State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Erin Taylor
Acting Cabinet Secretary

Toby Velasquez
Acting Deputy Cabinet Secretary

Anna Aquilera
Division Director
Mining and Minerals Division

Electronic Transmission

November 3, 2026

Simon Stickroth
Bronco Creek Exploration
1815 E. Winsett St.
Tucson, AZ 85719

RE: Comment Letter, Hachita BCE Project, Minimal Impact Exploration Permit Application, Permit No. HI027EM

Dear Mr. Stickroth,

Pursuant to19.10.3.302 G. NMAC, the New Mexico Mining and Minerals Division (MMD) has the following comments on the Hachita BCE Application submitted by Bronco Creek Exploration on September 1, 2026 in Hidalgo County New Mexico.

MMD Comments

1. Include a land status map of the same scale as Exhibit B.
2. Section 4 C states that all drill pads will be overland, then states that they will require grading/blading. From MMD's experience drilling operations of this scale will leave drill pads in a state that does not qualify as overland.
3. Section 4 C: Please explain the necessity for 40'x20'x10' mud pits. This is larger than MMD is usually seen proposed for this type of operation.
4. Section 6 D: Due to the likelihood of encountering water at the depths being drilled MMD will require all holes to be abandoned as Wet Holes per OSE guidance and 19.10.3.302 L. NMAC
5. Section 7 A: At a minimum the top 6 – 12 in. of soil removed should be segregated from deeper soils and used as a topdressing during reclamation.
6. Per 19.10.3.302 I. 5 NMAC and MMD's *Guidance for Estimating Reclamation Costs*, boreholes abandonment Financial Assurance (FA) is a minimum of $25/ft. with a minimum of two boreholes bonded at any time for a "rolling" FA option. Additionally, surface disturbance is $12,300 for the first acre and $6,800 for any remaining bonded acres in a project. Please submit a new Cost Estimate for the project.
7. Confirm whether 14 or 15 drill pads are planned. Also it is unclear if the disturbance for the laydown yard is included in the total proposed disturbance of 4.3 acres.
8. Please re-submit disturbance calculations based off of conversations during the site visit regarding the repaired areas on the powerline ROW.

Additionally, please address comments from the following State and Federal Agencies.

- NM Historic Preservation Dept.
- NM Environmental Dept.
- NM Dept. of Wildlife
- NM Office of the State Engineer
- NM State Land Office

If you have any questions, please contact me at (505) 467-9589 or via e-mail at: clinton.chisler@emnrd.nm.gov.

Sincerely,



Clint Chisler, Permit Lead
Mining Act Reclamation Program (MARP)

cc: DJ Ennis, Program Manager, MARP

Mine File (HI027EM)

GOVERNOR
Michelle Lujan Grisham

DIRECTOR AND SECRETARY
TO THE COMMISSION
Michael B. Sloane

STATE OF NEW MEXICO
DEPARTMENT OF WILDLIFE

One Wildlife Way, Santa Fe, NM 87507

Tel: (505) 476-8000 | Fax: (505) 476-8180

For information call: (888) 248-6866

https://wildlife.dgf.nm.gov

STATE WILDLIFE COMMISSION

RICHARD STUMP
Chair
Santa Fe

FERNANDO CLEMENTE, JR.
Vice Chair
Sunland Park

DR. RICHARD W. ABERCROMBIE
Carlsbad

KYLE HARWOOD
Santa Fe

TIRZIO J. LOPEZ
Cebolla

DR. CHRISTOPHER C. WITT
Albuquerque

2 November 2026
Clint Chisler, Permit Lead
Mining Act Reclamation Program
Mining and Minerals Division (MMD)
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Minimal Impact Exploration Permit Application, Hachita BCE Exploration Project, Hidalgo County, New Mexico, Permit No. HI027EM; NMDOW No. NMERT-6561.

Dear Mr. Chisler,

The New Mexico Department of Wildlife (Department) has reviewed the proposed exploration project referenced above. Bronco Creek Exploration (BCE) is proposing to drill 20 exploration bore holes, to a maximum depth of approximately 4000 feet, from 15 drill pad sites. The project area is on Bureau of Land Management (BLM)-administered land in Township 28S, Range 16W, Sections 21, 28, and 29. The proposed exploration project is anticipated to disturb a total area of approximately 4.3 acres. Staff from the Department, New Mexico Environment Department, MMD, BLM, and BCE conducted a site inspection on 28 October 2026.

