

**PERMIT REVISION 20-1 TO PERMIT NO. HI001RE
PYRAMID PEAK MINING LLC
BANNER MINE AND MILL
EXISTING MINING OPERATION**

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

Permit Revision 20-1 to Permit No. HI001RE is issued by the Director of the Mining and Minerals Division (“MMD”) of the New Mexico Energy, Minerals and Natural Resources Department to:

Pyramid Peak Mining, LLC (“PPM”)
230 S. Rock Blvd., Suite 30
Reno, NV 89502

(“Permittee”) for the Banner Mill and Mill Tailings Impoundment Facility, located 4.5 miles southwest of Lordsburg, within the Virginia Mining District, in Hidalgo County, New Mexico.

This permit revision makes the following changes to Permit No. HI001RE:

- Updates the Banner Mine and Mill Closeout Plan
- Places the Banner Mine and Mill on Standby Status and establishes the start date of Standby Status as May 8, 2014. As of this Revision 20-1, approximately 7 years of standby status has been used.
- Increases Financial Assurance for the Banner Mine and Mill from \$377,704.87 to \$708,301.00

Section 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 Revision 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 PERMIT REVISION PACKAGE

The Permit Revision Package (“PRP”) is comprised of the following submittals and supporting documents:

- A. *Banner Mine and Mill Site, Renewal Application for Standby Status, Permit Revision 20-1, Permit Number HI001RE, dated March 2020*

- B. *Banner Mill Draft Closure/Closeout Plan with associated Cost Estimate*, dated August 2020
- C. *Response to Comments on Banner Mine and Mill Site Application for Standby Status with associated Closeout Plan and Financial Assurance (“FA”) Permit Revision 20-1; Permit Number HI001RE*, dated June 11, 2021
- D. *Banner Mine and Mill Site, Closeout Plan and associated FA*, dated June 2021.
- E. *Lexon Insurance Company Surety Bond No. 1143790 in the amount of \$708,301.00*, dated July 19, 2021
- F. *New Mexico Environment Dept. Determination for the Banner Mine and Mill Site, Mining Act Permit No. HI001RE*, dated August 13, 2021.

Section 3 **PERMIT BOUNDARY AND DESIGN LIMITS**

- A. Pyramid Peak Mining LLC (“PPM”) owns and operates the Banner Mine and Mill, a precious metal processing operation located approximately four miles southwest of Lordsburg, New Mexico. The Banner Mill is a gold and silver ore milling operation which utilizes a rock crusher, ball mill, and flotation circuit to process gold-bearing ore from the Summit Mine, located 57 miles to the north of the property.
- B. The Banner Mill Site as permitted under HI001RE, comprises approximately 428.5 acres of patented mineral leases situated upon private lands located in Sections 10, 11, 12, 13, 14, 23 and 24, T23S, R19W and in Section 7, T23S, R18W N.M.P.M. in Hidalgo County, New Mexico. The Permit Boundary and current design limit of the operation is limited to Sections 13, 14, 23 and 24, T23S, R19W.
- C. Figures 1-1, 2-1, 4-1, and 6-1 of the PRP show in detail the 257 acres within the Permit Boundary, and the 46 within the Design Limit.

Section 4 **FINDINGS OF FACT**

The Permit Application Package

- A. The PRP is complete and demonstrates that the proposed operation will meet the performance and reclamation standards and requirements of 19.10.5.507.A NMAC.
- B. The Permittee submitted, March 2020, the \$5,000 permit revision fee as required by 19.10.2.201.J NMAC of the New Mexico Mining Act Rules (“Rules”).

