MINUTES OF THE NEW MEXICO MINING COMMISSION MEETING

July 1, 1997

The New Mexico Mining Commission meeting was convened at 9:10 a.m., July 1, 1997, in Rm. 317 of the State Capitol Building in Santa Fe, NM. The following members were present:

Larry Kehoe State Land Office Terry Fletcher Public Representative

Jim Bailey Department of Game and Fish

Charles Chapin NM Bureau of Mines and Mineral Resources

Bob Rogers State Engineer's Office

Pat Freeman Alternate

Bob McCaslin Ex-Officio, NM Agricultural Experiment Station

Jeanie Cragin Alternate

Ed Kelley Environment Department

The following members were absent:

Ray Roybal Ex-Officio, NM Soil and Water Conservation Commission

Art Montana Chairman and Public Representative

1. Roll Call

Each Commissioner announced his name for roll call.

2. Approval of agenda

Dr. Bailey moved to accept the agenda, with second by Mr. Kehoe. Motion passed unanimously.

3. Review of the minutes of the April 16, 1997 meeting

Motion by Dr. Chapin to accept the minutes, with second by Ms. Cragin. Motion passed unanimously.

4. Report on letters to petitioners who have appeals pending before the Commission that have been stayed indefinitely

Mr. Simpson, Commission attorney, explained the reason for the letters, who received them, and the results. General Pumice did not respond, and Mr. Simpson will prepare an

Order for the Commission to dismiss this case. United Nuclear Corp. asked to continue their appeals and not have them dismissed.

5. Review and possible action on proposed findings and conclusions and final order on the petition for review of an Order of the Director submitted by the San Pedro Neighborhood Association regarding a permit issued to the San Pedro mine in southern Santa Fe County (Mining Commission 97-01)

Jennifer McCumber, attorney for MMD, made comments regarding the proposed order. She questioned the authority of the Commission to require MMD to prepare an analysis of the effects of the mine on the community, stating that MMD does not have such authority under the Mining Act or Mining Act Rules. She also asked whether this analysis would become a part of the record, and whether the San Pedro Neighborhood Association would have the ability to appeal the document if they do not agree with its contents. Ms. McCumber asked that the Commission reconsider its request for this document.

A few additional comments regarding the analysis contained in the site assessment of the mine's affects on the community were made by members of the public. Carol Leach, attorney for MMD, stated that MMD has no authority to request information on certain issues outside of the mine permit boundary, such as roads.

Motion by Ms. Cragin to go into Executive Session to discuss legal issues related to the Order. Second by Mr. Rogers. Mr. Freeman recused himself from participating in matters related to this appeal citing possible conflict of interest due to his company's relationship to the San Pedro Mining Co.

Motion by Ms. Cragin to return to regular session, with second by Dr. Bailey. The only matters discussed in Executive Session were legal issues related to the San Pedro Order.

Motion by Mr. Kehoe with second by Dr. Bailey to postpone further discussion and action on this issue until later in the meeting.

6. Discussion of a proposal to reduce fees on acreage which has been substantially reclaimed.

Dr. Kathleen Garland, Director of MMD gave a brief explanation of the pros and cons of establishing such a reduction on fees. She stated that MMD is conducting on-going meetings with interested parties regarding how the reduction might work, and what would be acceptable to all concerned. She also stated that MMD is not presenting a proposal at this time, and asked for comments and suggestions from the Commission.

7. Discussion and possible action on the Mining and Minerals Division's June 16, 1997 Motion for Continuance for the July 01, 1997 hearing on the April 04, 1997 Petition for Rulemaking, which specifies what constitutes ownership and control of a mining operation (Mining Commission 97-04).

Dr. Garland gave a brief explanation of the petition, why MMD filed it, and the current circumstances surrounding those mining operations which precipitated the petition. She stated that concerns with those operations have been addressed, and that other parties had reservations regarding proposed language. She asked that the Commission adopt the proposed Order continuing the scheduled hearing on this issue.

Motion by Dr. Chapin with second by Mr. Kehoe to adopt the proposed Order. Motion passed unanimously. Agenda items 8 and 9 were therefore omitted.

10. Public hearing on the April 04, 1997 Petition for Rulemaking submitted by the Mining and Minerals Division, which addresses changes to the Mining Act passed by the 1997 Legislature that need to be incorporated into the Mining Act Rules, (Mining Commission 97-05)

Dr. Garland explained the changes to the Mining Act, and identified which of those changes required modifications to the Mining Act Rules. Terry Fletcher as hearing officer conducted the hearing.

11. Possible discussion and action on the April 04, 1997 Petition for Rulemaking (Mining Commission 97-05)

After brief discussion, motion by Dr. Kelley with second by Dr. Chapin to accept the proposed regulatory change. Motion passed unanimously.

5. Review and possible action on proposed findings and conclusions and final order on the petition for review of an Order of the Director submitted by the San Pedro Neighborhood Association regarding a permit issued to the San Pedro mine in southern Santa Fe County (Mining Commission 97-01). (Continued)

Mr. Simpson circulated a revised draft of the Order for Commission review.

Motion by Dr. Chapin with second by Ms. Cragin to approve and adopt the draft. After brief discussion, the motion passed unanimously. Mr. Rogers was absent and did not vote.

12. Other business

Motion by Dr. Bailey to place on the agenda for the next meeting the election of a Chairman and Vice Chairman. Second by Mr. Kehoe. Motion passed unanimously.

13. Adjourn

	Motion by Dr. Chapin to adjourn, with second by Dr. Bailey. Motion passed unanimously.		
Approve	d:		Minutes by:
Chairmar	1	Date	Douglas Bland, Clerk