The permit application states that BCE will use mud/fluid drilling techniques. Mud pits create an entrapment hazard for both terrestrial and volant wildlife species and should be fenced and covered by solid metal, plywood, or netting to exclude birds and bats. If netting is used, the Department recommends extruded plastic, knit, or woven netting. Monofilament netting should never be used due to its tendency to ensnare wildlife, usually resulting in injury or death. Netting material must be held taught over a rigid and adequately supportive frame to prevent sagging into the mud pits. Mesh size for both fencing and netting should not be larger than three eighths of an inch to exclude smaller animals. The Department also strongly recommends that BCE considers using a closed-loop drilling system. Closed-loop systems eliminate the need to build fences, install netting, or use other materials to exclude wildlife from mud pits; reduce the amount of surface disturbance associated with the drill pad site; and consume significantly less water.

During drilling operations, it is also important to prevent wildlife from entering and becoming trapped in stockpiled drill pipes. Capping piping is the most effective way to prevent wildlife entry. At a minimum, the Department recommends that each section of pipe should be visually inspected prior to use to verify that wild animals are not inside.

To minimize the likelihood of adverse impacts to migratory birds, nests, eggs, or nestlings, the Department recommends that ground disturbance and vegetation removal activities be

conducted outside of the primary migratory bird breeding season of April 15-September 1. Breeding season may begin earlier for raptors or when working in low-elevation habitats such as deserts. If ground-disturbing and clearing activities must be conducted during the breeding season, the area should be surveyed for active nest sites (with birds or eggs present in the nesting territory) and avoid disturbing active nests until young have fledged. For active nests, establish adequate buffer zones to minimize disturbance to nesting birds. Buffer distances should be at least 100 feet from songbird and raven nests; 0.25 miles from most raptor nests; and 0.5 miles for ferruginous hawk (*Buteo regalis*), golden eagle (*Aquila chrysaetos canadensis*), peregrine falcon (*Falco peregrinus*), and prairie falcon (*Falco mexicanus*) nests. Active nest sites in trees or shrubs that must be removed should be mitigated by qualified, permitted biologists or wildlife rehabilitators. Department biologists are available to consult on nest site mitigation and can facilitate contact with qualified personnel. Removal of active nests of state-protected species may require a scientific collection permit; contact the Department's Wildlife Permits Manager at dgf.permits@dgf.nm.gov for more information. The Wild Take Unit at the USFWS, which issues take and relocation permits for migratory birds, can be reached at MBPermits_take@fws.gov.

The Department also recommends that, to the maximum extent feasible, large, mature cactus plants be left undisturbed during road and drill pad construction. Primary species that should be left undisturbed include barrel cactus (*Ferocactus sp.*), Palmer's agave (*Agave palmeri*), and Parry's agave *(Agave parryi)*. The agave plants are of particular importance for nectar-feeding bat species. Large cane cholla cactus *(Cylindropuntia imbricata)* that have cactus wren *(Campylorhynchus brunneicapillus)* nests in them should be left undisturbed. Also observed during the site inspection were large woodrat *(Neotoma* sp.*)* middens constructed from prickly-pear cactus *(Opuntia* sp.*)* and cane cholla cactus that should also be left undisturbed.

The application did not include a proposed native seed mix but stated that BCE will use a BLM-specified native seed mix for reclamation. The Department also recommends that only certified weed-free seeds be used to avoid inadvertently introducing non-native species to the reclamation site and that sterile non-native seed sources not be used. Any alternative plant species, used to substitute for 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 and suggests including seeds from a region that represents potential future climatic conditions at the site.

Thank you for the opportunity to review and comment on the proposed exploration project. If you have any questions, please contact Ron Kellermueller, Mining and Energy Habitat Specialist, at (505) 270-6612 or ronald.kellermueller@dgf.nm.gov.