- C. The Closeout Plan Permit Revision Application is complete and contains all of the information required, with the conditions outlined in this revision document, as required by 19.10.5.505 NMAC.
- D. The application for Permit Revision has been reviewed in accordance with 19.10.5.505 NMAC and has been determined to be a Revision. The application for Permit Revision is complete, accurate, and complies with the requirements for Permit Revisions under 19.10.5.505 NMAC.
- E. The Permittee has provided public notice for the Closeout Plan Permit Revision as required by 19.10.9.9 and 19.10.5506.J.1 NMAC.
- F. The Permittee has provided financial assurance, in the total amount of \$708,301.00, as required by 19.10.5.506.J.2 NMAC. The financial assurance instruments consist of one Surety Bond No 1143790 by Lexon Insurance Company.
- G. The proposed operation and reclamation, as described in the PRP and this Permit, will meet the requirements of reclamation, as identified in 19.10.1.7.R.1 NMAC of the Rules. The reclamation plan, subject to the conditions in the Permit, demonstrates that the reclamation of the disturbed areas within the Permit Boundary will result in a condition that allows for the establishment of a self-sustaining ecosystem within the Permit Boundary that is appropriate for the life zone of the surrounding areas.
- H. The approved Post-Mining Land Use is designated as Industrial/Commercial and Wildlife for the Mine Site per Figure 6-1 of the Revision 20-1 PRP.
- I. Pursuant to 19.10.5.506.J.5 NMAC, The Secretary of the New Mexico Environment Department provided a written determination, dated August 13, 2021, stating that the Permit applicant has demonstrated that the activities to be permitted or authorized will be expected to achieve compliance with all applicable air, water quality, and other environmental standards if carried out as described in the Closeout Plan.

Right-To-Enter / Property Access Information

- J. The Permit does not grant or create any property rights. Nor does MMD, by issuing this Permit or otherwise, make any comment on the surface or mineral rights that the Permittee may or may not have in the area covered by the Permit. Permittee is solely responsible to take whatever steps are necessary to ensure that Permittee has property rights sufficient to support the activities contemplated by the Permit.

General Information Regarding the Permittee

- K. The Permittee is not in violation of the terms of another permit issued by the Director or

in violation of a substantial environmental law or substantive regulation at another mining operation, has not forfeited or had forfeited financial assurance in connection with another mining, reclamation or exploration permit, and has not demonstrated a pattern of willful violations of the Act, the Rules or other New Mexico environmental statutes.

- L. The Permittee has signed and certified a statement, provided within the Application, that the Permittee agrees to comply with the requirements of this Permit, the Rules, and the Act, and allows the Director to enter the Permit Boundary for the purpose of conducting inspections.

MMD's Request for Comments to the Agencies

- M. MMD provided the cooperating agencies (the New Mexico Environment Department, the Department of Game & Fish, State Forestry Division, State Historic Preservation Office, the New Mexico State Land Office, and the Office of the State Engineer) with a copy of the Application pursuant to 19.10.5.506.E NMAC and requested comments from the agencies on November 9, 2020.
- N. MMD provided the Permittee with comments provided by the cooperating agencies on March 12, 2021.

Financial Assurance

- O. The Permittee has provided satisfactory updated financial assurance to complete the closeout plan for the Banner Mine and Mill as required by 19.10.5.506.J.2 NMAC. The updated financial assurance for the Banner Mine and Mill Closeout Plan is in the form of Surety Bond No. 1143790 in the amount of \$708,301.00 issued by Lexon Insurance Company. Accordingly, Lexon Surety Bond No. 1136878 in the amount of \$145,989.00 and Lexon Surety Bond No. 1143789 in the amount of \$25,244.87 qualify for release under Part 12 of the Mining Act Rules.

Standby Status

- P. The Revision 20-1 PRP meets the requirements of 19.10.7.701 NMAC

Section 5. COMPLIANCE REQUIREMENTS

- A. The Permittee shall conduct mining and reclamation operations only as described in the approved Revision 20-1 PRP, the Permit, and any revisions or modifications approved by the Director.
- B. This Permit Revision is issued pursuant to NMSA 1978, Section 69-36-1 et. seq. and Title 19, Chapter 10 NMAC. Permittee may be required to comply with other federal,

State, county or local laws or ordinances before or while undertaking the activity that is the subject of this Permit Revision. MMD does not, by issuing this Permit Revision or otherwise, make any comment on Permittee's compliance with such other laws. It is Permittee's sole responsibility to investigate and comply with the requirements of such other laws.

- C. The approval of this Permit Revision does not relieve Permittee from the responsibility of complying with other state and federal requirements and standards.
- D. The Permit Revision does not grant or create any water rights. Nor does MMD, by approving this Permit Revision or otherwise, make any comment on the water rights that the Permittee may or may not have available for use in the area covered by the Permit Revision. Permittee is solely responsible and obligated to comply with all State and federal laws related to water rights sufficient to support the activities contemplated by the Permit Revision.
- E. Future submittals required by this Permit shall be presented in electronic form in addition to written form to the Director for approval.

