

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT MINING AND MINERALS DIVISION (MMD)

PUBLIC HEARING

NOVEMBER 2, 2022

CUNNINGHAM HILL MINE
PERMIT REVISION 20-1 APPLICATION
PERMIT NO. SF002RE

UPDATE TO THE CLOSURE/CLOSEOUT PLAN
& PIT WAIVER REQUEST

WWW.EMNRD.NM.GOV/MMD

CARMEN ROSE, PERMIT LEAD
CARMEN.ROSE@EMNRD.NM.GOV

JERRY SCHOEPPNER, PG, DIRECTOR
EMNRD.MMD2@EMNRD.NM.GOV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

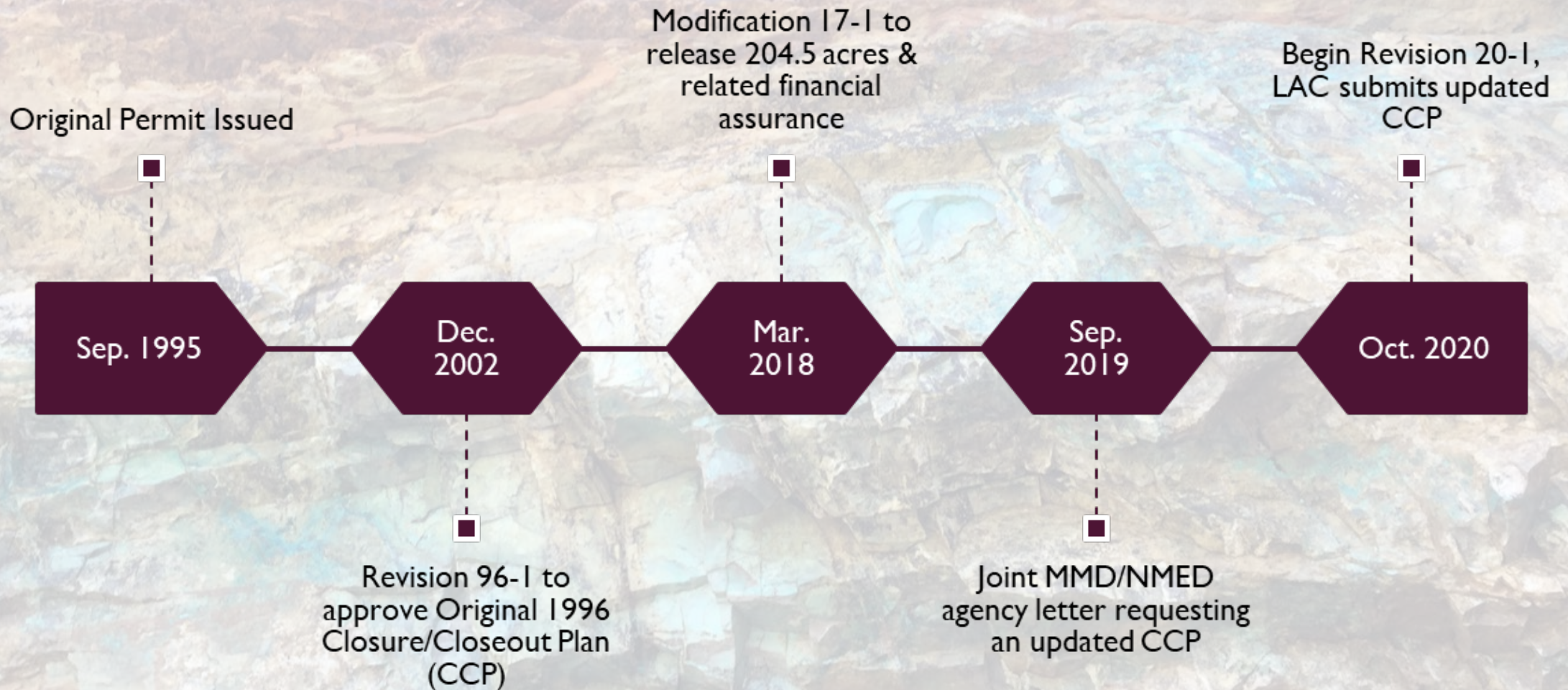
PURPOSE OF THE PUBLIC HEARING