Sincerely,

Virginia Seamster, Ph.D.
Assistant Chief for Technical Guidance
Wildlife Management Division, Ecological and Environmental Planning Section

cc: USFWS NMES Field Office

STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER
Hydrology Bureau

MMD REVIEW MEMORANDUM

DATE: October 14, 2026

TO: Clint Chisler, Permit Lead, Mining Act Reclamation Program (MARP), Mining and Minerals Division (MMD), Energy Mineral and Natural Resources Department (EMNRD)

Lloyd Valentine, District Manager, WRD District III, Deming, NM

THROUGH: Kamran Syed, Ph.D., Manager, Water Resources, Hydrology Bureau Chief

FROM: Mike Rosati, Lead Water Resources Professional, Hydrology Bureau

SUBJECT: Review and Comments on Permit No. HI027EM, Hachita BCE Project in Hidalgo County, NM

KEYWORD: Little Hatchet Mountains, Hachita, District III, MMD, Minimal Impact Exploration Application, Hidalgo County

ID: MMD_2026_010_ HI027EM

INTRODUCTION

On September 15, 2026, New Mexico Energy, Minerals, and Natural Resources Department (EMNRD) requested that the New Mexico Office of the State Engineer (NMOSE) Hydrology Bureau review and comment on the Mining and Mineral Division (MMD) Permit No. HI027EM Part 3 Minimal Impact Exploration Application for the Hachita Bronco Creek Exploration (BCE) Project. The application was submitted by Bronco Creek Exploration (applicant). The application materials were downloaded from HI027EM Hachita BCE Project - Mining and Minerals for review by the author.

The Bronco Creek Exploration Project is located within the Hatchita Range in Hidalgo County, New Mexico, within Sections 21, 28, and 29 of Township 28 South, Range 16 West, NMPM. The project proposes to drill twenty (20) exploration boreholes for mineral exploration purposes on fifteen (15) drill pads across 4.3 acres of the Bureau of Land Management (BLM) land. Each borehole is proposed to have an outside diameter of 2.5 inches and extend to a maximum depth of approximately 4,000 feet below ground surface (bgs).

COMMENTS

The NMOSE Hydrology Bureau has completed a review of the application and provides the following comments:

Available groundwater and hydrogeologic information should be incorporated into the application.
The application reports groundwater depth and TDS (Total Dissolved Solids) as "N/A" and states that "there are no known sources of information that could be used to determine depth of groundwater or TDS concentration." However, available NMOSE records and published investigations document groundwater conditions in and around Hachita Valley. Nearby NMOSE records include a 50-ft well with a reported water level approximately 20 ft bgs (HC-00004) and another nearby well identified as "Artesian" (HC-00006). Schwennesen and Hare (1918) documented groundwater levels and pressurized groundwater conditions within Hachita Valley, while Zeller (1970) reported historical exploration workings in the project vicinity that extended below the water table. The applicant should review and incorporate these and other reasonably available groundwater records when developing the WR-07[1], WD-08[2], and the associated drilling plans.

The WR-07 and WD-08 forms should be submitted to and reviewed by the OSE Water Rights Division prior to drilling boreholes that are anticipated to encounter groundwater.
The application identifies both forms as "No/Pending" and states that they "will be completed concurrently and after confirmation of a selected drilling contractor." Further drilling and plugging conditions may be required by OSE WRD following a review of these forms.

Cottonwood Spring and Livermore Spring should be identified and considered in the groundwater evaluation.
The application responds "No" to whether the project is "located in or is expected to have a direct surface impact on wetlands, springs, perennial or intermittent streams, lakes, rivers, reservoirs or riparian areas." However, two natural springs occur in close proximity to the proposed exploration area. Cottonwood Spring is approximately 0.34 miles southwest of HCH-P-03, while Livermore Spring is approximately 0.5 miles northeast of the proposed laydown yard and approximately 0.73 miles northeast of HCH-P-15 (Figure 1). Both springs are identified in the published geology of the Little Hatchet Mountains (Zeller, 1970). Although their proximity alone does not establish a hydraulic connection with the proposed boreholes or demonstrate a direct surface impact, the presence of natural groundwater-discharge features on different sides of the project area, together with nearby records of shallow and artesian groundwater, warrants their identification in the project materials and consideration when evaluating groundwater encountered during drilling.

