozing: wet suppression of materials to "optimum moisture" for compaction.

Scraping: wet suppression of scraper travel routes.

Storage piles: enclosure or covering of piles, application of surfactants.

Miscellaneous fugitive dust sources: watering, application of surfactants or reduction of surface wind speed with windbreaks or source enclosures.

Recommendation

The AQB has no objection to issue this permit.

This written evaluation does not supersede the applicability of any forthcoming state or federal regulations.

If you have any questions, please contact me at 505.476.4318.

GOVERNOR Michelle Lujan Grisham



TO THE COMMISSION

Michael B. Sloane

STATE OF NEW MEXICO DEPARTMENT OF GAME & FISH

One Wildlife Way, Santa Fe, NM 87507

Post Office Box 25112, Santa Fe, NM 87504

Tel: (505) 476-8000 | Fax: (505) 476-8123

For information call: (888) 248-6866

www.wildlife.state.nm.us

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TIRZIO J. LOPEZ Cebolla

DAVID SOULES

as Crucas

ROBERTA SALAZAR-HENRY

Las Cruces

9 April 2021

Clint Chisler, Permit Lead Permit Lead, Mining Act Reclamation Program Mining and Minerals Division (MMD) 1220 South St. Francis Drive Santa Fe, NM 87505

RE: Regular Existing Mine Modification 21-1 Application, GCC Rio Grande Inc. Tijeras Mine and Mill, Bernalillo County, New Mexico, Permit No. BE001RE; NMDGF Project No. NMERT-1064.

Dear Mr. Chisler:

The New Mexico Department of Game and Fish (Department) has reviewed the above referenced mine permit Modification 21-1 submitted by GCC Rio Grande Inc. (GCC). GCC is proposing to increase the number of exploratory holes from 25 to 44, to increase the maximum hole depth from 4,040 to 7,170 feet, and to increase the total area disturbed to approximately two acres. A site inspection was conducted on 29 March 2021 by staff from the Department, MMD, New Mexico Environment Department, and GCC.

To minimize the likelihood of adverse impacts to migratory bird nests, eggs or nestlings during drill pad and access road development, the Department recommends that ground disturbance and vegetation removal activities be conducted outside of the primary breeding season for migratory songbirds and raptors (1 March − 1 September). If ground disturbing and clearing activities during the breeding season cannot be avoided, the area should be surveyed for active nest sites (with birds or eggs present in the nesting territory), and when occupied, nest disturbance should be avoided until young have fledged. For active nests, adequate buffer zones should be established to minimize disturbance to nesting birds. Buffer distances should be ≥100 feet from songbird and raven nests, and 0.25 mile from raptor nests. Active nest sites in trees or shrubs that must be removed should be mitigated by qualified biologists or wildlife rehabilitators. Department biologists are available for consultation regarding nest site mitigation, and can facilitate contact with qualified personnel.

In order to eliminate the potential for wildlife to become entrapped in mud pits, the Department recommends the use of closed loop drilling systems. Closed loop systems eliminate the need to build fences and install netting to exclude wildlife, reduce the amount of surface disturbance associated with the well pad site, and consume significantly less water. If GCC intends to use mud pits for drilling, the mud pits should be fenced and one side sloped at 3:1 to provide an escape ramp for wildlife. The Department also recommends that fenced mud pits are also

Clint Chisler 9 April 2021 Page -2-

netted to exclude birds and bats. Extruded plastic, knit, or woven netting material is preferred. Monofilament netting should not be used due to its tendency to ensnare wildlife and cause injury or death. The Department recommends a mesh size of $^{3}/_{8}$ th inch to exclude smaller animal species. Netting material must be held taught over a rigid and adequately supportive frame to prevent sagging into the drilling fluids. In addition, it is important to prevent wildlife from entering and becoming trapped in stockpiled pipes used in the drilling process. Capping piping is the most effective way to prevent wildlife entry but at a minimum, prior to use, each section of pipe should be visually inspected to verify that no wild animals are inside.

GCC will be conducting site reclamation using guidelines and an approved MMD native seed mix. The Department recommends that the seed mix and mulch be certified weed-free, and that seed test results are requested from the vendor to avoid inadvertently introducing non-native species to the reclamation site. Any alternate seeds used to substitute for primary plant species that are unavailable at the time of reclamation should also be native. When possible, the Department recommends using seeds that are sourced from the same region and habitat type as the reclamation site.

The Department recommends that during road and drill pad construction, large mature trees are left undisturbed to the maximum extent feasible. These species include one-seed juniper (Juniperus monosperma) and piñon pine (Pinus edulis).

Thank you for the opportunity to review and comment on the proposed mine permit modification. If you have any questions, please contact Ron Kellermueller, Mining and Energy Habitat Specialist, at (505) 270-6612 or ronald.kellermueller@state.nm.us.

Sincerely,

Matt Wunder, Ph.D. Chief, Ecological and Environmental Planning Division

cc: USFWS NMES Field Office

MEMORANDUM NEW MEXICO OFFICE OF THE STATE ENGINEER Hydrology Bureau

DATE:

April 12, 2021

TO:

Clinton Chisler, Permit Lead, Mining Act Reclamation Program/NMEMNRD

THROUGH:

Ghassan Musharrafieh, Ph.D., P.E., Chief, Hydrology Bureau

FROM:

Douglas Rappuhn, P.G., Hydrology Bureau

Subject:

Hydrology Bureau Review of Regular Existing Mine Modification 21-1 for GCC Rio

Grande Inc., Tijeras Mine and Mill, Bernalillo County, MMD Permit No. BE001RE

Thank you for the opportunity for the NMOSE Hydrology Bureau to comment on the subject Modification Application for the Tijeras Mine and Mill, requested by MMD letter dated March 5, 2021 and for the supplemental materials you provided on 4/7/2021 that allowed completion of this review. The Modification Application notes 19 additional boreholes beyond those previously approved are requested, totaling an additional 3,130-feet of exploratory drilling for economically viable deposits of limestone, sandstone, siltstone and clay at the Tijeras facility.

