

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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Deputy Cabinet Secretary

Fernando Martinez, Director
Mining and Minerals Division



November 26, 2014

Mr. Anthony Baus
Rio Algom Mining LLC
P.O. Box 218
Grants, NM 87020

RE: Response to Rio Algom Mining Letter Dated November 3, 2014, Old Stope Leach Mine, McKinley County, New Mexico, Permit Number MK009RE

Dear Mr. Baus,

The Mining and Minerals Division ("MMD") received the letter from Rio Algom Mining LLC ("RAML") dated November 3, 2014, detailing a plan to consolidate all of the available data for the mine sites listed in MMD's previous letter dated October 16, 2014 prior to submittal of a work plan for additional characterization at the Old Stope Leach Mine. After review and discussion with RAML staff, MMD agrees that a summary report of all available surface characterization data pertaining to the Old Stope Leach Mine project is appropriate.

As proposed by RAML, the data summary report shall be submitted to MMD by January 31, 2015. Additionally, MMD hereby extends and shall re-evaluate future compliance timeframes for RAML's submittal of a characterization work plan and an updated closeout plan after the January 31, 2015 submittal has been reviewed by MMD. It should be noted that MMD's letter dated October 16, 2014 inadvertently omitted the Section 19 shaft located within T14N, R9W from the list of mines within the Old Stope Leach project area. The data summary report proposed by RAML should include any information for the Section 19 mine as well.

MMD, the New Mexico Environment Department and the EPA are proposing to meet sometime in the near future to address RAML's concern about overlapping jurisdiction over the impacts of uranium mining within the Grants Mineral Belt.

If you have any questions, please contact me at (505) 476-3434 or by email at david.ennis@state.nm.us.

Sincerely,

David J. (DJ) Ennis, P.G., Permit Lead
Senior Reclamation Specialist

cc: Holland Shepherd, Program Manager
David Mayerson, NMED Mining Environmental Compliance Section (MECS)
Lisa Price, U.S. EPA Region 6, Grants Mining District Coordinator