The drilling plan should address the potential for artesian or flowing groundwater.
Although the application provides no estimate of groundwater depth, it anticipates encountering groundwater and specifically proposes a plugging method for boreholes encountering artesian groundwater. Nearby NMOSE records document artesian conditions, and Schwennesen and Hare (1918) independently documented pressurized groundwater within Hachita Valley, including groundwater under "considerable pressure" at depth. Given proposed drilling depths of up to 4,000

[1] NMOSE Permit Application to Drill a Well with No Consumptive Use
[2] NMOSE Attachment 1 form – Point of Diversion (POD) Description

ft bgs, the drilling plan should identify procedures for recognizing and controlling artesian or flowing conditions during drilling and prior to abandonment. If artesian conditions are encountered, drilling and plugging activities shall comply with the applicable requirements of 19.27.4.31 NMAC and any additional direction provided by the OSE Water Rights Division.

Drilling and plugging procedures should account for the potential to encounter multiple water-bearing intervals.
The Little Hatchet Mountains, where the exploration project is proposed, contain a structurally complex assemblage of sedimentary, volcanic, and intrusive rocks affected by folding, thrust faulting, high-angle faulting, and igneous intrusion (Zeller, 1970). Zeller (1970) mapped one of the major thrust faults near Livermore Spring and documented associated fracturing and deformation. The combination of structural complexity and documented groundwater occurrence indicates the potential for the proposed boreholes to intersect multiple water-bearing intervals with differing hydraulic characteristics. Drilling and plugging procedures should identify water-bearing intervals and prevent the boreholes or casing annuli from establishing permanent hydraulic communication or commingling between groundwater zones. Further details on specific NMOSE casing and plugging considerations are provided in Appendix A.

REFERENCES

Schwennesen, A.T. (1918) *Ground Water in the Animas, Playas, Hachita, and San Luis Basins, New Mexico*. Water-Supply Paper 422. Washington, DC: U.S. Geological Survey.

Zeller, R.A., Jr. (1970) *Geology of the Little Hatchet Mountains, Hidalgo and Grant Counties, New Mexico*. Bulletin 96. Socorro, NM: New Mexico State Bureau of Mines and Mineral Resources, New Mexico Institute of Mining and Technology.

