Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd Leahy, JD, Ph.D. Deputy Cabinet Secretary Jerry Schoeppner, PG, Director Mining and Minerals Division



June 16, 2022

Dennis Yellowhorse Jones U-Mate International Inc. 9100 N. Morning Glory Road Paradise Valley, Arizona, 85253

RE: Technical Comments on Permit Renewal Application, U-Mate Minimal Impact Mine Permit, McKinley County, New Mexico, Permit No. MK010MN

Dear Mr. Jones,

The Mining and Minerals Division ("MMD") has received and reviewed the application for permit renewal submitted by U-Mate International, Inc. ("U-Mate") dated April 4, 2022. In accordance with 19.10.3 NMAC, MMD requested review and comments from the New Mexico Environment Department, Department of Game and Fish, State Forestry, Office of the State Engineer and Historic Preservation Division. Comments on the application for permit renewal are below and are included in this letter.

- 1. During the pre-application site visit on May 11, 2022, additional mining disturbance was observed to the west and south. The additional disturbance is estimated to be approximately 0.75 acres. MMD estimates that an additional 0.75 acres will necessitate an additional approximate \$4,100.00 in financial assurance. Currently, MMD holds a surety bond issued in 2016 by Lexon Insurance Company in the amount of \$29,000.00. The additional \$4,100.00 in financial assurance will be required before the permit renewal can be issued by MMD.
- 2. Costs for removal/disposal of the humate milling/bagging plant were not included in the previous modification completed in 2016 and are required for permit renewal. Please provide a 3rd party contractor quote or other cost estimate for the decommissioning/removal of the milling and bagging plant, storage shed, super sacks, refuse/trash, on-site shipping container, etc. Please note that credit for salvage value of building materials or equipment and supplies is not allowed (19.10.12.1205 NMAC). The additional financial assurance for disposal of the plant facility will be required before the permit renewal can be issued by MMD.
- 3. Please provide a brief written description and forecast for any future disturbances planned within the next 5 years, i.e., proposed direction and depth for future mining, future location for the placement of overburden or waste piles, whether any new land will be disturbed within the next 5 years.

- RE: Technical Comments on Permit Renewal Application, U-Mate International Inc., McKinley County, New Mexico, Permit No. MK010MN
 - 4. The New Mexico Environment Department Air Quality Bureau memo dated May 1, 2022 (attached), states "the applicant may need an air quality permit for processing of the material" and "the Air Quality Bureau recommends applicant consult with the bureau to evaluate an air quality permit need for this facility before starting operation."

Please contact the Air Quality Bureau at 505-629-6186. MMD will require confirmation from Air Quality Bureau of their decision regarding the necessity of a permit for this facility prior to issuance of the MMD renewed permit.

5. See attached memorandums from the other state agencies that were consulted during this process.

Please respond to these technical comments within 45 days of receipt. If you have any questions or concerns, feel free to contact me at (505) 372-8634 or via e-mail at <u>david.ennis@state.nm.us</u>

Sincerely,

Denni

David (DJ) Ennis, P.G., Permit Lead Mining Act Reclamation Program ("MARP")

- enc: Agency Comments
- cc: Holland Shepherd, MARP Program Manager Mine File (MK010MN)



Michelle Lujan Grisham Governor

May 9, 2022

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

David J. (DJ) Ennis, P.G., Permit Lead Mining Act Reclamation Program (MARP) Mining and Minerals Division 1220 South Saint Francis Drive Santa Fe, NM 87505

Re: HPD Log# 117150, Request for Agency Comments, Minimal Impact New Mining Operation Permit Renewal Application, U-Mate Mine, McKinley County, New Mexico, Permit No. MK010MN

Dear Mr. Ennis:

I am writing in response to your request for comment on the above referenced permit renewal application received at this office April 26, 2022

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 renewal 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, several archaeological sites are situated in, or in close proximity to, the permit area. The exact locations of several of these sites in the permit area is difficult to determine because of the hand-drawn permit area maps supplied with the permit application. Additionally, portions of the permit area have never been archeologically surveyed and those areas that have been surveyed were done so more than 45 years ago, Therefore, this office recommends that a cultural resources survey be conducted on any undisturbed portions of mine property where proposed new ground disturbance will occur for this permit renewal.