Section 6 GENERAL OBLIGATIONS AND CONDITIONS

Closeout Plan and Financial Assurance

The conditions outlined in this section are required for the Permittee to meet certain requirements of the Rules. The Permittee shall reclaim the mill site, tailing decant cells, dry stacking unit, tailings impoundment, mill site pond, ancillary facilities, and stabilize the existing and new disturbed areas to mitigate off-site impacts. The conditions for the updated financial assurance and closeout plan are required to mitigate the disturbances within the Banner Mine and Mill and provide for stabilization of the Banner Mine and Mill that will minimize future impact to the environment and protect air and water resources in accordance with 19.10.1.7.R.1 NMAC.

This Permit is subject to the following conditions:

- A. The area of the mill site, tailing decant cells, dry stacking unit, tailings impoundment, mill site pond, ancillary facilities at the Banner Mine and Mill as shown on Figure 2-1 of the Revision 20-1 PRP, is subject to the reclamation standard of 19.10.5.507.A NMAC.
- B. The Permittee may be subject to enforcement action according to 19.10.11 NMAC for failing to conduct reclamation and closeout operations as described in the Updated Closure/Closeout Plan; for violation of any of the terms or conditions of the Act, the Rules, the Permit, as revised or modified; or for failing to submit any of the following:
 - I. annual reports as required by 19.10.5.510 NMAC; and

2. annual fees as required by 19.10.2.202 NMAC.
- C. The Permittee shall include, in the annual reports, information required by 19.10.5.510 NMAC. In addition, the following information shall be included:
1. the status of closeout/reclamation activities for each unit;
 2. any maintenance and repair work conducted for any closeout component;
 3. the date the work was done;
 4. vegetation monitoring data as described in Section 5.3.4 of the Closeout Plan;
 5. report on erosion control failures and their mitigation on reclaimed areas
- D. The Permittee shall notify MMD 30 days prior to performing any permanent closeout/reclamation activities at the mine site.
- E. **CONSTRUCTION QUALITY ASSURANCE PLAN**
1. The Permittee shall submit a construction quality assurance plan (“CQAP”) to MMD for approval not less than 180 days prior to proposed commencement of reclamation and shall implement the plan after MMD approval. Engineering designs addressing slopes, surface erosion controls and stormwater management structures shall be submitted for MMD approval. The CQAP plan shall include: a description of work to be conducted, soil testing results, laboratory analytical reports, and identification of borrow areas, if applicable. Design specifications may be modified during the final engineering design with MMD approval.
 2. The CQAP plan shall be supplemented to include a final report to be submitted to MMD not more than 180 days after reclamation construction completion. The report shall include a summary of work conducted, as-built drawings and final design specifications for slopes, covers and for stormwater management structures. The final report shall describe, at minimum, as-built drawings, a final topographic map with no greater than two-foot contour intervals for the top surfaces and no greater than five feet for slopes, and construction photographs.
- F. **MINE AND MILL SITE RECLAMATION**

The conditions in this Permit Revision for the Mine and Mill Site are required to mitigate the disturbances within the Permit Boundary and provide for stabilization of the Permit Boundary that will minimize future impact to the environment and protect air and water resources, in accordance with 19.10.1.7.R.1 NMAC. The conditions are also required to reclaim the Permit Boundary to a condition that allows for re-establishment of a self-sustaining ecosystem as required by 19.10.5.507.A NMAC.

The following conditions apply to the Mill and Mine Site Areas:

1. Surface Shaping and Stormwater Management

- a) The Permittee shall regrade the Mine and Mill Site in a manner that ensures positive drainage and eliminates, to the extent practicable, ponding on the top surfaces and final regraded surfaces.
- b) The Permittee shall follow general design ideas presented in Section 4 of the Closeout Plan for Closure Reclamation. The Permittee shall implement and maintain best management practices described in the Banner Mine and Mill Surface Water Pollution Prevention Plan. The Permittee shall provide MMD with detailed plans for stormwater management and best management practices for erosion control, for MMD approval, at least 180 days before proposed implementation of reclamation, construction activities and shall implement the plans after MMD approval. The Permittee may conduct pre-grading, rough grading or pre-final grading necessary to complete final design work but must also implement interim best management practices to control offsite sediment transport in conformance with surface water regulations until the detailed design is approved by MMD, and the final design and final best management practices are constructed. The Permittee may be required by MMD to change pre-graded; rough-graded or pre-final-graded slopes in order to meet MMD requirements for final slope design.