FIGURES

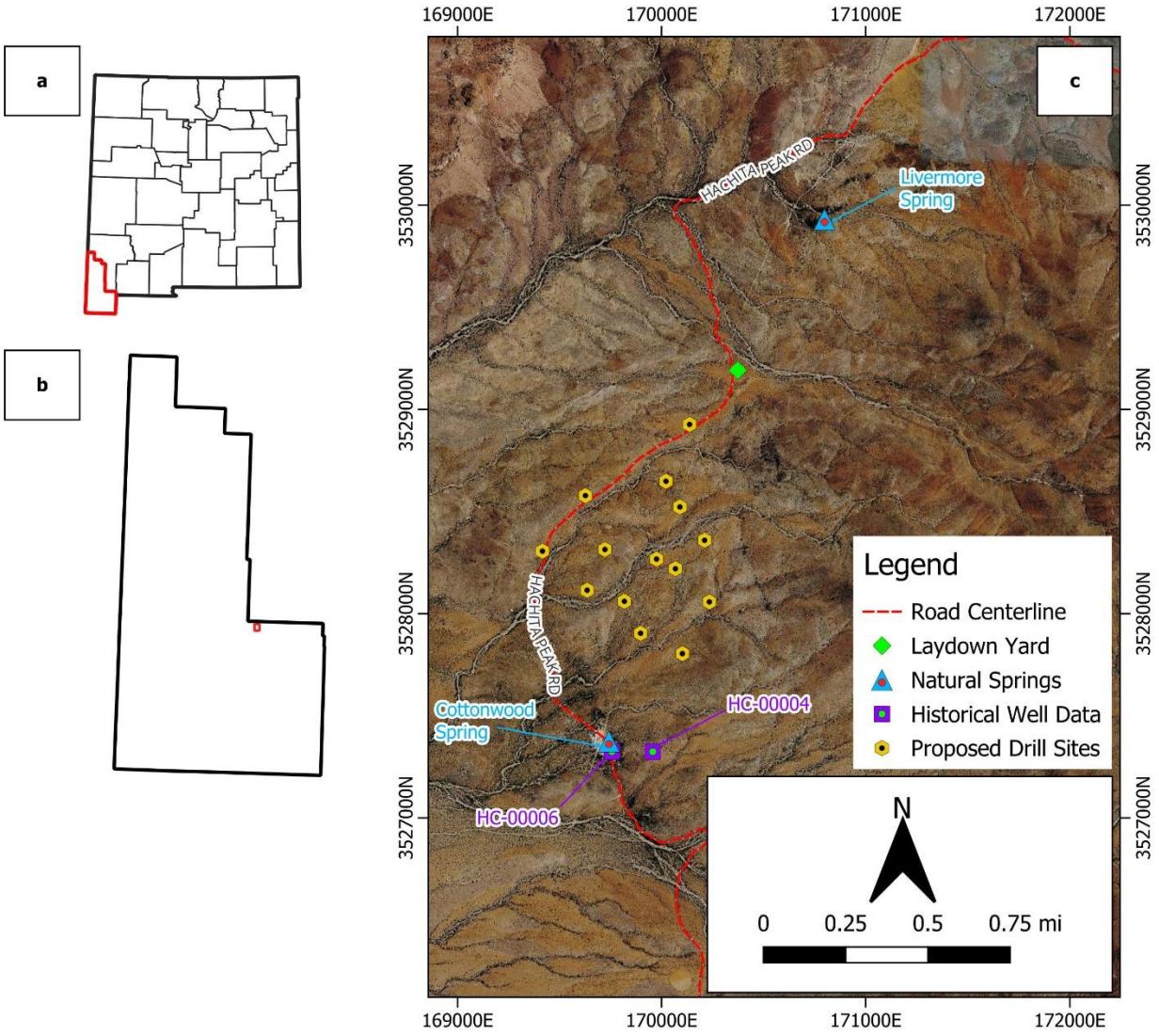


Figure 1. Location of the Hachita exploration project in Hidalgo County, New Mexico, showing (a) Hidalgo County within New Mexico, (b) the project area within Hidalgo County, and (c) proposed Bronco Creek Exploration Site.

APPENDICES

Appendix A

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. 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: https://www.ose.state.nm.us/Statewide/wdRules.php.

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 NMOSE regulations 19.27.4 NMAC. 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 down hole, the potential for permanent commingling of aquifers or down hole 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.

