

State of New Mexico
Energy, Minerals and Natural Resources Department

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Mining and Minerals Division



Electronic Transmission

October 27, 2023

Frank Bain, Geologist
Lordsburg Resources, Inc.
2425 Chof Trail
Flagstaff, AZ 86005

**RE: Agency Review Comments and Request for Additional Information,
Lordsburg Playa Lithium Exploration Project,
Modification 23-1 Permit No. HI018EM – Hidalgo County, New Mexico**

Mr. Bain:

The New Mexico Mining and Minerals Division (MMD) has reviewed the Permit Application Package (PAP), for Modification 23-1 and renewal of a minimal impact exploration permit for the Lordsburg Playa Lithium Exploration Project, submitted by Frank Bain (Permittee), under Subpart 3 of the New Mexico Mining Act Rules (Rules). The PAP consists of the July 10, 2023 Application and your August 7, 2023 responses to MMD's July 31, 2023 comments.

On September 6, 2023, MMD determined the Application to be administratively complete and sent request for comment letters to state and federal agencies. MMD granted extensions of time request to multiple agencies, and MMD received agency comments by October 20, 2023.

Enclosed with this letter are the reviewing agency comment letters submitted by the following state agencies: the New Mexico Environment Department (NMED), the New Mexico Office of the State Engineer (NMOSE), the New Mexico Department of Game and Fish (NMDGF), and the New Mexico Department of Cultural Affairs - Historic Preservation Division (NMDCA/HPD), New Mexico State Forestry Division (NMSFD) and the New Mexico Department of Transportation (NMDOT). Because this exploration project is proposed to take place on Federal Bureau of Land Management (BLM) lands, Permittee is required to follow the approved BLM Plan of Operations in conjunction with MMD's Minimal Impact Exploration Permit (Permit). Access to the project site crosses New Mexico State Lands (NMSLO), so NMSLO was asked to comment. Additionally, please find comments from MMD based on review of this application.

MMD reviewed the PAP found it to be *technically incomplete* pending receipt of acceptable responses including supplemental information identified in this letter.

MMD Comments:

1. Page 14, Section 6.C: Since Modification 23-1 is also a renewal, MMD will place similar conditions to the previous Permit, which includes providing MMD with NMOSE well drilling permit, plugging plan of operation and NMOSE plugging records.
2. Pages 16 & 18, Section 7.A, 7.B and Section 7.D: Application states, “*No topsoil is present. Only dry lake playa sediments that does not support vegetation...No erosion possible at drill locations because of flat topography...no seeding of the reclaimed areas...Activities will take place on essential barren or sparsely vegetated salty playa lakebed surfaces, alluvial gravels and sand dunes.*” As conditioned in the previously issued Permit, MMD will require revegetation by seeding and mulching of drill pads, mud pits and overland roads because of the concerns about erosion.
3. Financial Assurance: Joint Financial Assurance (FA) will be held with BLM on this project because the project takes place on BLM property. Please refer to 19.10.12.1203 NMAC for approved forms of FA. Once you decide which mechanism you would like to use, we can move forward with that paperwork and replace the existing FA held as a cashier’s check held only by BLM. Below is the proposed FA for this project with calculations.

**Cost Estimate: Minimal Impact Exploration Project
Lordsburg Playa Modification 23-1 HI018EM**

Subsurface Plugging and Abandonment Financial Assurance

\$ Cost/Ft.	Ft.	Number of Holes*	Total
17	500	1	\$8,500

Surface Reclamation Financial Assurance

Category	\$Cost/Acre	Number of Acres	Total
First acre or less	8900	1	\$8,900
Additional acres	4900	2.25	\$11,025

Total FA (\$) \$28,425

*Phased approach for 6 boreholes requires plugging record sent to MMD for approval before drilling next borehole. Otherwise, bonding for the entire project’s six boreholes/surface would require \$70,925

Please respond to the MMD comments and attached comments from NMED, NMOSE, NMDGF, NMDCA/HPD, NMSFD, NMDOT, BLM and NMSLO within 30 days of receipt of this letter. Should you have any questions, comments, or require additional information concerning this letter or any enclosures, please call (505) 490-0726, or email kevin.myers@emnrd.nm.gov.

Sincerely,



Kevin C. Myers, Hydrologist
Permit Lead, HI018EM
Mining Act Reclamation Program (MARP)
New Mexico Mining and Minerals Division

RE: MMD and Agency Comments on Revision 23-1 HI018EM
October 27, 2023
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Enclosures:

September 6, 2023 email response from BLM to MMD
September 13, 2023 letter from NMDCA/HPD to MMD
September 15, 2023 letter from NMDOT to MMD
September 25, 2023 letter from NMSFD to MMD
October 5, 2023 letter from NMDGF to MMD
October 6, 2023 letter from NMOSE to MMD
October 17, 2023 letter from NMED (includes AQB, SWQB and MECS) to MMD
October 20, 2023 letter from NMSLO to MMD

CC: DJ Ennis, Program Manager, MARP/MMD
Carmen Rose, Supervisor, MARP/MMD
Mine File (HI018EM)

DRAFT