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

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

MEMORANDUM OFFICE OF THE STATE ENGINEER *Hydrology Bureau*

DATE:	May 12, 2022
TO:	David J. (DJ) Ennis, P.G., Permit Lead, Mining Act Reclamation Program (MARP)/MMD
THROUGH:	Katie Zemlick, Ph.D., Hydrology Bureau Chief 🎾
FROM:	Jose A. Solis, Ph.D., Hydrologist, Hydrology Bureau 👌 🙏 🍌
SUBJECT:	Review and Comment, Renewal of Minimal Impact New Mining Operations Permit Application, U-mate International Inc., Gamerco Associates/Gallup Land Partners, LLC McKinley County, NM Permit No. MK010MN

On April 26, 2022, the New Mexico Office of the State Engineer (NMOSE) Hydrology Bureau received a request for comments from Mining and Minerals Division (MMD) regarding U-Mate permit renewal for Minimal Impact New Mining Operations Permit Application, U-mate International Inc., Gamerco Associates / Gallup Land Partners, LLC, McKinley County, NM Permit No. MK010MN (submitted application on 4/7/2022). The project intends to continue mining for Humate from 5 acres within Section 10 of T15N and R19W. The applicant does not anticipate or intend to encounter, consumptively use, or otherwise affect the availability of surface or ground water. The applicant should contact the NMOSE District I Office in Albuquerque immediately if groundwater is encountered.

Surface Water

There is an ephemeral stream approximately 1,075-feet to the north of the mining location. This unnamed ephemeral stream appears to flow during or after a high precipitation event (personal communication with Mr. David Ennis, PG of MMD and review of historic aerial images via Google Earth). The nearest open standing water can be seen via aerial image (Google Earth) that is about 1,500feet northeast of the mining location. This body of water is estimated to have a surface area of about 2acres. It is recommended to avoid drilling within 100-feet of any drainages or surface water bodies. NMOSE regulation 19.27.4.29.P(2) NMAC indicates "Drilling fluids and cuttings shall be contained on the drilling site or on property under the control of the well owner, and not be allowed to migrate or be discharged off that property except for authorized disposal. Drilling fluids and cuttings shall not be discharged into any waters of the state."

Groundwater

Renewal of this permit application is based on their original permit application submitted on 8/5/1997. The original application states the following:

"Drill holes will be limited to the South ½, SW ¼, SW ¼, NE ¼, of section 10, T15N, R19W, being 5 acres of real estate and no more.

The Drill holes, no more than 10 in number, may be drilled 5 on the western most line of the subject parcel and 5 on the southern most line of the subject parcel generally evenly spaced approximately 66-feet apart, more or less, on the western boundary line and 132-feet apart, more or less, on the southern boundary line."

Although no information was provided regarding the depth of the drill/bore holes, the application provided three groundwater measurements. Well AMW-1 had a depth to water of 26-feet (measurement taken in 1994), no total dissolved solids (TDS) measurements were taken. Well GWMW-3 reported depth to water of 100-feet, and TDS measurement of 550 (units were not provided). Well GWMW-2 reported depth of 107-feet and TDS measurement of 480 (units were not provided). Well AMW-1 (approx. surface elevation = 6,436-feet) is approximately 1,500-feet west of mining location, well GWMS-3 (approx. surface elevation = 6,451-feet) is approximately 1.35-miles southwest of mining location. The only location information for well GWMS-2 was that it was located in the SW¼, SW¼, of Section 35, but neither the township or range were provided.

Further review showed that the nearest well (G-00014) is about 1.13 miles west northwest of the mining location and was obtained via the New Mexico Water Rights Reporting System (NMWRRS). G-00014 (approx. surface elevation = 6,444-feet) is reported to have a depth to water of 132-feet and a total depth of 940-feet.