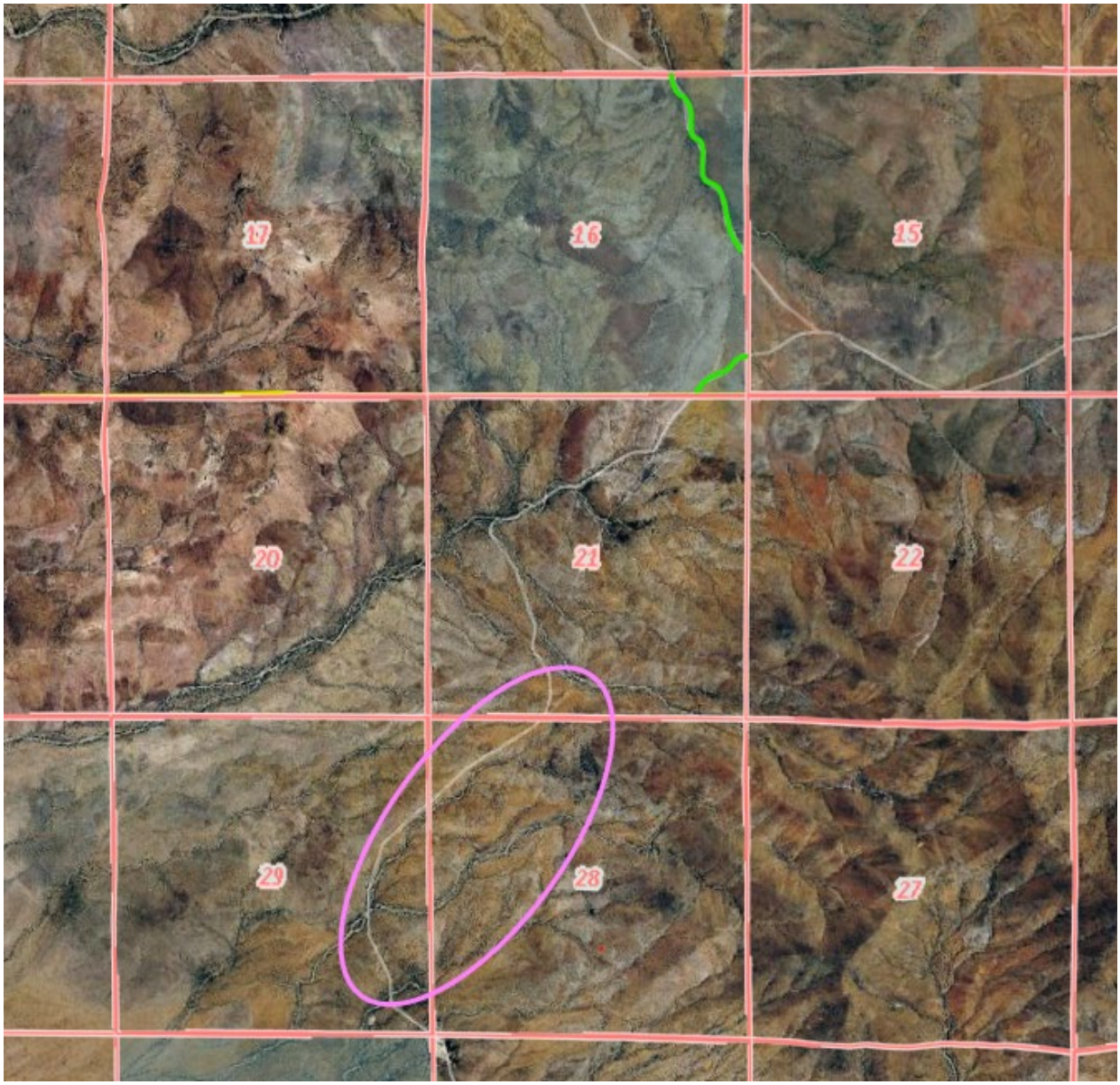
From: Victor, Bryan M.
To: Chisler, Clinton, EMNRD
Cc: Winscott, John
Subject: [EXTERNAL] RE: Request for Agency Consultation: Hachita BCE Exploration Project, Permit Tracking No. HI027EM
Date: Tuesday, September 22, 2026 1:50:53 PM
Attachments: image006.png
image001.png
image005.png
image004.png

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Clint,

My comment at this time is that BCE will need to obtain a Right of Way Agreement with the State Land Office based off of the routes to the site. Both proposed routes will cross through a section of State Trust Land. Although the County maintains the roads and claims them as county roads it has been determined that these roads were made without approval and thus would need a Right of Way for access. I have connected BCE with our Rights of Way Department to start eh application process for this activity.

Area of exploration circled in pink. Rights of ways needed marked in green Section 16 T28S R 16W.



Thanks,
-Bryan

Bryan Victor
Minerals Specialist
Oil, Gas and Minerals Division
505.827.5743
New Mexico State Land Office
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, NM 87504-1148
bvictor@nmslo.gov
nmstatelands.org

.....

CONFIDENTIALITY NOTICE - This e-mail transmission, including all documents, files, or previous e-mail messages attached hereto, may contain confidential and/or legally privileged information. If you are not the intended

recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution, or use of any of the information contained in and/or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

****My email has changed from bvictor@slo.state.nm.us to bvictor@nmslo.gov, please update your records to reflect the change. Thank you****

From: Chisler, Clinton, EMNRD <Clinton.Chisler@emnrd.nm.gov>
Sent: Tuesday, September 15, 2026 11:29 AM
To: Dimond, Corey, ENV <corey.dimond@env.nm.gov>; Rowe, Erika, EMNRD <Erika.Rowe@emnrd.nm.gov>; Seamster, Virginia, DGF <Virginia.Seamster@dgf.nm.gov>; Ensey, Michelle, DCA <michelle.ensey@dca.nm.gov>; Syed, Kamran, OSE <Kamran.Syed@ose.nm.gov>; Durr, Corey W <cdurr@blm.gov>; Chavez, Leah N <lnchavez@blm.gov>; Victor, Bryan M. <bvictor@nmslo.gov>
Cc: Ennis, David, EMNRD <david.ennis@emnrd.nm.gov>; Kellermueller, Ronald, DGF <Ronald.Kellermueller@dgf.nm.gov>; Madden, Sean, ENV <sean.madden@env.nm.gov>
Subject: [EXTERNAL] Request for Agency Consultation: Hachita BCE Exploration Project, Permit Tracking No. HI027EM

Agencies,

Please see attached request for agency comment on the Hachita BCE Exploration Project, Permit Tracking No. HI027EM. Please feel free to reach out to me with any questions. Thanks again.

