

**PERMIT MODIFICATION 15-2 TO PERMIT NO. TA001RE
QUESTA MINE
EXISTING MINING OPERATION**

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

This Modification 15-2 (“Modification 15-2”) to Permit No. TA001RE (as amended from time to time, “Permit”) is issued by the Director of the Mining and Minerals Division (“MMD”) of the New Mexico Energy, Minerals and Natural Resources Department to:

Chevron Mining Inc.

Whose correct address is: 116 Inverness Drive East, Suite 207
Englewood, Colorado 80112

(“Permittee”) for the Questa Mine, located in Taos County, New Mexico.

This Modification 15-2 incorporates changes to the Permit to allow disposal of historic tailing, concrete rubble and demolition debris to the Questa Mine Open Pit (“Pit”) during Questa Mine reclamation.

The following Sections are added to the Permit:

“Section 1 (15-2) STATUTES AND REGULATIONS

- A. This Modification 15-2 is issued pursuant to the New Mexico Mining Act, NMSA 1978, §69-36-1, et seq. (“Act”) and Title 19, Chapter 10 NMAC (“Rules” or “Regulations”).
- B. This Modification 15-2 is subject to the Act, the Rules and any other regulations that are now or hereafter in force under the Act.”

“Section 2 (15-2) PERMIT MODIFICATION PACKAGE

The Permit Modification Package (“PMP”) is comprised of the following documents:

- A. A letter from the Permittee to the New Mexico Environment Department (“NMED”) dated January 6, 2015 requested an amendment to Discharge Permit DP-1055 for the disposal of tailing and demolition debris from the mill area in the Pit. The request included illustrations showing separate Pit locations for demolition debris and tailing.
- B. A letter from the Permittee to NMED dated February 20, 2015 responded to NMED comments on the Permittee’s discharge permit amendment request. Attached to the letter were supporting Figures showing proposed disposal sites (Figure 1) and conceptual locations for new construction in the Mill Area (Figure 2). Figure 1 illustrates approximate

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Pit locations for the disposal of demolition debris and tailing as well as a modified haul road route from the mill area to the Pit. The letter and illustrations were sent to MMD by email on February 20.

- C. A check from the Permittee (No. 0024072049) was received by MMD on April 6, 2015 to satisfy the permit modification fee required under 19.10.2.201(H) NMAC.
- D. Section 6.T of Permit Revision 96-2 provides for the reclamation of the bottom of the Pit and Section 9.CC of Permit Revision 96-2 provides that the Permittee shall identify areas of the Pit that will be reclaimed pursuant to Section 6.T.
- E. A revision to Figure 1, showing new proposed disposal sites for Waste was emailed from the Permittee to MMD on June 9, 2015. This amended illustration is attached to this Modification 15-2 and is incorporated herein as Figure 3.”

“Section 3 (15-2)

DESIGN LIMITS

- A. The Questa Mine permit area encompasses portions of the following areas: Sections 1 and 2, Townships 28 North, Range 12 East, Sections 24, 25, 26, 35, and 36, Township 29 North, Range 12 East, Sections 5 and 6, Township 28 North, Range 13 East; Sections 25, 26, 27, 28, 33, 34, 35, and 36 of Township 29 North, Range 13 East; Sections 1, 2, 3, 11, and 12 of Township 28 North, Range 13 East; Section 31 of Township 29 North, Range 14 East; and Section 6 of Township 28 North, Range 14 East, in Taos County, New Mexico (New Mexico Principal Meridian). The approved permit area is delineated in the Permit Application Package (“PAP), in Revision 3 of “Application for an Existing Mining Operation”, submitted November 29, 1995, on the following figures:
 - 1) Figure 1, *Site Map of MolyCorp Questa and Mine Plant Facilities*, October 31, 1995
 - 2) Figure 2, *Mine and Mill*, Sheets 1-4, October 16, 1995
- B. The approved design limits, as previously revised, are delineated/described by Figure 2-4 and individually in Table A-1 of the Questa Mine Closeout Plan dated October 23, 2001. The units, as previously revised, are shown on Figure 2-4 and individually in Table A-1 of the Questa Mine Closeout Plan, October 23, 2001 and were approved as existing units, subject to the reclamation standard of §19.10.5.507.A of the Rules.

Design limits for the Mine and Mill areas of the mine (Permit Revision 96-2) were amended by Permit Revision 05-1 in order to afford changes in reclamation practices in areas of surface subsidence caused by underground mining. These design limits, as previously amended, are described in Permit Revision 05-1.”

