

Armando Martinez Environmental Manager Questa Mine Chevron Mining Inc. P.O. Box 469 Questa, NM 87556 Tel (575) 586-7639 Fax (575) 586-0811 amarti@chevron.com

August 29, 2014

Holland Shepherd
Mining and Minerals Division
Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505

RECEIVED

SEP 0 4 2014

MINING & MINERALS DIVISION

Re: Chevron Mining Inc.—Request to Modify Mining Act Permit No. TA001RE – Changes to

Reclamation Schedule

Dear Mr. Shepherd:

As the result of the cessation of mining at Chevron Mining Inc. (CMI) Questa Mine, please find enclosed an updated reclamation schedule for the Mine and Mill areas in Mining Act Permit TA001RE, Revision 96-2, Table 1 and the subsidence areas in Revision 05-01, Table 4. CMI notes that Permit Revision 96-1, which addresses closure of the Tailing Facility, does not currently include a schedule for reclamation activities. This updated reclamation schedule is 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 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.

Please note the required \$1,000 permit modification fee pursuant to 19.10.2.201 NMAC was not available on time for this submittal and will be submitted under separate cover at a later date.

If you have any questions or need additional information, please contact me at (575) 586-7639.

Sincerely,

Armando Martinez

Mr. Holland Shepherd August 29, 2014 Page 2

Cc:

Kurt Vollbrecht, Program Manager, GWQB, NMED Gary Baumgarten, Project Manager, USEPA Michael Coats, Chevron

Enclosure

Table 1 Reclamation Schedule for Questa Mine, Mill, and Tailing Facility (TA001RE)

| Unit(s)/ Mine Disturbance | Full Mine Closeout | | Permit/Agreement |
|---|---|--|--|
| | Anticipated Start Date | Anticipated | Mechanism |
| | for Reclamation | Finish Date | |
| Mine and Mill | | | |
| Building Demolition Phase 1 | | | |
| Phase 1 Building Demolition Plan submittal Phase 1 Soil Sampling and Analysis Plan | By November 29, 2014 (Tentative submittal of Phase 1 Building and Demolition Plan by August 31, 2014 with submittal of Phase 1 Soil Sampling and Analysis Plan to follow shortly after) | Approval of Phase 1 plan by MMD | Permit TA001RE, Rev. 96-02 |
| Start Building demolition Thickener 175 and pump house Mill warehouse complex Mill Maintenance Shop Decline Maintenance Shop Moly Storage Building Mill Administration building/assay Lab Guard house (potential relocation) Historic tailing | Within 6 weeks of Phase 1 Building Demolition Plan approval by MMD | 9 months after demolition start date | Permit TA001RE, Rev. 96-02 |
| Historic Tailing Removal/Relocation | | CHAPTEN SIDE AND | |
| Removal and placement of Historic tailing in Open pit area | Within 6 weeks of Phase 1 Building and Demolition Plan approval by MMD | 9 months after demolition start | Permit TA001RE, Rev. 96-02 |
| Mill Area Stormwater Upgrades | | | |
| 005 Catchment construction | NA | 9 months after approval of discharge permit modification by NMED | Start date dependent on approval of DP- 1539 permit modification |
| Waste Water Treatment Facility | | | |
| Building Construction | November 1, 2013 | August 1, 2014 | |
| Treatment facility components | In accordance with | Within 14 | CERCLA consent |