2. Cover Placement Plan

- a) The textural characteristics of the cover material shall be supportive of a self-sustaining ecosystem.
- b) Approved cover material shall be obtained and excavated as described in Sections 4.2 and 4.3 of the Closeout Plan. Alternate closeout actions, as determined by MMD, to allow for the establishment of a self-sustaining ecosystem, and/or-meet the requirements of reclamation defined under 19.10.1.7.R.1 NMAC, may require that the Permittee modify or revise the Permit in accordance with 19.10.5.504.B and 19.10.5.505.B NMAC.
- c) The Permittee shall place a 3-ft thick cover of approved overburden and topsoil over reclaimed areas of the mine and mill site for use as a revegetation cover.

3. Revegetation Plan

- a) Disturbed areas within the Permit Boundary shall be revegetated in

accordance with revegetation standards set forth in Section 4.4 and 4.5 of the Closeout Plan.

4. Post-Mining Land Use

The PMLU for the Permit Boundary shall be industrial (25 acres of disturbance) and wildlife habitat (21 acres of disturbance plus 211 acres of currently undisturbed area) as shown in Figure 6-1 in the Closeout Plan. Compliance with 19.10.5.507.A NMAC shall be achieved by the following:

- a) vegetation in the reclaimed areas shall meet approved MMD revegetation standards and shall be monitored in accordance with Section 5.1 and 5.2 of the Closeout Plan;

G. **ROADS**

The following conditions apply to all roads identified in the Permit Boundary as mentioned in Section 4.8.8 of the Closeout Plan. These conditions are required in order to reclaim the Permit Boundary to a condition that allows for re-establishment of a self-sustaining ecosystem, as required by 19.10.5.507.A and 19.10.5.508 NMAC, and to meet applicable environmental standards, as required by the NMED, pursuant to 19.10.5.506.J.5 NMAC.

1. The surfaces of roads shall be ripped to a depth of 18 to 24 inches or covered with overburden and topsoil to a depth of one foot. Culverts shall be removed on all roads where practicable. The ripped, and/or covered surfaces shall be graded for stormwater control.
2. Pursuant to 19.10.5.508.B(9) NMAC, roads shall be constructed and maintained during operation and reclamation to control erosion.
3. Roads shall be revegetated and monitored in accordance with Section 5.1 and 5.2 of the Closeout Plan.
4. Roads required for continued site maintenance and monitoring shall be proposed in the final closeout engineering design for approval by MMD.
5. The Permittee shall implement and maintain best management practices described in the Banner Mine and Mill Surface Water Pollution Prevention Plan.
6. Roads within the portion of the Banner Mine and Mill Site that will be designated with the Industrial PMLU will remain in place.

H. MONITORING WELLS

The Permittee shall abandon all groundwater monitoring wells, if applicable, in accordance with the requirements of NMED *Monitoring Well Construction and Abandonment Guidelines*; or the NMOSE regulations in 19.27.7 NMAC.

I. ANCILLARY FACILITIES

The following conditions apply to Ancillary Facilities including other support buildings and structures in the Permit Boundary in supplement of the closeout activities described in Section 4 of the Closeout Plan. Structures included in the Industrial PMLU are excluded from these conditions. These conditions are required in order to establish the PMLU on a Permit Boundary approved by the Director, pursuant to 19.10.1.7.P(5) NMAC, and to mitigate the disturbances within the Permit Boundary, and provide for stabilization of the Permit Boundary that will minimize future impact to the environment and protect air and water resources in accordance with 19.10.1.7.R(1) NMAC.

1. Demolition and Burial

Demolition, removal, and/or burial shall be accomplished by meeting requirements of the following conditions and in accordance with Sections 4.8.7 and 5.1 in the Closeout Plan. The following conditions may be modified with MMD approval following demolition and burial design.

