Minutes of the
NEW MEXICO MINING COMMISSION
Hearing and Regular Meeting
June 22, 2015

Note: Draft minutes subject to review and approval by the Commission

Chairman Heaton convened the New Mexico Mining Commission hearing at 9:00 AM, Monday, June 22, 2015, in Porter Hall (1st floor of the Wendell Chino Building), Energy, Minerals and Natural Resources Department, 1220 South St. Francis Drive in Santa Fe, NM. The hearing was recorded and the digital audio files are in the custody of the Commission clerk.

Roll call
Jane Tabor, Commission clerk, called the roll with the following results:

Members present:

John Heaton, Chair  
Matthew Wunder  
Virginia McLemore  
Michael Vonderheide  
Mike Johnson  
Patrick Padilla  
Patrick Freeman  
John Brack  
Sally Malavé

Public Representative – Environment
Department of Game and Fish
NM Bureau of Geology and Mineral Resources
Environment Department
Office of the State Engineer
State Land Office
Public Representative – Industry
Alternate for Public Representative – Industry
Commission Attorney

Members absent:

Roderick Ventura  
Steve Loring  
Charlie Sanchez

Alternate for Public Representative - Environment
NM Agricultural Experiment Station
NM Soil and Water Conservation Commission

Approval of the agenda
Chairman Heaton asked if there were any changes to the agenda; there were none. A motion to approve was made by Commissioner Brack and seconded by Commissioner McLemore. The motion passed unanimously.

Adoption of the minutes of the March 2, 2015, meeting
Chairman Heaton asked if there were any changes to the minutes; there were none. Commissioner Wunder made a motion to adopt the minutes, seconded by Commissioner Padilla. All commissioners voted in favor of adoption.

Hearing on Mining and Minerals Division’s Petition for Rulemaking (15-01) regarding amending 19.10.12.1210(A) (1) NMAC (Release of Financial Assurance)
Chairman Heaton swore in Fernando Martinez, Director of the Mining and Minerals Division, and Mike Bowen, Executive Director of the New Mexico Mining Association, before they provided technical testimony on Petition 15-01. Mr. Martinez presented a synopsis of the petition to change the rule to allow for multiple financial assurance releases per year for any permitted mining operation. He reported that two meetings of the Director's Advisory Committee had occurred and all public comments showed consensus. Commissioner Padilla asked whether industry or the Energy, Minerals and Natural Resources Department (EMNRD) had initiated the rule change. Mr. Martinez...
said it was not an EMNRD-initiated petition but that it was supported by EMNRD because the change benefitted small minimal impact operations, would allow for quicker reclamation by all operators through the more frequent financial assurance release, and would simplify and make more efficient the MMD process because the partial requests could be evaluated faster. Although Mr. Martinez expects a slight increase in the number of release requests, he said there is adequate staff to handle it. Mr. Bowen testified that industry did initiate the change with EMNRD support, particularly to keep small humate mines going without the current situation of frequent shut-downs and layoffs. He predicted that multiple financial assurance release requests will be a self-limiting process due to the time and expense involved. There were no comments from members of the public in attendance.

Chairman Heaton asked for a motion to adjourn from the hearing and move into deliberation. Commissioner McLemore so moved, seconded by Commissioner Johnson. All commissioners voted in favor.

Commissioner McLemore moved to adopt the changes proposed in Petition 15-01 for the following reasons: it makes MMD's process more efficient; it makes it easier for operators to move forward with their mining operations; it makes the reclamation process speedier (Commissioner Brack); MMD has adequate staff to accommodate the anticipated slight increase in release requests (Commissioner Padilla); and, it makes this rule section consistent with a statutory amendment made in 2014 to NMSA 1978, Section 69-36-7(R) that eliminated the once per year limit to financial assurance release (Chairman Heaton). Commissioner Freeman seconded the motion. All commissioners voted in favor of adoption.

Chairman Heaton asked for a motion to designate a Commissioner to sign the rule change transmittal form rather than convening another meeting to do so. Commissioner Padilla moved that Chairman Heaton be designated; seconded by Commissioner Freeman. All commissioners voted in favor.

Other Business
Chairman Heaton asked if there was any other business. Commissioner Freeman asked for an update on the status of the Mt. Taylor Mine hearing. Ms. Malave reported that, on May 1, a public hearing occurred in Grants to address the issues of economic viability and financial assurance adequacy, and the mine’s ability to meet environmental standards. MMD Counsel, Mark Smith, said independent hearing officer Felicia Orth submitted a report and transcript of the proceedings, and that the standby application continues to be processed with a decision likely in a few months. Mr. Smith said that a discussion of coming off standby was not part of the May 1 hearing and that, since the hearing, the operator has provided an updated financial assurance and closeout plan, and that the administrative process continues.

Adjourn
Chairman Heaton adjourned the meeting at 9:40AM.