The mining location lies at the top of a mesa/hill which has an approximate elevation of 6,526-feet. The mining location is about a 90-feet higher in elevation than the aforementioned wells. This elevation difference further explains why it is unlikely that groundwater will be encountered.

The current renewal application does not indicate or mention drilling boreholes. However, the original application did give mention of drilling holes so in the event that the applicant does decide to drill boreholes, additional steps and information may be needed.

Mineral exploration borings (NMOSE's "mine drill holes") that do not encounter water were specifically exempted from the NMOSE's Title 19 Chapter 27 Part 4 regulations regarding well driller licensing and construction, repair and plugging of (water) wells as of June 30, 2017. This includes but is not limited to Sections 19.27.4.30.C NMAC for plugging and abandonment of non artesian wells / borings; 19.27.4.31 NMAC for artesian wells / borings; and 19.27.4.36 NMAC for mine drill holes that encounter water. Although it may be unlikely that groundwater will be encountered, in the event the proposed drilling does encounter groundwater, the NMOSE would share jurisdiction of the drilling and plugging of the wells/borings. Under these circumstances, a Permit to Drill a Well with No Water Right for each of the proposed borings (that encounter water) would be required, as would the services of a New Mexico-licensed well driller.

Exploratory Borehole Abandonment

MMD regulations (19.10.3 NMAC) prevail over those of NMOSE (19.27.4 NMAC) if groundwater is not encountered during exploratory drilling. In the event that drilling does encounter groundwater, plugging would be administered in part under either pre-approved plugging conditions attached to the NMOSE drilling permits, or would be separately conditioned by a *Well Plugging Plan of Operations*, as dictated by NMOSE Water Rights District I (Albuquerque District Office). Additional details regarding well plugging requirements under 19.27.4 NMAC are included in the attached document ("General Concerns Related to NMOSE Regulation of Exploratory Borehole Drilling Encountering Groundwater and Associated Plugging of these Borings").

Construction and Revegetation Activities

Construction and revegetation activities defined in the plan include the possibility installation of new structures (diversion structures such as excavated channels, level spreader that helps excess water to be evenly distributed and temporary sediment traps such as small ponding areas, excavated sediment trap or diked sediment trap) and revegetation. NMOSE District I Office needs to be contacted prior to performing construction activities that require water use, including but not limited to dust control, soil compaction and cement mixing. If water is need for irrigation during the revegetation process, then the NMOSE District I needs to be contacted prior to irrigating the revegetated areas.

References

Mining and Minerals Division, 2011, Guidance Document for Part 3 Permitting Under the New Mexico Mining Act. Energy, Minerals and Natural Resources Department, Mining Act Reclamation Program October 2011.

http://www.emnrd.state.nm.us/MMD/MARP/Documents/Part 3 Guidelines_October2011_pdf

Mining and Minerals Division, 2012, Part 3 Minimal Impact Exploration Operation: PERMIT APPLICATION INSTRUCTIONS. Energy, Minerals and Natural Resources Department. <u>http://www.emnrd.state.nm.us/MMD/MARP/Documents/Part3_ExplorationApplication_Instructions_Feb2012.pdf</u>

New Mexico Office of the State Engineer and New Mexico State Engineer and Interstate Stream Commission. New Mexico Water Rights Reporting System. URL: <u>http://nmwrrs.ose.state.nm.us/nmwrrs/index.html</u>

General Concerns Related to NMOSE Regulation of Exploratory Borehole Drilling Encountering Groundwater and Associated Plugging of those Borings

Well drilling activities (including mineral exploration borehole drilling ("mine drill holes") that penetrate a water-bearing stratum) and well plugging, are regulated in part under 19.27.4 NMAC (New Mexico Administrative Code). Most recently promulgated in 6/30/2017, these regulations require any person engaged in the business of well drilling within New Mexico to obtain a Well Driller License issued by the NMOSE (New Mexico Office of the State Engineer). Therefore, a New Mexico licensed Well Driller shall perform the drilling and plugging of exploratory boreholes that encounter groundwater.