- a) All equipment and structures shall be dismantled and removed from the Permit Boundary. Where footings, slabs, walls, pavement, manholes, vaults, stormwater controls, and other foundations are not removed and are abandoned in-place, they shall be graded for stormwater control and covered with overburden and topsoil to a depth of 3-feet minimum. All other Ancillary Facility areas shall be 1) graded for stormwater control; 2) either (a) ripped to a depth of 18 inches and covered with one foot of approved cover material, or (b) ripped to a depth of 18 to 24 inches. Demolition and plan specifications shall be submitted for MMD approval not less than 60 days prior to, or an acceptable time agreeable to MMD, before implementation.
- b) Asbestos removal shall be carried out by a licensed, certified asbestos removal contractor.
- c) Ancillary Facilities as found in Table 4.2 of the Closeout Plan shall be revegetated and monitored in accordance with Section 5.3.4 of the Closeout Plan.

2. Electrical Distribution System

The Permittee shall remove all electrical systems and infrastructure that are not necessary for the site operation and maintenance, including but not limited to, the power substation (if applicable) and transmission lines. Power poles shall be removed. All areas shall be graded for stormwater control, ripped to a depth of 18 to 24 inches or covered with overburden and topsoil to a depth of one-foot, minimum, and revegetated according to the requirements of Section 5.3.4 of the Closeout Plan.

3. Explosives, Fuel, and Reagent Storage Areas

The Permittee shall remove and properly dispose of explosives, fuel, and reagent chemicals and materials. All storage areas shall be graded for stormwater control, ripped to a depth of 18 to 24 inches or covered with overburden and topsoil to a depth of one-foot, minimum, and revegetated according to the requirements of Section 4.4 of the Closeout Plan.

4. Water Supply

The Permittee shall remove all water tanks, if any exist, at the completion of mining if not approved to remain in operation on site as part of the reclamation final design. The water tank areas shall be graded for stormwater control, ripped to a depth of 18 to 24 inches or covered with overburden and topsoil to a depth of one-foot, minimum, and revegetated according to the requirements of Section 4.4 of the Closeout Plan.

5. Banner Mine No. 2 Shaft and Headframe

Because the Banner Mine No. 2 Shaft is currently being used as the water well for milling operations and is included in the Industrial PMLU, the Operator will be required to safely cap or seal off the shaft, while maintaining access to the well, for future use in the Industrial PMLU, at the time of Closeout for the Mill. Additionally, the headframe must be removed.

J. OTHER NON-SPECIFIED AREAS

The following condition applies to any other disturbances within the Permit Boundary resulting from the existing mining operation, not identified specifically in the Revision 20-1 PRP. This condition is required in order to reclaim the Permit Boundary to a condition that allows for re-establishment of a self-sustaining ecosystem, as required by 19.10.5.507.A of the Rules.

All areas previously disturbed and not identified specifically as a mine unit or borrow area, and not otherwise addressed specifically in this Revision, shall be: 1) graded for stormwater control; 2) either (a) ripped to a depth of 18 inches and covered with one foot

of approved cover material, or (b) ripped to a depth of 18 to 24 inches; and 3) revegetated and monitored in accordance with Section 4.4 of the Closeout Plan.

K. ADDITIONAL STUDIES

1. Affected Areas

All affected areas, as defined by 19.10.1.7.A(3) NMAC, shall be reclaimed according to 19.10.5.507.A and 19.10.1.7.R(1) NMAC. The Permittee shall perform a study to identify areas affected by mining in accordance with a schedule approved by MMD. If results of the study indicate that change(s) should be made, in MMD's judgment, to the updated closeout plan, MMD will require the Permittee to submit a request to modify or revise the Permit. MMD will review the information to determine if a Revision or Modification of this Permit should be made under 19.10.5.504.B and 19.10.5.505.B NMAC.

L. FINANCIAL ASSURANCE

The following conditions are required to ensure that adequate financial assurance is provided for the site, pursuant to 19.10.5.506.J.2, 19.10.12.1202.B, 19.10.12.1204.A, 19.10.12.1206.A, and 19.10.12.1210 NMAC.