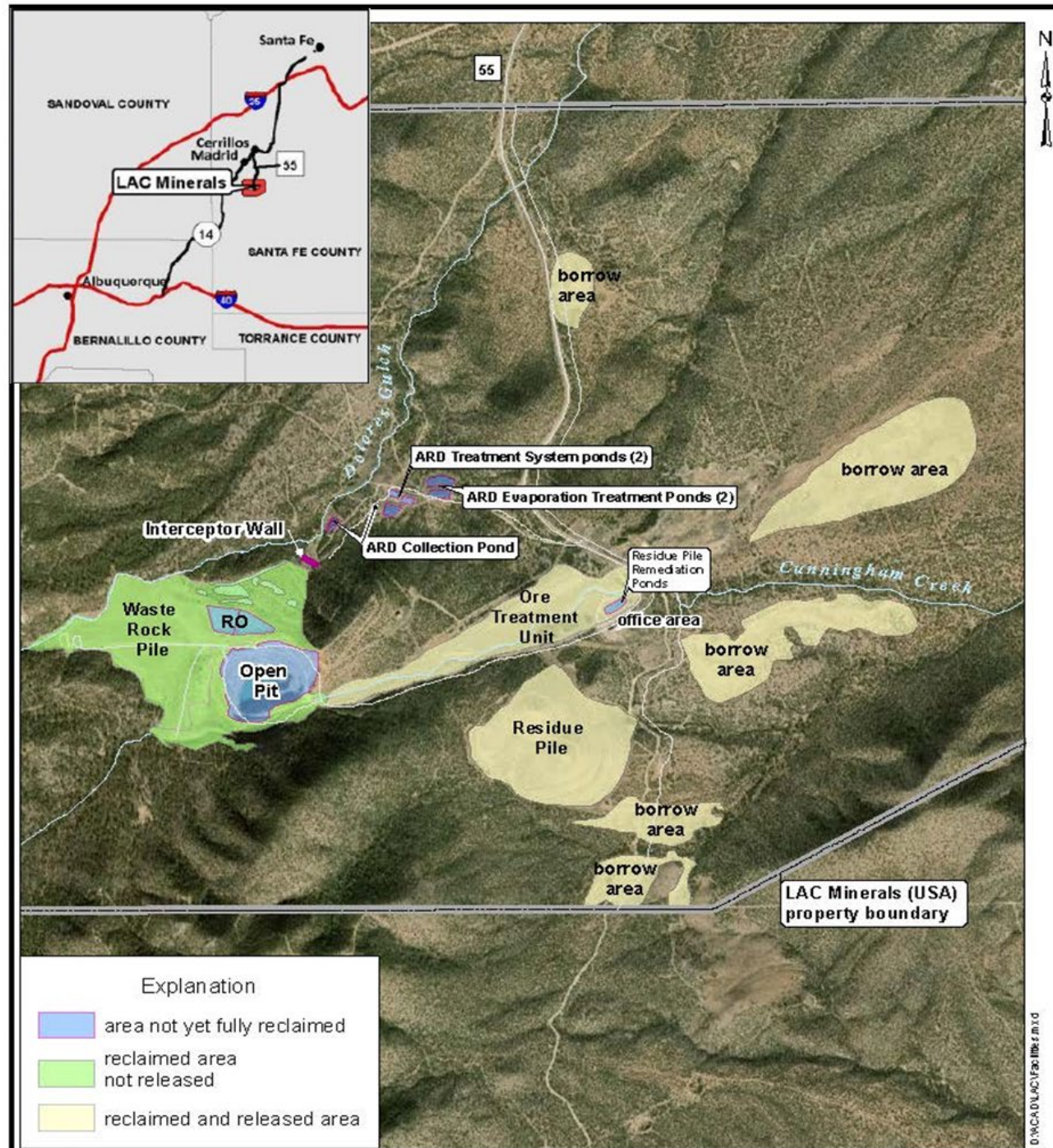
- The MMD requirements for holding a Public Hearing are listed in Part 9 of the NM Mining Act Rules (19.10.9.904 NMAC)
- A Public Hearing was requested by members of the public
- MMD will consider public comments from the Public Hearing in its review of the Permit Revision 20-1 Application (updated CCP and pit waiver request)
- The New Mexico Mining Act Rules can be found at:
<https://www.srca.nm.gov/chapter-10-non-coal-mining/>

PURPOSE OF THE PUBLIC HEARING (CONT.)

