

**PERMIT MODIFICATION 03-1 TO PERMIT NO. SI001ME  
ST. CLOUD/US TREASURY MINE SITE  
EXISTING MINING OPERATION**

**MINING AND MINERALS DIVISION  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT**

Permit modification 03-1 to Permit No. SI001ME is issued by the Director of the Mining and Minerals Division (MMD) of the New Mexico Energy, Minerals and Natural Resources Department to:

St. Cloud Mining Company  
P.O. Box 1670  
T or C, New Mexico 87901

(Permittee) for the St. Cloud/US Treasury, located in Sierra County New Mexico.

This permit modification incorporates a reduction in the amount of financial assurance for the St. Cloud/US Treasury Mine into Permit No. SI001ME. The following sections of Permit No. SI001ME are added or revised to read as follows:

**Section 3.**                    **FINDINGS OF FACT**

- G. The Permittee has submitted the \$250 permit modification fee as required by §19.10.2.201.h.1 of the New Mexico Mining Act Rules 19 NMAC 10.2 (Rules).
- H. The Permittee has filed an application for financial assurance release as required by §19.10.12.1210.A.1 of the Rules.
- I. The Permittee has described the reclamation and closeout measures completed and provided an estimate of the cost of reclamation that has not been completed as required by §19.10.12.1210.A.2 of the Rules.
- J. The Director has provided notice of the application to other government agencies in accordance with §19.10.12.1210.A.4 of the Rules.
- K. The Director conducted an inspection of the site on April 22, 2003, in accordance with §19.10.12.1210.B of the Rules.

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- L. The Permittee has provided a replacement financial assurance, for the amount of \$1,857.00, as required by §19.10.5.506.J.2 and §19.10.12.1209. The financial assurance instrument is in the form of a Certificate of Deposit. The attached Exhibit 1 provides the updated financial assurance summary.
- M. The Director is satisfied that the phase of the closeout plan covered by the financial assurance to be released has been accomplished in accordance with the Act, the Rules, and the permit as required by §19.10.12.1210.E of the Rules.

**Section 10**                      **CONCLUSIONS OF LAW**

- C. The Director has determined that a decrease in the amount of financial assurance is appropriate based on the fact that extensive reclamation of the site has been accomplished in accordance with the Act, the Rules, and the permit.

Financial assurance in the amount of \$1,857.00 is in place and is sufficient to meet the requirements of the Act, the Rules and the permit.

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Certification

I certify that I have read, understand and will comply with the requirements of this Permit Modification.

Patrick S. Freeman

Authorized Representative of the Permittee

President

Title

St. Cloud Mining Co.

Company

Subscribed and sworn to before me this 26<sup>th</sup> day of June, 20013

April Simonson  
Notary Public

My Commission Expires

10/27, 2006

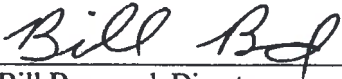
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**ORDER**

NOW THEREFORE, IT IS HEREBY ORDERED that Permit Modification 03-1 of the San Pedro Mine Permit, incorporating a reduction in the amount of financial assurance for the St. Cloud/US Treasury Mine, located in Santa Fe County, New Mexico, is approved.

By Order of the Director, Mining and Minerals Division of the New Mexico Energy, Minerals and Natural Resources Department, of the State of New Mexico.

By:

  
Bill Brancard, Director  
Mining and Minerals Division  
Energy, Minerals and Natural  
Resources Department

DATE: June 20, 2003

## Exhibit 1

### Financial Assurance Summary St. Cloud/US Treasury Mine

<b>DIRECT COSTS</b>	Facility and Structure Removal		\$0
	Earthmoving		\$0
	Revegetation @ percent bonded		\$1,206
	Other		\$0
		<b>Subtotal</b>	
<b>INDIRECT COSTS</b>	Mobilization and Demobilization (1%-5%)	3%	\$36
	Contingencies (2%-10%)	10%	\$121
	Engineering Redesign Fee (2%-10%)	10%	\$121
	Contractor Profit and Overhead (3%-14%)	14%	\$169
	Project Management Fee (2%-7%)	7%	\$84
	MMD Procurement Cost (2%-10%)	10%	\$121
<b>TOTAL BOND AMOUNT</b>			<b>\$1,857</b>

