



Electronic Transmission

MEMORANDUM

Date: December 22, 2021

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

Through: Anne Maurer, Mining Act Team Leader, Mining Environmental Compliance Section (MECS)

From: Amber Rheubottom, MECS
Alan Klatt, Surface Water Quality Bureau (SWQB)
Sufi Mustafa, Air Quality Bureau (AQB)

Subject: **NMED Comments, Response to Agency Comments, Terrero Exploration Project (aka Jones Hill), Comexico, LLC, Santa Fe County, New Mexico Mining Act Permit No. SF040ER**

The New Mexico Environment Department (NMED) received email correspondence from the Mining and Minerals Division (MMD) on December 3, 2021 requesting NMED review and provide comments on the above-referenced MMD permitting action. Pursuant to the Mining Act a regular exploration permit application has been submitted to MMD. MMD requested comments on Comexico, LLC's response to agency comments by January 14, 2022. NMED has the following comments.

Background

Comexico, LLC (Applicant) submitted an amended version of their Hydrologic Resources Report (Report) to MMD in August of 2021. NMED provided MMD comments on an earlier version of this Report in comments dated January 19, 2021. In the January 19, 2021 comment letter to MMD, MECS requested the Applicant perform groundwater sampling of the on-site well and

analyze the sample for all applicable 20.6.2.3103 NMAC groundwater standards. NMED sent comments to MMD on the amended version of the Hydrogeologic Resources Report on October 20, 2021 indicating that NMED would review the amended Hydrogeologic Resources Report upon receipt of the water quality results. NMED collected water samples from the well and one adit in tandem with the Applicant's consultant on October 1, 2021. NMED received the water quality results from the Applicant on December 8, 2021. The Applicant submitted the December 3, 2021 response to agency comments prior to NMED receiving the water quality results. The comments in this memorandum address the response to agency comments and the water quality results.

Air Quality Bureau

The Air Quality Bureau has no comments.

Surface Water Quality Bureau

The Surface Water Quality Bureau has no comments.

Mining Environmental Compliance Section (MECS)

Based on a review of the water quality results and the proposed drilling processes, MECS does not expect the proposed activities to result in an exceedance of groundwater standards. The water quality results from the on-site well are below 20.6.2.3103 NMAC groundwater standards, with the exception of manganese, which is slightly over the standard (well water quality result = 0.22 mg/L and standard = 0.20 mg/L).

NMED indicated in the October 21, 2021 comment letter that additional information was needed prior to ensuring that all activities as proposed in the application will be protective of groundwater and surface water. In the response to comments, the Applicant states that *"It is unclear what additional information NMED needs prior to NMED ensuring that the activities as described in the application will achieve compliance with all applicable air, water quality and other environmental standards. To our knowledge we have provided all of the information requested with the exception of the water sampling analysis of the sampling event that occurred on October 1, 2021."* To be clear, NMED was waiting on the results from the water quality sampling to complete the final review of the Hydrogeologic Resources Report. MECS has no further comments on the Hydrogeologic Resources Report.

Mr. Holland Shepherd
Terrero Exploration Project (aka Jones Hill)
December 22, 2021

NMED Summary Comment

NMED does not expect environmental standards to be exceeded if the activities are performed in accordance with what is described in the application. The activities as described in the application are expected to achieve compliance with all applicable air, water quality, and other environmental standards..

If you have any questions, please contact Anne Maurer at (505) 660-8878.

cc: David Otori, Permit Lead, EMNRD-MMD
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