

State of New Mexico
Energy, Minerals and Natural Resources Department

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Mining and Minerals Division



September 3, 2024

Todd Whitacre
Imerys Perlite USA, Inc.
150 East Main, Suite 320
Femley, NV 89408

RE: Closeout Plan 23-1 Resubmission under Revision 24-1 No Agua Mine, Permit No. TA005RE

Dear Mr. Whitacre,

The New Mexico Mining and Minerals Division (MMD) received an application to Revise Permit No. TA005RE No Agua Mine on July 25, 2023, from Imerys Perlite USA Inc. (Imerys) titled, "No Agua Mine Closeout Plan Update" (Application). The Application, assigned Revision 23-1 by MMD, proposed to update the 5-year Closeout Plan.

On July 10th, MMD and Imerys met at the mine site to discuss Imerys submitted response to MMD's Technical comments. During this meeting it was determined that Imerys' and MMD had different understandings of the Closeout Plan process. It is MMD's decision to request that Imerys re-submit their Closeout Plan and associated Financial Assurance with a 5-year "snap shot" parameter in mind, which is MMD's standard practice for Closeout Plans. MMD will be assigning a new revision number for this submission, 24-1, the previous submission 23-1 will be considered retired please update documents accordingly. For this iteration of the Closeout Plan, Imerys should target the mine's configuration in 2030 and build a Closeout Plan around that configuration. The Closeout Plan will then be updated approximately every 5 years. As discussed in the July 10th meeting, MMD agrees that creating a goal end date, including monthly meetings, is the best way to move forward in this process.

As discussed, the Closeout Plan should be a basic framework for MMD to implement reclamation if needed. Given this, MMD needs significantly more details about the scale and scope of reclamation activities. To date Imerys has provided broad scope concepts, however; the plan as a whole is lacking in quantitative technical designs. As discussed Closeout Plans are analogous to a 30% construction design, versus a generalized concept. See MMD's framework for moving forward on the 5 year Closeout Plan (Revision 24-1).

Goals of the 2025-2030 Closeout Plan (24-1)

- MMD will continue to offer guidance through monthly meetings to address any questions or comments.
- Goal completion date of January 2025.

MMD is requiring the following components of the Closeout Plan to include (See also the enclosed MMD Closeout Plan guideline):

- Past and current mining
 - Imerys has provided historical data on previous disturbance, MMD is needing more details on current mining practices on site.
 - Examples include backfilling of West Hill as overburden dump and more details on watershed configuration of site.
 - Need an updated disturbance map and calculated acreage.
- Hydrology
 - To include: size, shape, and volumes of the retention structures.
 - Provide detailed descriptions of implemented diversions and erosion control structures planned to stabilize the site.
 - Include features to ensure the pit basins will collect site run off.
 - Possible updated Storm Water Pollution Prevention Plan.
 - Topographic map describing surface hydrology
- Soils
 - MMD is needing to verify that Imerys has the quantity and quality of material needed for appropriate backfill, recountouring, and cover materials. (Materials handling plan)
 - Provide methods and sampling plan for suitable materials/borrow material needed.
- Revegetation/Test Plot Program
 - Historic Test Plot program including soil testing report.
 - Parameters/testing variables of the Test Plot program
 - Account for needed borrow volume for the entire mine site.
 - The test plot program is Imerys' opportunity to build a robust test for the best path forward for reclamation. This plan must address a component of reclaimed 3:1 slopes.
- Erosion Control
 - Topographic maps for the plan must address surface configuration at the 5-year projection.
 - Methods used to remediate erosion and prevent material from running off of site. To date Imerys indicates that methods will be implemented on a "as needed" basis and provides no integrated plans for structures in their current plan. MMD observed erosion features already present and requests that Imerys

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take a more proactive approach to prevent erosion from occurring and minimize future remediation.

- See also Hydrology, MMD is needing Imerys to perform Water modeling to ensure that BMPs/structures are suitable for mitigating erosion control.
- Significant areas of the mine site will need to be re-countoured to the 3:1 slope, include mapping to show areas to be re-countoured. This component is important to calculate material quantity needed for back fills.
- Include detailed flow characteristics and evaluations of channels needing reconstructions and stabilization.
- Preliminary Slope Stability Report
 - Slope Stability work plan will still be required at a later date.
- Financial Assurance/Cost estimate
 - An updated cost estimate has been needed for some time. Essential components of this cost estimate have been lacking making providing this estimate difficult.
 - FA should be calculated off the the cost to reclaim the mine site for the highest year of disturbance between 2025-2030.

As the Permitte is responsible for providing all reclamation information necessary to process this Closeout Plan; MMD strongly encourages the use of consulting services from firms familiar with MMD's Closeout Plan requirements.

By issuing this letter MMD approves retiring Revision 23-1 and requests Imerys submit the 24-1 Closeout Plan with in 60 days of receipt of this letter. Please confirm a date between October 1st and October 31st for the first meeting to discuss this resubmittal process.

If you have any questions, please contact me at (505) 216-8945, or email samantha.rynas@emnrd.nm.gov.

Sincerely,



Samantha Rynas, Permit Lead
Mining Act Reclamation Program ("MARP")
Mining and Minerals Division

CC: DJ Ennis, Program Manager, MARP/MMD
Clint Chilser, Reclamation Specialist Supervisor, MARP/MMD
Mine File (TA005RE)

Enclosures:

1. MARP Closeout Plan Guidelines