



NEW MEXICO
ENVIRONMENT DEPARTMENT



SUSANA MARTINEZ
Governor
JOHN A. SANCHEZ
Lieutenant Governor

Harold Runnels Building
1190 St. Francis Drive
P.O. Box 5469, Santa Fe, NM 87502-5469
Phone (505) 827-2918 Fax (505) 827-2965
www.nmenv.state.nm.us

RYAN FLYNN
Cabinet Secretary
BUTCH TONGATE
Deputy Secretary

DATE: December 12, 2014

TO: Holland Shepherd, Program Manager, Mining Act Reclamation Program

FROM: John Hall, Mining Act Team Leader, NMED MECS

RE: **Comments on Reclamation Schedule Change, Modification 14-1, Questa Mine, Permit No. TA001RE**

The New Mexico Environment Department (NMED) received correspondence from the Mining and Minerals Division (MMD) on November 12, 2014 requesting that NMED review and provide comments on the proposed Chevron Mining, Inc. (CMI), Questa Mine reclamation schedule change, Modification 14-1 for permit TA001RE. MMD requested comments within 30 days of receipt in accordance with Section 19.10.5.505.B(3). NMED has the following comments

Air Quality Bureau

The Air Quality Bureau comments are attached under separate letterhead.

Surface Water Quality Bureau

The Surface Water Quality Bureau has no comments

Ground Water Quality Bureau

The proposed modification submitted to MMD by CMI includes a request to modify permitted schedules for reclamation at the Tailing Facility and the Mine and Mill Facilities. The proposed schedule includes activities to be performed or submittal of information required under CERCLA and/or State permit requirements. Many of the activities or submittals referenced in the schedule are associated with ground water discharge permits DP-933, DP-1055, and DP-1539. Based on information provided during a meeting with CMI on October 27, 2014, a revised application for renewal and modification of DP-1539 will be submitted to NMED in January 2015 that will include the following components: the 005 Catchment, interim sludge repository, water treatment plant, and management of all collected waters at the Mine and Mill. DP-1539 will

address current and future operations of the water management system at the Mine and Mill pursuant to the Water Quality Act and Water Quality Control Commission regulations.

There are inconsistencies in the proposed reclamation schedule that may affect the timing of construction of the 005 Catchment, submittal of the interim sludge repository design, and construction of the interim sludge repository if these activities are done in accordance with the proposed reclamation schedule. Based on the proposed schedule, the following activities or submittals will take place in the given timeframe:

- The interim sludge repository design will be submitted with the DP-1539 renewal and modification application within 3 months of completion of Phase 1 building demolition activities.
- Construction of the interim sludge repository will commence within 6 months of DP-1539 approval and approval by MMD.
- Construction of the 005 Catchment has no start date, but will be dependent on DP-1539 approval.

Based on the proposed schedule, the DP-1539 renewal and modification application will be submitted within 3 months of completion of Phase 1 building demolition activities. However, CMI has indicated to NMED that the DP-1539 renewal and modification application will be submitted in January 2015, which may or may not coincide with the timeline established in the proposed schedule. Furthermore, submittal of the DP-1539 renewal and modification application should not be dependent on when Phase 1 building demolition activities are completed. The timing of the design and construction of the 005 Catchment and the interim sludge repository are both dependent on submittal of the DP-1539 renewal and modification application and final issuance of DP-1539.

In addition, CMI indicates that the designs for the interim sludge repository will be submitted with the DP-1539 renewal and modification application, but does not indicate a timeline for submittal of the 005 Catchment design in the proposed schedule. NMED will require submittal of the design for the 005 Catchment in the DP-1539 renewal and modification application.

Finally, any stormwater management structures to be constructed in the future will need to be incorporated into DP-1539 as part of the overall water management system at the Mine and Mill.

If you have any questions, please contact John Hall at (505) 827-1049.

Cc: Jerry Schoepner, Chief, NMED GWQB
James Hogan, Chief, NMED SWQB
Richard Goodyear, Chief, NMED AQB
Joe Vinson, Permit Lead, MMD
Kurt Vollbrecht, Manager, NMED MECS



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Governor

JOHN A. SANCHEZ
Lieutenant Governor

New Mexico
ENVIRONMENT DEPARTMENT

Air Quality Bureau

525 Camino de los Marquez, Suite 1

Santa Fe, NM 87505

Phone (505) 476-4300

Fax (505) 476-4375

www.nmenv.state.nm.us



Ryan Flynn
Cabinet Secretary

Butch Tongate
Deputy Secretary

MEMORANDUM

DATE: December 3, 2014

TO: John Hall
Mining Act Team Leader
Mining Environmental Compliance Section
Ground Water Quality Bureau

FROM: Neal Butt
Environmental Scientist & Specialist, Air Quality Bureau

RE: Request for Comments, Reclamation Schedule Change, Chevron Mining Inc. Questa Mine,
Taos County, New Mexico
Modification 14-1, Permit No. TA001RE

The New Mexico Air Quality Bureau (AQB) has completed its review of the above mentioned mining project. Pursuant to the New Mexico Mining Act Rules, the AQB has the following comments:

Air Quality Permitting History

The AQB has issued Air Quality Permit NSR No. 0201-M3 for this operation.

Details

As the result of the cessation of mining at Chevron Mining Inc. Questa Mine, the applicant has submitted an updated reclamation schedule for the Mine and Mill areas in Mining Act Permit TA001RE, Revision 96-2 (Table 1 of the application) and the subsidence areas in Revision 05-01 (Table 4 of the application). Permit Revision 96-1, which addresses closure of the Tailing Facility, does not currently include a schedule for reclamation activities. This updated reclamation schedule was submitted pursuant to Section 9.MM of Permit Revision 96-2 and includes the Mine and Mill areas, the subsidence area, and a schedule for reclamation at the

Request for Comments, Reclamation Schedule Change, Chevron Mining Inc. Questa Mine, Taos County, New Mexico, Modification 14-1, Permit No. TA001RE

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Tailing Facility. The proposed schedule incorporates changes discussed with the Mining and Minerals Division and the New Mexico Environment Department's Ground Water Quality Bureau on August 21, 2014.

The AQB has no objection to the current request for Reclamation Schedule Change.

If you have any questions, please contact me at (505) 476-4317.