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“Section 5 (15-2) FINDINGS OF FACT

- A. The \$1,000 application fee for this Modification 15-2 was paid on April 6, 2015, pursuant to 19.10.2.201(H) NMAC.
- B. Pursuant to 19.10.5.505(B) NMAC, the Director has determined that the proposed modification will not have a significant environmental impact.
- C. This Modification 15-2 does not authorize an expansion of design limits that currently are authorized under Permit No. TA001RE.
- D. This Modification 15-2 does not authorize a significant departure from the nature or scale of Permit No. TA001RE.
- E. Section 6.T of Permit Revision 96-2 provides for the reclamation of the bottom of the pit and Section 9.CC of Permit Revision 96-2 provides that the Permittee shall identify areas of the pit that will be reclaimed pursuant to Section 6.T.
- F. This Modification 15-2 does not alter conditions of Pit reclamation provided by the May 24, 2002 pit waiver approval issued by MMD.
- G. Financial Assurance for Permit No. TA001RE is unchanged by this Modification 15-2.
- H. The Permittee has provided the required signature and certification for this Modification 15-2, as required by 19.10.5.503.F(3) of the Rules.”

“Section 8 (15-2) COMPLIANCE WITH THE PERMIT

- A. The Permittee shall comply with the Act and Regulations and with all applicable statutory, regulatory and permitting requirements. The issuance of this permit modification does not relieve the Permittee from the responsibility of complying with other state and federal requirements and standards.
- B. Where the PMP or the May 24, 2002 pit waiver are ambiguous or in apparent conflict with the provisions outlined in this Modification 15-2, the language of this Modification 15-2 shall supersede the PMP or pit waiver, but only to the extent of the ambiguity or apparent conflict.”

“Section 9 (15-2) CONDITIONS

- A. The Permittee is authorized to place approved materials in the Pit. These materials include historic tailing, concrete rubble and demolition debris (“Waste”) that are removed from the

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Mill Area during reclamation. The area to which the Waste may be relocated is within the Southeast quadrant of the Pit, approximated by Figure 3 of the PMP, referenced in Section 2 (15-2).E of this Modification 15-2 and attached to this Modification 15-2.

- B. Pursuant to Section 9.CC of Permit Revision 96-2, the waste disposal area designated in this Modification 15-2 is identified as an area of the Pit that will be reclaimed pursuant to Section 6.T of Permit Revision 96-2.
- C. To ensure that Waste disposal is compatible with cover placement pursuant to Section 6.T of Permit Revision 96-2, the Permittee shall provide MMD with a proposal for approval to reclaim the tailing and construction debris no later than 60 days following the approval of this Modification 15-2.”

“Section 10 (15-2) CONCLUSIONS OF LAW

- A. The Director has jurisdiction over the Permittee and the subject matter of this Modification 15-2.
- B. This Modification 15-2 requires neither public notice nor an opportunity for public hearing.
- C. All requirements under Title 19, Chapter 10, Part 5 NMAC have been met with regard to this Modification 15-2.”

All other provisions contained in the Permit remain unchanged by this Modification 15-2.

CERTIFICATION

I certify that I have read, understand and will comply with the performance and reclamation standards and requirements of the Permit, as modified and/or revised, this Permit Modification 15-2, the Act and the Rules, including without limitation that I will allow the Director to enter the Permit Area as required by the Permit and/or the Rules and/or as otherwise required by law including, without limitation, allowing the Director to enter the permit area without delay for the purpose of conducting inspections during mining and reclamation.

DeeDee D. Galt

Authorized Representative of the Permittee

Attorney-In-Fact

Title

Chevron Mining, Inc.

Company

Subscribed and sworn to before me this 7th day of July, 2015

Anna C. Matting
Notary Public

My Commission Expires

July 24th, 2015

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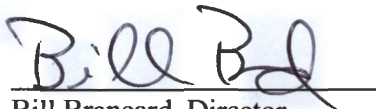
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ORDER

NOW THEREFORE, IT IS HEREBY ORDERED that the Director approves Permit Modification 15-2 to Permit No. TA001RE.

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.