Clint

Clinton M. Chisler
Senior Reclamation Supervisor
NM EMNRD Mining and Minerals Division
Mining Act Reclamation Program
Wendell Chino Building
1220 S. St. Francis Dr.
Santa Fe, NM 87505
clinton.chisler@emnrd.nm.gov
(505) 467-9589

New Mexico Historic Preservation Division
407 Galisteo Street, Suite 236
Santa Fe, NM 87501
Telephone: (505) 827.6320
Email: nm.shpo@dca.nm.gov

October 14, 2026

Clint Chisler
Permit Lead
Mining Act Reclamation Program
Mining and Minerals Division
1220 South St. Francis Drive
Santa Fe, NM 87505
SENT VIA EMAIL

RE: Request for Review and Comment on Permit No. HI027EM, Hachita BCE Project in Hildalgo County

Dear Mr. Chisler:

I have reviewed the permit application for the Hachita BCE Project and note that the project will occur on U.S. Bureau of Land Management (BLM) land. The application does not state whether a cultural resource survey of the project area is planned.

The BLM, Las Cruces District office may require a cultural resource survey under Section 106 of the National Historic Preservation Act. If a survey has been conducted and the report is complete, please let me know. We are willing to review a copy of the report in advance of a formal Section 106 submittal and coordinate any comments we may have with the BLM.

Please do not hesitate to contact me if you have any questions. I can be reached at (505) 827-4064 or by email at michelle.ensey@dca.nm.gov.

Sincerely,

Michelle M. Ensey
Executive Director, Historic Preservation Division
State Historic Preservation Officer

From: Madden, Sean, ENV
To: Chisler, Clinton, EMNRD
Cc: Fox, Joseph, ENV; Reid, Brad, ENV
Subject: Hachita BCE Site Visit: MMD Permit Tracking No. HI027EM
Date: Thursday, October 29, 2026 7:34:05 AM
Attachments: image001.png

Good morning, Clint.
After performing a site visit with you yesterday, NMED has no comment.
Have a good day.

Sean Madden
Senior Water Resources Professional
Mining Environmental Compliance Section
Groundwater Quality Bureau
New Mexico Environment Department
sean.madden@env.nm.gov
(505) 487-6637
3082 32nd Street, By-Pass Road. Suite D
Silver City, NM 88061

Electronic Transmission

MEMORANDUM

Date: November 12, 2026

To: David Ennis, Program Manager, Mining Act Reclamation Program

CC: Clint Chisler, Site Lead, Mining Act Reclamation Program

Through: Corey Dimond, Acting Mining Act Team Leader, Mining Environmental Compliance Section (MECS)

From: John Moeney, Surface Water Quality Bureau (SWQB)
Sufi Mustafa, Air Quality Bureau (AQB)
Sean Madden, MECS

Subject: **New Mexico Environment Department (NMED) Comments, Hachita BCE Project, Hidalgo County, New Mexico, Minig Act Permit No. HI027EM**

The New Mexico Environment Department (NMED) received correspondence from the Mining and Minerals Division (MMD) on September 15, 2026, requesting that NMED review and provide comments on the above-referenced MMD permitting action. Pursuant to the Mining Act, the operation is an exploration project. MMD requested comments on the application by October 15, 2026. However, a time extension request was approved with comments due by November 12, 2026.

Background

Bronco Creek Exploration is proposing to drill twenty exploration drill holes to a depth of 4,000 feet each, construction of fifteen drill pads 115 feet by 80 feet (3.39 acres), 15 mud pits 40 feet by 20 feet by 10 feet deep, 0.5 acres of new road construction, and 0.41 acres of road improvements. The applicant anticipates disturbing a total of 4.3 acres associated with the exploration activities.

Air Quality Bureau

The AQB has no comments.

Surface Water Quality Bureau

The SWQB comments are attached.

Mining Environmental Compliance Section

The MECS has no comments.