- **MMD** will describe its process to review the Cunningham Hill Closure/Closeout Plan (CCP) and pit waiver request in accordance with the New Mexico Mining Act Rules
- **LAC Minerals LLC** will present information on the proposed update to the CCP and pit waiver request
- A representative from **Friends of Santa Fe County** will testify
- **The public** will ask questions and comment on the proposed CCP and pit waiver request

CUNNINGHAM HILL PERMITTING HISTORY

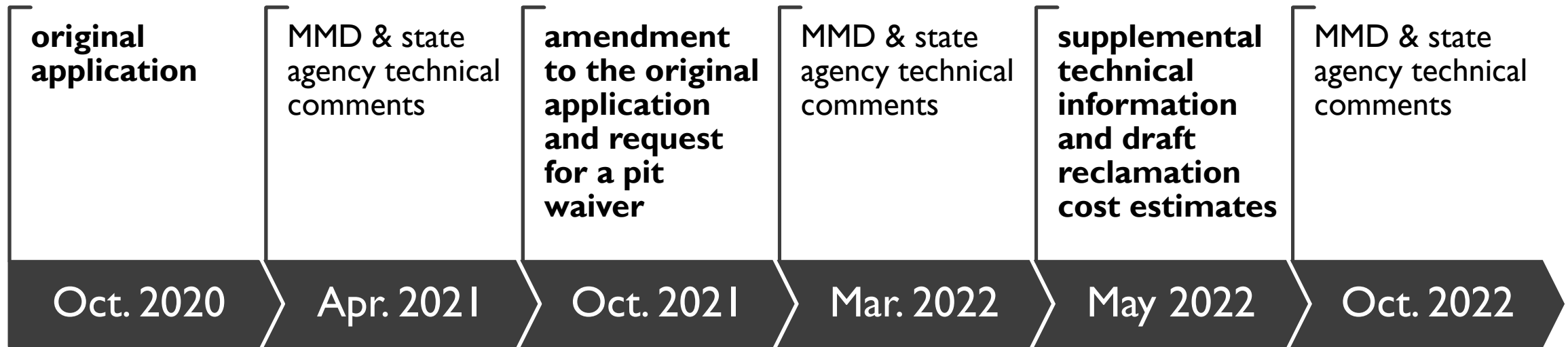




Source: Figures 2 & 3, JSAI October 12, 2021 CCP

PERMIT REVISION 20-1 APPLICATION

- Permit Revision Considerations: significant environmental impact, significant increase to the financial assurance (FA), and/or significantly departs from the nature or scale of the permit
- This Application includes:
 - Closure/Closeout Plan & FA Cost Estimate
 - Pit Waiver Request
 - Proof of public notices, permit application fee, any additional information as requested by the Director



REVISION 20-1 APPLICATION TIMELINE

SF002RE LAC Minerals Cunningham Hill
LAC Minerals (USA), LLC
Gold, Santa Fe County

2022-10 Agency Comments

2022-10 Agency Comments – Conditional Approval

2022-09 LAC Response to Comments

2022-09 Notice of Public Hearing

2022-08 LAC Response to Comments

2022-08 LAC Response to Comments

2022-07 Agenda for Open House

2022-06 Request for Agency Review of LAC Response to Comments

2022-05 LAC Responses to Comments, Bench Workplan Design, Technical Drawings

2022-03 Approval of Time Extension

2022-03 Request for Time Extension

2022-03 Technical Comments

2021-11 Responses to Requests for Public Hearing

2021-11 Requests for Public Hearing

2021-11 Public Notice Documentation

2021-10 Revised Closure/Closeout Plan, Revision 20-1

2021 Email Addressing Technical Comment

2014 Status Report for Pit Remediation

2011 Revised Remediation Plan

2021-09 Approval of Time Extension

2021-09 Request for Time Extension

2021-06 Approval of Timeline Modification

2021-05 Response to Comments

2021-04 MMD and Agency Comments

2021-03 2nd Notice Administratively Complete

2021-02 2nd Public Notice

2020-10 Request for Agency Comments

2020-10 1st Public Notice

2020-10 Administratively Complete

2020-10 Closure/Closeout Plan, Revision 20-1

PERMIT REVISION 20-1 INFORMATION

CUNNINGHAM HILL PERMITTING INFORMATION:

