

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd Leahy, JD, PhD
Deputy Cabinet Secretary

Mike Tompson, Acting Director
Mining and Minerals Division



January 19, 2023

Ms. Sherry Burt-Kested, Manager
Freeport-McMoRan Chino Mines Company
Environmental Services
P.O. Box 10
Bayard, NM 88023

RE: Technical Comments on North Lampbright Leach Stockpile Closure/Closeout Plan, Modification 22-1, Chino Mine, Grant County, New Mexico, Permit No. GR009RE

Dear Ms. Burt-Kested:

The Mining and Minerals Division (“MMD”) has reviewed the *North Lampbright Leach Stockpile Extension – Closure/Closeout Plan* (“CCP”), dated April 2022, and received on August 19, 2022. Additionally, MMD requested technical comments from the New Mexico Environment Department (“NMED”) in accordance with 19.10.5.505.B(3) NMAC, which were received by MMD on December 13, 2022, and are attached to this letter.

Please address the comments from NMED and the following comments from MMD:

1. Section 2.2.6 Cover Material Characteristics – MMD appreciates FMI’s commitment to soil salvage in new areas of disturbance. For this project, FMI estimates that approximately 97,000 to 145,000 cubic yards of soil could be salvaged. In order to keep track of this valuable reclamation material, please identify an anticipated location for the stockpiling of salvaged material.
2. The Earthwork Cost Estimate for the North Lampbright Waste Rock Stockpile (Telesto, Solutions, Inc., dated January 2016) included a stormwater channel along the north edge of the stockpile at closure to prevent run-on to the reclaimed surface. This stormwater channel ties into the operational channel proposed at the far northeast of the stockpile/leach pile. This run-on stormwater channel does not appear to have been included in the closure design or cost estimate for the leach stockpile CCP. Please clarify this difference in design.

RE: Technical Comments on North Lampbright Leach Stockpile Closure/Closeout Plan,
Modification 22-1, Chino Mine, Grant County, New Mexico, Permit No. GR009RE

January 19, 2023

Page 2

3. Several of the costs used in the CCP appear a little outdated (e.g. fuel costs based on 9/02/21, labor rates from 2021, escalation of unit costs from Rocky Mountain Reclamation, etc.). However, MMD agrees that the amount of financial assurance provided for the North Lampbright Waste Rock Stockpile (~\$3.5M) exceeds the amount estimated for the North Lampbright Leach Stockpile at year five of construction (~\$2M). Costs for leach stockpile reclamation shall be re-addressed at renewal of the site-wide Chino CCP in the year 2025.

If you have any questions, please feel free to contact me at (505) 372-8634 or by email at david.ennis@emnrn.nm.gov

Sincerely,



David J. (DJ) Ennis, P.G., Permit Lead
Senior Reclamation Specialist
Mining and Minerals Division

cc: Mine File (GR009RE)

att: NMED Memorandum dated December 13, 2022



Electronic Transmission

MEMORANDUM

Date: December 13, 2022

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

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

From: Jordan Anderson, MECS
John Moeny, Surface Water Quality Bureau (SWQB)
Sufi Mustafa, Air Quality Bureau (aqb)

Subject: **New Mexico Environment Department (NMED) Comments, Freeport-McMoRan (FMI) Chino Mine, North Lampbright Leach Stockpile Closure/Closeout Plan (CCP), FMI Chino Mines Company, Grant County, New Mexico, New Mexico Mining Act Permit No. GR009RE**

The New Mexico Environment Department (NMED) received correspondence from the Mining and Minerals Division (MMD) on September 28, 2022, requesting that NMED review and provide comments on the above-referenced MMD permitting action. Pursuant to the Mining Act, this is a regular existing mine. MMD requested comments on the application within 60 days of receipt of the request for comments. NMED requested an extension to submit comments by December 15, 2022. NMED has the following comments.