Exploration drilling where any form of groundwater is encountered will be subject to pertinent sections of 19.27.4 NMAC, including but not limited to Sections 19.27.4.30.C NMAC for plugging and abandonment of non artesian wells / borings; 19.27.4.31 NMAC for artesian wells / borings; and 19.27.4.36 NMAC for mine drill holes that encounter water. A complete version of the NMOSE 19.27.4 NMAC regulations can be found on the NMOSE website at: http://164.64.110.134/parts/title19/19.027.0004.html . The Mining and Mineral Division (MMD) will likely place additional conditions on the drilling and plugging of all mineral exploration borings via the MMD project permit.

All onsite drilling and plugging activities where groundwater is encountered shall be conducted under the supervision of the New Mexico-licensed Well Driller or a NMOSE-registered Drill Rig Supervisor under the direction of the licensed Well Driller.

Additional NMOSE filings will be required where it is requested that an exploratory borehole be converted to a water well. The well design and construction shall be subject to the provisions of 19.27.4 NMAC Regulations. Appropriation of water from such a conversion may require a water right. The MMD may disallow the conversions of exploratory borings to water wells if not permitted specifically in the MMD permit.

Use/extraction of Temporary Casing

When drilling through overburden or caving, poorly-consolidated, or karst geologic units, use of temporary casing may be desired. Any temporary casing should be installed with the full intention of its removal before borehole plugging, therefore temporary casing should be inserted into a borehole of sufficiently large diameter to allow easy extraction upon termination of drilling. NMAC 19.27.4 regulations dictate methodology for the installation of permanent well casing, including the installation of required annular seal, should that option be more prudent.

If temporary casing lacking a rule-compliant annular seal or casing grade becomes stuck in-place downhole, the potential for permanent commingling of aquifers or downhole surface water drainage may occur via an unsealed annulus. In these cases, staged casing cutting and extraction, or remedial casing perforation and squeeze-cementing will be required to the satisfaction of the State Engineer as part of final well decommissioning. Steps should be taken during drilling to prevent deleterious fall-in or drainage of cuttings/sediments into the annulus outside the temporary casing to best allow for full retrieval and proper borehole plugging.

When setting of temporary casing occurs or is expected, appropriate detail of the proposed casing extraction and borehole clean-out process prior to plugging will be required in the NMOSE *Well Plugging Plan of Operations* form. If exploratory drilling through stratified or artesian aquifer systems, filing a NMOSE *Artesian Well Plan of Operations* may be required to preemptively assess and address NMOSE concerns regarding best borehole decommissioning practices.

Exploratory Borehole Plugging

Terms of borehole plugging will be established jointly by the evaluation of the NMOSE *Well Plugging Plan of Operations* and the review of the relevant MMD application for water-bearing boreholes. Approved high-solids bentonite abandonment-grade sealants and/or approved cement slurries will be required for plugging as deemed hydrogeologically appropriate by the agencies. NMOSE-authorized cement slurries will be required for the decommissioning of flowing artesian boreholes. If the exploratory borings do not encounter groundwater, MMD plugging regulations (19.10.3 NMAC) prevail over those of 19.27.4 NMAC.

NMOSE well plugging regulations require tremie placement of the column of well sealant, which shall extend from the bottom of the borehole to ground surface. By regulation, pumping decommissioning sealants into the top of the borehole is not allowed. The NMOSE defers to the discretion of the MMD for the choice of sealant versus natural fill in the uppermost portion of a borehole plug to facilitate site restoration.

Required plugging of water-bearing exploratory borings shall occur within the timeframe specified by either the NMOSE or MMD to minimize cave-in and the potential for incomplete plugging due to blockages in the borehole.