[HTTPS://WWW.EMNRD.NM.GOV/MMD/MINING-ACT-RECLAMATION-PROGRAM/PENDING-AND-APPROVED-MINE-APPLICATIONS/MINING-APPLICATIONS-REGULAR-EXISTING/SF002RE-LAC-MINERALS-CUNNINGHAM-HILL-REVISION-20-1/](https://www.emnrd.nm.gov/mmd/mining-act-reclamation-program/pending-and-approved-mine-applications/mining-applications-regular-existing/sf002re-lac-minerals-cunningham-hill-revision-20-1/)



MMD RECLAMATION REQUIREMENTS

- LAC is required to reclaim the site to a self-sustaining ecosystem and/or an appropriate post-mining land use (19.10.5.507 NMAC)
- Self-Sustaining Ecosystem (SSE) – the goal of reclamation; site-specific, life-zone appropriate
- Post-Mining Land Use (PMLU) – beneficial or multiple uses established in permit area after mining
 - Approved PMLU's for Cunningham Hill: wildlife habitat and industrial use (office building)

PIT WAIVER APPLICATION

- LAC is proposing to maintain their PMLU of wildlife habitat for all remaining areas except for the open pit
- An application for a pit waiver is allowed under 19.10.5.507.B if reclamation is considered “technically or economically infeasible or is environmentally unsound”
- LAC must demonstrate that obtaining a pit waiver will result in:
 - Compliance with all federal and state laws
 - Compliance with applicable environmental regulations and standards
 - No risk to human health or safety

PROPOSED SURFACE RECLAMATION COST ESTIMATE*

- Based on the Cost Estimate proposal for a Third-Party Contractor to complete the reclamation or closeout plan in the case of forfeiture (19.10.12.1201.A NMAC)

Direct Costs				
Description	Labor	Equipment	Materials	Total
Earthwork/Recontouring	95,801	157,280	6,101	259,182
Revegetation/Stabilization	2,892	1,024	2,853	6,769
Disposal of Wastes	5,349	14,802	-	20,151
Structure, Equipment and Facility Removal	94,477	25,941	134,250	254,668
Monitoring	108,084	15,906	34,099	158,089
Construction Management & Support	35,145	14,361	-	49,506
Mob/Demob	-	85,094	-	85,094
Direct Costs Total	\$ 341,748	\$ 314,408	\$ 177,303	\$ 833,459

Indirect Costs	
Description	Total
Engineering, Design and Construction	66,677
Contingency	66,677
Insurance	5,126
Performance Bond	25,004
Contractor Profit	83,346
Contract Administration	83,346
Indirect Costs Total	\$ 330,176

Grand Total \$1,163,635

*** Subject to change based on additional comments**

NEXT STEPS: PUBLIC HEARING

- MMD will consider public comments from the Public Hearing in its review of the Permit Revision 20-1 Application (updated CCP and pit waiver request)
- Written comments may be submitted until a date announced by the Hearing Officer

NEXT STEPS: PROCESSING REVISION 20-1

- Ongoing **technical review** of the updated CCP and pit waiver request (including review by other state agencies) (19.10.5.506 NMAC)
- New Mexico Environment Department (NMED) **Environmental Determination** on CCP (19.10.5.506.J(5) NMAC) *stating that the application 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*
- MMD Director determines whether the Permit Revision 20-1 Application is **“Technically Approvable”**
- **Financial Assurance (FA)** proposal

PERMIT DOCUMENT

- The Permit document will include conditions and contingencies to address site-specific environmental concerns, monitoring and maintenance of the reclamation, reclamation timelines, and public health and safety
- Permit will be reviewed and modified every five years to adjust for changes in the reclamation plan, financial assurance, etc.



QUESTIONS