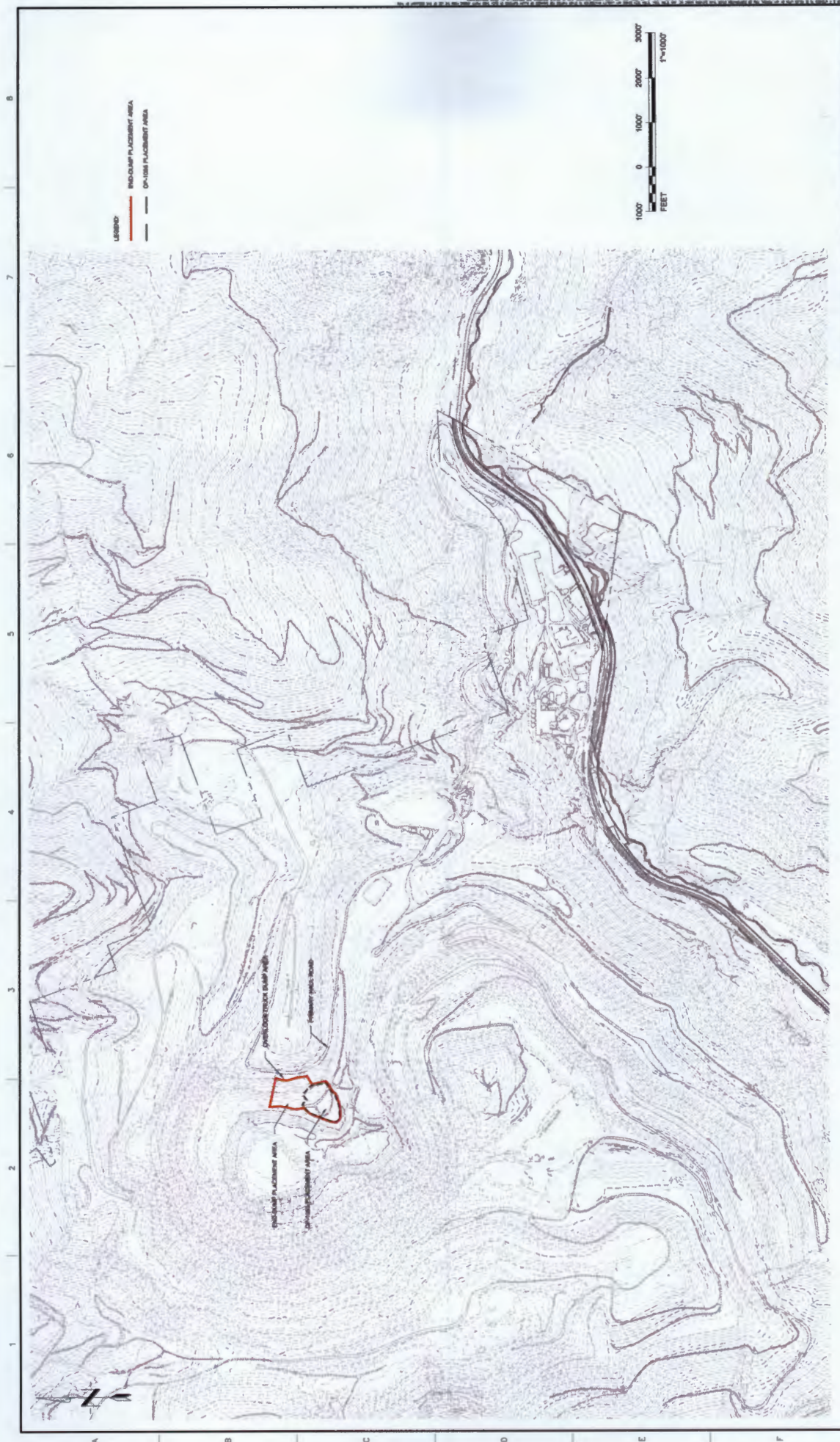
By:



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

Date:

July 15, 2015



LEGEND
 ——— INDUMP PLACEMENT AREA
 - - - - DUMPS PLACEMENT AREA
 ····· PROMISED TAILINGS PLACEMENT AREA

1000' 0 1000' 2000' 3000'
 FEET
 1"=1000'

Chevron Chemical Environmental
 Management Company
 202 Stone Highway SE
 Atlanta, Georgia 30334
 (770) 888-0112

TETRA TECH

QUESTA SHUTDOWN PROJECTS
 CHEVRON MINE
 PHASE 3A EARLY WORKS
 TAILINGS DISPOSAL OVERALL AREA

IT RESOURCE CONTROL: M/A
 SCALE NUMBER: FIGURE 1
 SHEET: A

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