Drill Rig Fuels, Oils and Fluids

Drill rigs contain and consume fuels, oil, and hydraulic fluids, and are subject to leaks. Drill rigs often remain in-place longer than other pieces of exploration equipment onsite, are frequently running, and are positioned immediately above and adjacent to the open borehole. As a standard practice to prevent contamination and reduce site cleanup activities, it may be beneficial to use bermed, impermeable ground sheeting under the drill rig. Consideration of bermed containment volume sufficient to accommodate a high-intensity precipitation event is also a good practice.

V. 2020_01_08

GOVERNOR Michelle Lujan Grisham



DIRECTOR AND SECRETARY TO THE COMMISSION Michael B. Sloane

STATE OF NEW MEXICO DEPARTMENT OF GAME & FISH

One Wildlife Way, Santa Fe, NM 87507 Tel: (505) 476-8000 | Fax: (505) 476-8123 For information call: (888) 248-6866

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STATE GAME COMMISSION

SHARON SALAZAR HICKEY Chair Santa Fe

DEANNA ARCHULETA Vice Chair Albuquerque

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13 May 2022

David J. (DJ) Ennis, P.G., Permit Lead Permit Lead, Mining Act Reclamation Program Mining and Minerals Division (MMD) 1220 South St. Francis Drive Santa Fe, NM 87505

RE: Minimal Impact New Mining Operation Permit Renewal Application, U-Mate Mine McKinley County, New Mexico Permit No. MK010MN; NMDGF Project No. NMERT-1793.

Dear Mr. Ennis:

The New Mexico Department of Game and Fish (Department) has reviewed the above referenced project. U-Mate International, Inc. (U-Mate) submitted a permit renewal application to conduct a new, minimal impact humate mining operation near Gallup, New Mexico. The site was originally permitted by MMD in 1998. The permit has since expired and the operator is seeking to renew the permit for an additional 10 years. Staff from the Department, MMD, and the Operator conducted a site inspection on 11 May 2022.

The mine site is located near an active coal stockpile and railroad loop loading area and is adjacent to a historic surface coal mine that was reclaimed during the 1980s. The Department does not anticipate any significant impacts to wildlife or sensitive habitats during mining operations.

In the permit application, U-Mate does not adequately address what type of seed bed preparation will be performed prior to seeding during reclamation. The application also does not provide a detailed list of native plant species that will be used for the re-establishment of vegetation at the reclamation site. The Department recommends that only certified weed-free seed be used to avoid inadvertently introducing non-native species to the reclamation site. Any alternate seeds used to substitute for any 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.

Thank you for the opportunity to review and comment on the proposed mine permit renewal. If you have any questions, please contact Ron Kellermueller, Mining and Energy Habitat Specialist, at (505) 476-8159 or ronald.kellermueller@state.nm.us.

David J. (DJ) Ennis 13 May 2022 Page -2-

Sincerely,

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

cc: USFWS NMES Field Office



Electronic Transmission

MEMORANDUM

Date: May 18, 2022

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: New Mexico Environment Department (NMED) Comments, U-Mate Mine, Minimal Impact New Mine Permit Renewal Application, U-Mate International, Inc., McKinley County, New Mexico, New Mexico Mining Act Permit No. MK010MN

The New Mexico Environment Department (NMED) received correspondence from the Mining and Minerals Division (MMD) on April 26, 2022 requesting that NMED review and provide comments on the above-referenced MMD permitting action. Pursuant to the Mining Act, the U-Mate Mine is a minimal impact new mine. MMD requested comments on the application within 20 days of receipt of the request for comments. NMED requested an extension to submit comments by May 18, 2022. NMED has the following comments.

Background

U-Mate International, Inc. (Applicant) is requesting to renew the permit for another 10 years. The Applicant was granted a permit by MMD in 1998, but the permit term lapsed and the permit expired. The project area is located on private land reportedly owned by Gamerco Associated/Gallup Land Partners, LLC.