1. The Permittee may apply for release of financial assurance in accordance with 19.10.12.1210 NMAC.
2. The approved cost estimate amount for the updated closeout plan is \$708,301.00.
3. The Permittee currently maintains financial assurance for the Banner Mine and Mill by increasing the amount of one Surety Bond No. 1143790 from \$206,471.00 to \$708,301 by Lexon Insurance Company.
4. In consideration of the increase in the penal sum of Surety Bond No. 1143790, to \$708,301, Lexon Surety Bond No.1136878 in the amount of \$145,989.00 and Lexon Surety Bond No.1143789 in the amount \$25,244.87 are hereby released.
4. The Permittee shall be responsible at all times to maintain financial assurance in a form, or forms, and in an amount that is acceptable to MMD, pursuant to the Rules.
5. The Permittee may replace the Surety Bond with other forms of financial assurance acceptable to the Director, pursuant to 19.10.12.1209 NMAC. The Director may require adjustment of the financial assurance as provided in 19.10.12.1206 NMAC.
6. The Permittee shall evaluate the adequacy of the financial assurance approved, every

five (5) years, as part of the updated closeout plan.

M. POST-CLOSEOUT MONITORING AND MAINTENANCE

I. Erosion

The following conditions apply to all of the reclaimed areas. The conditions for the monitoring and maintenance of the reclaimed areas are required, during and after mining operations, to mitigate the disturbances within the Permit Boundary and provide for stabilization of the Permit Boundary that will minimize future impact to the environment and protect air and water resources, in accordance with 19.10.1.7.R(1) NMAC. The conditions, also, are required to reclaim the Permit Boundary to a condition that allows for reestablishment of a self-sustaining ecosystem, as required by 19.10.5.507.A and to meet the requirements of 19.10.5.508.D NMAC (for New Units), and to meet applicable environmental standards as required by 69-36-11.B(4) of the Act and 19.10.5.506.J.5 NMAC. The Permittee shall implement and maintain best management practices described in the Banner Mine and Mill Surface Water Pollution Prevention Plan.

- a) The Permittee shall visibly inspect reclaimed lands for signs of significant erosion and shall mitigate significant erosion features to prevent further degradation of the site. Drainage channels, diversion structures, retention ponds, and auxiliary erosion control measures will be inspected, in accordance with best management practices acceptable to MMD. Inspections of specific units shall continue until those specific units are released under the Rules. Inspections shall be conducted quarterly for the first year following completion of reclamation construction activities for each unit, and annually, thereafter. The Permittee also shall inspect for evidence of erosion after storm events of one inch, or greater, in any 24-hour period. Inspections shall continue until the specific units are released under the Rules. Release by MMD shall not affect the right of other State or federal agencies to require continued inspections after release by MMD.
- b) The Permittee shall report evidence of significant rill, gully, or sheet erosion on any reclaimed area within 24 hours of discovery. The Permittee shall then provide the MMD a written report that describes the nature and extent of erosion and a corrective action plan, for approval by MMD, according to the following schedule: The Permittee shall provide the report within 30 days of discovery. The corrective action plan shall describe the efforts necessary to stabilize the affected area. The plan shall be implemented as soon as practicable following regulatory approval.
- c) Erosion control measures that are damaged, or ineffective, shall be repaired, or re-designed as necessary. The Permittee shall use a variety of erosion control measures, as needed, if erosion control problems develop. Long-term erosion

control measures will include, but not be limited to, the installation of berms, designed channels, and sediment containment structures, as necessary, and shall be designed for a 100-year, 24-hour, storm event, or storm event of higher intensity. Short-term erosion control measures may include, but not be limited to: silt fences, hay bales, water bars, mulching and cover crops.

2. Notification

The Permittee shall notify MMD at least two weeks prior to any monitoring conducted pursuant to this Revision. Monitoring shall be scheduled and arranged so that MMD may accompany personnel of the Permittee, if MMD chooses to do so.

N. WATER QUALITY

The Permittee shall submit to MMD a copy of any water quality monitoring results performed after reclamation. If any of these submittals indicate that additional, or alternative, closeout actions should be made, including implementation of measures to protect wildlife, in MMD's judgment, to meet the requirements of the Act or Rules, MMD will require the Permittee to modify or revise the Permit. MMD will review the request to determine if a Revision or Modification of this Permit should be made under 19.10.5.504.B and 19.10.5.505.B NMAC.

O. RECLAMATION SCHEDULE

The reclamation schedule is required pursuant to 19.10.5.506.B.1 NMAC. The reclamation schedule for the Banner Mine and Mill shall begin in accordance with the schedule identified in Section 4.9 of the Closeout Plan.

Reclamation of the Banner Mine and Mill shall begin no later than 180 days after cessation of mining, unless the Permittee has applied for standby status for the Banner Mine and Mill.