Question regarding Boreholes Q18-01 and Q18-03 as they apply to current application:

• Without explanation or differentiation of previously approved boreholes and currently requested boreholes, the Applicant lists a total of 44 GCC Drill Holes in Application Figure 3 Table. Boreholes Q18-01 and Q18-03, tabulated in the Financial Assurance Calculation Table attached to GCC letter to Clinton Chisler/MMD dated June 8, 2020, are left off the current tabulation. It is undeterminable whether Q18-01 and Q18-03 have already been drilled under different hole number, or whether they are being rolled-into this modification application - twenty-one borings in excess of those noted in the June 8, 2020 tabulation are being requested. Tendering a clear tabulation designating previously approved and currently requested boreholes would clear this up.

Questions regarding potential encountering of groundwater in exploratory drilling:

- In the June 8, 2020 GCC letter to Clinton Chisler, in responding to the NMDGF, GCC notes a closed loop containment system will be used during the drilling of those holes, thereby eliminating the need for open drilling mud pits, while still indicative of mud-rotary drilling process. In responding to the NMOSE, it is stated that in the event GCC encounters groundwater, a water pump will be standby to pump into an onsite retaining pond, suggesting air-rotary drilling may be presumed. Since drilling method used on the previously approved holes is likely the method that would be used on those currently requested, please clarify drilling method, and short of encountering a flowing artesian aquifer, how the use of a pump may be needed for discharging to a pond.
- Comparing the June 8, 2020 well tabulation to the list of 44 in the current application, it appears
 none of the currently requested 19 or 21 borings are scheduled to be drilled deeper than
 approximately 200-ft below local ground level (please respond if this is incorrect). Without
 proposed drilling locations plotted on a map of current topography, or elevations provided for

the proposed borehole sites, it is difficult to estimate whether an exploration depth of 200-ft might encounter groundwater, particularly in the new exploratory regions extended northward toward the existing mill area, where natural topographic elevation appears on the order of 6450-ft NGVD. Information from NMOSE Well Records for six water wells located between 0.5 miles to the east and 0.9 miles to the southeast of proposed northeastern exploratory extension is tabulated below. The wells are collared in the Madera Formation at surface elevations of approximately 6380- to 6480-ft NGVD, and reflect initial static water levels ranging between 6320- and 6380-ft NGVD. Closest wells northeast and northwest of the GCC Mill are collared at approximate surface elevations of 6400- and 6290-ft NGVD respectively with initial static water elevations of 6360- and 6205-ft NGVD. Incomplete information exists on file with the NMOSE for the water well(s) serving the GCC Mill, but proximal water well information indicates the potential for northern exploratory borings to encounter groundwater.

Closest water wells located east/southeast of proposed GCC exploratory drilling, along NM 14:

NMOSE File No.	Approx. site elevation (ft, NGVD)	Well depth (ft bgl)	Static water level (ft bgl)	Elevation of static water level (ft, NGVD)
RG-96863	6380	150	40	6340
RG-73169	6400	100	20	6380
RG-61693	6380	145	47	6333
RG-51525	6420	160	70	6350
RG-97406	6420	150	42	6378
RG-75667	6480	295	160	6320

Closest water wells located northeast and northwest of GCC Mill:

NMOSE File No.	Approx. site elevation (ft, NGVD)	Well depth (ft bgl)	Static water level (ft bgl)	Elevation of static water level (ft, NGVD)			
RG-49043	6400	185	40	6360			
RG-83773	6290	304	85	6205			

Request for results of previous exploratory drilling of boreholes approved in 2020:

• If groundwater is encountered in any exploratory drilling, the drilling shall be under a NMOSE well construction permit, and plugged with a NMOSE-approved sealant under an approved NMOSE Plugging Plan or a pre-approved plugging condition on the well construction permit. Natural topographic elevation in the exploration area extended southward by the current modification application appears generally higher than 6600-ft NGVD, and appears less likely to encounter groundwater than the requested modification area to the north. Results from previous deeper GCC drilling in the area would provide the best basis for the expectation of encountering groundwater, and it would benefit GCC application reviewers to be provided a tabulation of area exploration drilling results – particularly previous exploration depth and whether groundwater was encountered.

Exploratory borings fall solely under MMD jurisdiction for plugging should they not encounter groundwater, but fall under joint MMD / NMOSE jurisdiction for plugging should they encounter groundwater. Since drilling that encounters groundwater must occur under NMOSE well construction permit, it behooves the Applicant to obtain NMOSE permits to avoid drilling delays in the necessary

permitting should groundwater be encountered. That said, the timely and appropriate plugging of exploratory boreholes after completion of drilling should not affect water rights of well owners in the area.

NMOSE regulatory concerns of a general nature regarding exploratory drilling are presented in the attached *General Concerns Related to NMOSE Regulation of Exploratory Borehole Drilling Encountering Groundwater and Associated Plugging of those Borings*.