SCIENCE | INNOVATION | COLLABORATION | COMPLIANCE

Ground Water Quality Bureau | 1190 Saint Francis Drive, PO Box 5469, Santa Fe, New Mexico 87502-5469

Mr. Holland Shepherd Black Springs Mine May 18, 2022

Air Quality Bureau

The Air Quality Bureau comments are attached.

Surface Water Quality Bureau

The Surface Water Quality Bureau comments are attached.

Mining Environmental Compliance Section (MECS)

MECS has no comments.

NMED Summary Comment

Additional information is needed prior to NMED determining if the activities as proposed in the application will be protective of the environment.

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

cc: David Ennis, Permit Lead, EMNRD-MMD Joseph Fox, Acting Program Manager, NMED-MECS Shelly Lemon, Bureau Chief, NMED-SWQB Elizabeth Bisbey-Kuehn, Bureau Chief, NMED-AQB



MEMORANDUM

DATE: May 16, 2022

TO: Anne Maurer, Mining Act Team Leader, Mining Environmental Compliance Section, NMED

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

Bureau.

RE: Request for Review and Comment, Minimal Impact New Mining Operation Renewal Application, U-Mate Mine, U-Mate International, Inc., McKinley County, New Mexico, Mining Act Permit No. MK010MN

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.

<u>Details</u>

U-Mate International requests a new mine permit in McKinley County. The applicant will surface mine for humate. Mined material will be crushed on site and shipped. The operation qualifies for a minimal impact mining permit.

The applicant may need an air quality permit for processing of the material.

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, suffer or 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."

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:

RE: Request for Review and Comment, Minimal Impact New Mining Operation Renewal Application, U-Mate Mine, U-Mate International, Inc., McKinley County, New Mexico, Mining Act Permit No. MK010MN

Page 2

"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 Standard 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:

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.

RE: Request for Review and Comment, Minimal Impact New Mining Operation Renewal Application, U-Mate Mine, U-Mate International, Inc., McKinley County, New Mexico, Mining Act Permit No. MK010MN

Page 3

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

Recommendation

The Air Quality Bureau recommends applicant consult with the bureau to evaluate an air quality permit need for this facility before starting operation.

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

If you have any questions, please contact me at 505 629 6186



MEMORANDUM

DATE: May 16, 2022

- TO: Anne Maurer, Mining Environmental Compliance Section, Ground Water Quality Bureau, New Mexico Environment Department
- THROUGH: Shelly Lemon, Chief, Surface Water Quality Bureau, New Mexico Environment Department
- FROM: Emily Toczek, Watershed Protection Section, Surface Water Quality Bureau, New Mexico Environment Department

Levi Dean, Point Source Regulation Section, Surface Water Quality Bureau, New Mexico Environment Department

SUBJECT: Request for Review and Comment, Minimal Impact New Mining Operation Renewal Application, U-Mate Mine, U-Mate International, Inc., McKinley County, New Mexico, Mining Act Permit No. MK010MN

On April 26, 2022 the Surface Water Quality Bureau (SWQB) received a request for comments regarding the above referenced application. U-Mate International Inc. proposes to mine humate from the surface by utilizing earth moving equipment, without the use of chemicals or explosives or deep mining on private land owned by Gamerco Associates/Gallup Land Partners LLC in McKinley County, near Gallup, New Mexico at the approximate latitude and longitude 35.553166° North, -108.850917° West. The proposed total disturbance area is 11 acres including 10 acres of a pit or quarry and 1 acre of a stockpile. Humate extraction will occur in the NE ¼ of Section 10, T15N, R19W and the SW ¼ Section 3, T15N, R19W. Humate processing will occur in the NW ¼ of the NE ¼ of Section 10, T15N, R19W. Pursuant to the regulations for Minimal Impact Operations at 19.10.3 New Mexico Administrative Code (NMAC), SWQB provides the following comments.