During reclamation, measures shall be taken to provide for the stabilization of the disturbances that will minimize future impact to the environment and protect air and water resources.

P. TEMPORARY CESSATION

If, due to a temporary cessation of Mining Operation exceeding 180 days, and the Permittee wishes to suspend reclamation pursuant to the Reclamation Schedule provided above, the Permittee shall submit an application for a Permit Revision for Standby Status pursuant to 19.10.5.505 and 19.10.7 NMAC.

Q. COMPLIANCE WITH ENVIRONMENTAL PERMITS

Pursuant to 19.10.5.509.C NMAC, during the term of the Permit, as revised and/or modified, issued pursuant to 19.10 NMAC, the Permittee must maintain environmental permits required for the Permit Boundary. Revocation, or termination of such a permit, or the forfeiture of financial assurance that is related to the Permit Boundary, and required by another governmental agency, is adequate grounds for the Director to issue a cessation order pursuant to 19.10.11 NMAC.

R. CLOSEOUT PLAN UPDATE

The Permittee shall submit an updated closeout plan to MMD five (5) years after the approval of the current Closeout Plan. If MMD determines that alternative or additional closeout actions are necessary, prior to submission of the updated closeout plan, to allow for the establishment of a self-sustaining ecosystem, and/or meet the requirements of reclamation defined under 19.10.1.7.R.1 NMAC, MMD will require that the Permittee modify or revise the Permit in accordance with 19.10.5.504.B and 19.10.5.505.B NMAC.

The Permittee shall comply with all other state and federal requirements and standards including without limitation the Cultural Properties Act, NMSA 1978, Section 18-6-1 to 27 and regulations promulgated pursuant thereto.

S. STANDBY STATUS

Pursuant to 19.10.7.701 NMAC and Revision 20-1 the Banner Mine and Mill is now placed on Standby Status with a beginning date of May 8, 2014 which is 180 days after ore processing ceased on November 8, 2013.

1. The Banner Mine and Mill may only be on Standby Status for a total of 20 years. Currently the Banner Mine and Mill has used up 7 years of the Standby Status limit.
2. The Banner Mine and Mill must apply to renew Standby Status within 5 years of signing Revision 20-1 or otherwise be required to begin full reclamation.

CERTIFICATION

I certify that I have read, understand and will comply with the requirements of this Permit Revision.

M. M. R.

Authorized Representative of the Permittee

Authorized Signatory

Title

Pyramid Peak LLC.

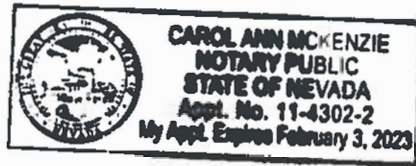
Company

Subscribed and sworn to before me this 20th day of August, ~~2017~~ 2021

Carol Ann McKenzie
Notary Public

My Commission Expires

2/3, 2023

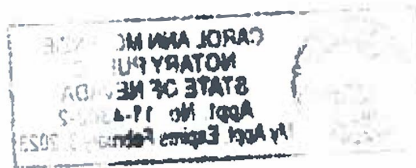


Section 7 **CONCLUSIONS OF LAW**

- A. The Director has jurisdiction over the Permittee and the subject matter of this proceeding.

- B. The PRP is complete, accurate, and complies with the requirements of the Act and 19.10.5.502 and 19.10.5.503 of Rules with conditions described in this Permit Revision document.


- C. The PRP is complete, accurate, and complies with the requirements for Closeout Plans in the Act and 19.10.5.505, 19.10.5.506, and 19.10.5.507.A NMAC. The Permittee, PPM, is permitted, pursuant to the New Mexico Mining Act, to conduct milling, concentrating and reclamation operations at the Banner Mill and Mill Tailings Impoundment Facility, Hidalgo County, New Mexico, upon the condition that the Permittee complies with the requirements of the Order, the Act, the Rules, the Permit Conditions, and requirements imposed by this permit.



ORDER

NOW THEREFORE, IT IS HEREBY ORDERED that Permit Revision 20-1 of Permit HI001RE, incorporates the Updated Closeout Plan with associated FA and places the Banner Mine and Mill on Standby Status, located in Hidalgo County, New Mexico, 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: 8/26/2021