NMED Summary Comment

NMED has determined the proposed activities will be protective of the environment provided that the Applicant contacts the EPA to determine whether this project is subject to NPDES permitting.

If you have any questions, please contact Corey Dimond at (505) 795-4216.

cc: Joseph Fox, Program Manager, NMED-MECS
Brad Reid, Team Leader, NMED-MECS
Shelly Lemon, Bureau Chief, NMED-SWQB
Cindy Hollenberg, Bureau Chief, NMED-AQB

Environment Department Internal Memorandum

DATE: November 2, 2026

TO: Corey Dimond, Mining Environmental Compliance Section, Ground Water Quality Bureau, New Mexico Environment Department

FROM: John Moeny, Watershed Protection Section, Surface Water Quality Bureau, New Mexico Environment Department

SUBJECT: **Request for Review and Comment, Hachita BCE Project, Hidalgo County, New Mexico, Mining Act Permit No. HI027EM.**

The Surface Water Quality Bureau (SWQB) received the subject request for comments from the Ground Water Quality Bureau (GWQB) on October 29, 2026 for the Bronco Creek Exploration (Applicant) Hachita minimal impact exploration operation permit application. The applicant proposes to drill 20 exploratory bore holes 2.5 inches in diameter with fifteen associated drill pads measuring 115'x80' and 15 unlined sump pits measure 40'x 20'x10'(d). The project is located approximately 11 miles southwest of Hachita, NM on public lands managed by the Bureau of Land Management. Total disturbance associated with this exploration is estimated at 4.3 acres. Pursuant to 19.10.3.302 New Mexico Administrative Code (NMAC), the SWQB is providing the following comments:

This project exceeds 1.0 acres will require storm water discharge permitting. At this time storm water discharges are administered by the U.S. Environmental Protection Agency (EPA) under the National Pollutant Discharge Elimination System (NPDES) Construction General Permit (CGP) ***or*** under the Multi-Sector General Permit (MSGP) under Sector G Metal Mining. The Applicant must contact the EPA to determine whether this project is subject to NPDES permitting. For the MSGP, contact Nasim Jahan (jahan.nasim@epa.gov), (214) 665-7522. For the CGP, contact Suzanna Perea (perea.suzanna@epa.gov), (214) 665-7217. Additional information about the NPDES program for EPA Region 6 is available online: https://www.epa.gov/npdes-permits/npdes-stormwater-program-region-6.

Mine exploration activities that have the potential to contribute pollutants to waters of the state must be implemented with appropriate and reasonable Best Management Practices (BMPs) in order to prevent impacts to water quality.

Appropriate and reasonable BMPs include, but are not limited to, the following:

- 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.
- Fuel, oil, hydraulic fluid, lubricants, and other petrochemicals must have a secondary containment system to prevent spills. Store these materials outside of the flood-prone zone.
- Process water must be contained within a closed-loop system or lined pits. A discharge of process water may require a discharge permit from NMED or the U.S. Environmental Protection Agency.
- Drilling cores must be collected and disposed of properly.

- 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. A written log of inspections and maintenance should be completed.

- The use of overland travel and site selection, design, and construction of drill pads, reserve pits, and roads should comply with the guidelines described in the Bureau of Land Management "Gold Book" [1]. 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.

- Implement Best Management Practices to prevent direct impacts to watercourses, including springs, wetlands, and arroyos. For temporary surface disturbances during exploration and reclamation activities, the operator should implement erosion control measures that are designed, constructed and maintained using professionally recognized standards (e.g., Natural Resource Conservation Service standards, the Bureau of Land Management "Gold Book", or the National Best Management Practices for Water Quality on National Forest System Lands).

- The applicant should ensure that stormwater entering the project area ("run-on") is diverted from soil storage piles and should place piles uphill of excavations when possible.

- Roads, pads, and other facility structures should be set back a minimum of 100 feet from any watercourses, including springs, wetlands, and arroyos.

Any discharge of a water contaminant, in such quantity as may with reasonable probability injure or be detrimental to human health, animal or plant life, or property, or unreasonably interfere with the public welfare or the use of property, must be reported to the Environment Department within twenty-four hours (20.6.2.1203 NMAC).

For questions related to these comments, please contact John Moeny, SWQB, at john.moeny@env.nm.gov.

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