The permit area includes portions of Burned Death Wash and Defiance Draw which are both tributaries of the Puerco River. Burned Death Wash and Defiance Draw at this location are subject to 20.6.4.98 NMAC (State of New Mexico Standards for Interstate and Intrastate Surface Waters) and have designated uses for livestock watering, wildlife habitat, marginal warmwater aquatic life and primary contact. To protect and maintain surface water quality standards, SWQB recommends the following:

- Appropriate spill clean-up materials, such as absorbent pads, must be available on-site at all times during road construction, site preparations, and drilling activities to address potential spills. Report all spills immediately to the NMED as required by the New Mexico Water Quality Control Commission Regulations (20.6.2.1203 NMAC). For non-emergencies during normal business hours, call 505-428-2500. For non-emergencies after hours, call 866-428-6535. For emergencies only, call 505-827-9329 twenty-four hours a day (New Mexico Department of Public Safety).
- Pressure wash and/or steam clean all mobile equipment used in the project area before the start of the project and inspect daily for leaks. Keep a written log of inspections and maintenance activities.

U-Mate International, Inc., Permit No. MK010MN Page 2 of 3

- Comply with the guidelines described in the Bureau of Land Management "Gold Book"¹ for the use of overland travel and site selection, design, and construction of well pads, reserve pits, and roads. Suspend construction, maintenance activities, or off-road travel during periods when the soil is too wet to adequately support heavy equipment without causing surface disturbance. The operator should commit to repair any surface disturbance they caused.
- Set back roads, pads, and other facility structures a minimum of 100 feet from any watercourses, including springs, wetlands, and arroyos.
- Implement Best Management Practices (BMPs) to prevent or mitigate direct impacts to watercourses, including springs, wetlands, and arroyos. For temporary surface disturbances during exploration and reclamation activities, implement erosion control measures that are designed, constructed and maintained using professionally recognized standards (e.g., Natural Resource Conservation Service standards or the Bureau of Land Management "Gold Book").
- Ensure that stormwater entering the project area ("run-on") is diverted from soil storage piles and place piles uphill of excavations when possible.
- Activities within watercourses or wetlands may require coverage under a Clean Water Act Section 404 permit. If you have questions about this permitting, please contact:

US Army Corps of Engineers, Albuquerque District Regulatory Division 4101 Jefferson Plaza NE Albuquerque, New Mexico 87109-3435 Ph: 505-342-3678

 Facilities, including certain mining operations, that discharge stormwater or have the potential to discharge stormwater into the waters of the United States may require an individual or general permit under Section 402 of the Clean Water Act (National Pollutant Discharge Elimination System Program). The permittee must submit the appropriate application to the U.S. Environmental Protection Agency (EPA) prior to initiating activities that may result in a discharge.

The Multiple Sector General Permit (MSGP) coverage determination depends on a facility's Standard Industrial Code (SIC) and the potential to discharge to a water of the U.S. The MSGP coordinator for EPA Region 6 is Nasim Jahan, (jahan.nasim@epa.gov) 214-665-7522. The 2021 MSGP requires that all covered facilities file a Notice of Intent (NOI) through the CDX system (https://cdx.epa.gov/Help).

For additional information, contact:

EPA Region 6 1201 Elm St. Dallas, Texas 75202 Ph: 800-887-6063 or 214-665-2760 if calling from outside Region 6

If you have questions about NPDES or MSGP coverage in New Mexico please contact Levi Dean, NMED-SWQB, at (505) 365-3337 or <u>levi.dean@state.nm.us</u>.

¹ <u>https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/operations-and-production/the-gold-book</u>

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Regulations for ground and surface water protection at 20.6.2.1201 NMAC require any person intending to make a new water contaminant discharge to file a notice of intent to discharge with the Ground Water Quality Bureau (<u>https://www.env.nm.gov/gwqb/</u>; 505-827-2900) for discharges that may affect groundwater and/or with the Surface Water Quality Bureau (<u>https://www.env.nm.gov/swqb/</u>; 505-827-0187) for discharges that may affect surface water. Based on the information provided in the notice of intent, the appropriate Bureau will notify the Project Proponent if a discharge permit is required.

For questions related to these comments, please contact Emily Toczek, SWQB, at 505-819-8074.