Background

MMD received a document titled *“North Lampbright Leach Stockpile Extension – Closure/Closeout Plan”* (Plan) from FMI Chino Mines Company (Permittee) dated April 2022. This Plan was submitted to MMD to demonstrate that the amount of financial assurance in place for the previously permitted North Lampbright Waste Rock Stockpile was sufficient to also cover the costs associated with the proposed conversion of the waste rock stockpile to a leach stockpile.

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)

MECS has the following comments:

1. The CCP, dated April 2022, was submitted to the MECS on August 19, 2022. It is included as part of the Ground Water Discharge Permit modification application (application) for the DP-376 renewal and modification dated October 21, 2021 and supplemented with additional information on May 31, 2022 and July 8, 2022. Technical review of the application pursuant to the Water Quality Act (WQA) and the Water Quality Control Commission (WQCC) Regulations, including the Copper Mine Rule (20.6.7 NMAC), is currently in progress. MECS expects to have additional comments based on technical review of the application and associated operational, monitoring and closure plans, including the CCP. As such, any additional comments on the application and CCP will be submitted under separate letterhead directly to Freeport-McMoRan Chino Mines Company with copy to MMD.
2. Section 2.2.5 of the CCP states, "The existing PLS Sumps, 1, 2 and 3 will be replaced by a new collection Pond at or near the existing Fleming Pond to the west of the proposed NLLS." According to the *North Lampbright Leach Stockpile Design Report* by Golder Associates, dated October 7, 2021, Lampbright Sumps 1, 2, and 3 will be incorporated into the West Underdrain as part of NLLS foundation construction. PLS that reports to these sumps from the Main Lampbright Leach Stockpile will be collected through the West Underdrain and will first report to the proposed West Underdrain Sump. According to *Chino's Response to NMED's RAI dated March 2022 for DP-376 Renewal and Modification* dated May 31, 2022, Fleming Pond will be referred to as Fleming Pond 2 after it is converted into a PLS collection impoundment. Fleming Pond 2 will be the primary PLS collection impoundment for NLLS and will receive PLS through a series of collection pipes constructed above the NLLS foundation. These discrepancies in the submittals noted above should be resolved.
3. Section 2.2.6 of the CCP states, "Ripping tests conducted by Chino indicated that the materials can be worked to produce a viable cover material. Chino currently has a test plot program of the Rubio Peak material and the annual assessment also indicates the viability of this material for reclamation." Chino should provide citations for the most recent annual assessment(s) and results from the ripping tests.
4. Section 3.0 of CCP states, "The stockpile will cover approximately 120 acres and is bounded by the Fleming Pond on the west, the Main Lampbright Stockpile to the south, and the East Headwall

Mr. Holland Shepherd
FMI Chino Mine
December 13, 2022

Impoundment on the east.” The current DP-376 indicates the North Lampbright Waste Rock stockpile footprint is 187 acres and *North Lampbright Leach Stockpile Design Report* by Golder Associates dated October 7, 2021 also indicates the NLLS footprint will be 187 acres. This discrepancy should be clarified.

5. It is not clear to NMED whether Fleming Pond 2 and the West Underdrain sump will be reclaimed or utilized post-closure.
6. Appendix A Earthwork Cost Estimate Summary Report refers to a “Frog Pond”. Please clarify if this is referring to Fleming Pond 2 referenced in *Chino’s Response to NMED’s RAI dated March 2022 for DP-376 Renewal and Modification* dated May 31, 2022. The CCP as approved for the North Mine Area in DP-1340 indicates Fleming Pond will be reclaimed at closure.
7. The August 16, 2016 Golder report titled, “Determination of Reclamation Cover Material Water Holding Capacity – Chino North Mine Area,” describes the water holding capacity estimation in Section 3.4. Please note that NMED will not consider final approval of proposed reclamation cover material, including the Rubio Peak Formation, until a demonstration or justification that 100 cm is representative of field capacity for site-specific material is provided.

NMED Summary Comment

Additional information is needed prior to NMED finding that the CCP as proposed 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 Anne Maurer at (505) 660-8878.

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