| | | | 747 |
|--|--|--|--|
| construction activities and tie-ins | schedule in CERCLA | months of start | decree; DP-1055 |
| | Consent Decree or | of construction | (pending DP-1539 |
| | administrative orders | | approval) |
| Treatment facility initial operations | Begin within 1 month | Within 1 year of | NPDES NM0022306 |
| | of construction | shakedown | |
| | completion | start date. To | |
| | | be completed | |
| | | not later than | |
| | | October 2016 | |
| Interim Sludge repository design | Submit proposed | 9 months after | DP-1539 |
| | discharge permit modification within 3 | approval of | |
| | months of completion | discharge permit | |
| | of Phase 1 building | modification by | |
| | demolition activities | NMED | |
| | demondon activities | MINIED | |
| Interim Sludge Repository | Within 6 months of | Within 12 | CERCLA consent |
| construction | permit approval by | months of | decree, DP-1539, |
| | NMED and MMD | construction | MMD Permit |
| | | start date | Modification |
| | | | (closeout plan |
| | | | required) |
| Phase 2 Building Demolition | | | |
| Phase 2 Building Demolition Plan | Within 3 months of | Approval of | Permit TA001RE, |
| and Soil Sampling and Analysis Plan | approval of Phase 1 | Phase 2 Building | Rev 96-02 |
| Activities to be included in | Demolition Plan | Demolition Plan | |
| the Phase 2 plan are under | | | |
| assessment | Mithin CO days of | O months nost | Down:t TACO1DE |
| Phase 2 Demolition Activities | Within 60 days of completion of Phase 1 | 9 months post demolition start | Permit TA001RE, Rev 96-02 |
| | demolition activities | date | Rev 90-02 |
| | acmondon activities | LUGIC | |
| Tailing Pineline Removal | | Same and the same of the same | |
| Tailing Pipeline Removal Tailing Pipeline decommissioning | Within one year of | | DP-933: Permit |
| Tailing Pipeline decommissioning | Within one year of NPDES requirement to | | DP-933; Permit |
| | NPDES requirement to | | TA001RE, Rev 96- |
| Tailing Pipeline decommissioning | NPDES requirement to cease discharge to | | · |
| Tailing Pipeline decommissioning | NPDES requirement to | | TA001RE, Rev 96- |
| Tailing Pipeline decommissioning | NPDES requirement to cease discharge to tailing facility (October | | TA001RE, Rev 96- |
| Tailing Pipeline decommissioning and removal Phase 3 Building Demolition Phase 3 Building Demolition Plan | NPDES requirement to cease discharge to tailing facility (October 2016) Within 3 months of | Approval of | TA001RE, Rev 96- 01 Permit TA001RE, |
| Tailing Pipeline decommissioning and removal Phase 3 Building Demolition Phase 3 Building Demolition Plan and Soil Sampling and Analysis Plan | NPDES requirement to cease discharge to tailing facility (October 2016) Within 3 months of approval of Phase 2 | Approval of Phase 3 Building | TA001RE, Rev 96- 01 |
| Tailing Pipeline decommissioning and removal Phase 3 Building Demolition Phase 3 Building Demolition Plan and Soil Sampling and Analysis Plan Activities to be included in | NPDES requirement to cease discharge to tailing facility (October 2016) Within 3 months of | Approval of | TA001RE, Rev 96- 01 Permit TA001RE, |
| Phase 3 Building Demolition Phase 3 Building Demolition Phase 3 Building Demolition Plan and Soil Sampling and Analysis Plan Activities to be included in the Phase 3 plan are under | NPDES requirement to cease discharge to tailing facility (October 2016) Within 3 months of approval of Phase 2 | Approval of Phase 3 Building | TA001RE, Rev 96- 01 Permit TA001RE, |
| Phase 3 Building Demolition Phase 3 Building Demolition Phase 3 Building Demolition Plan and Soil Sampling and Analysis Plan Activities to be included in the Phase 3 plan are under assessment | NPDES requirement to cease discharge to tailing facility (October 2016) Within 3 months of approval of Phase 2 Demolition Plan | Approval of Phase 3 Building Demolition Plan | TA001RE, Rev 96- 01 Permit TA001RE, Rev. 96-02 |
| Phase 3 Building Demolition Phase 3 Building Demolition Phase 3 Building Demolition Plan and Soil Sampling and Analysis Plan Activities to be included in the Phase 3 plan are under | NPDES requirement to cease discharge to tailing facility (October 2016) Within 3 months of approval of Phase 2 Demolition Plan Within 60 days of | Approval of Phase 3 Building Demolition Plan 9 months post | Permit TA001RE, Rev. 96-02 Permit TA001RE, Rev. 96-02 |
| Phase 3 Building Demolition Phase 3 Building Demolition Phase 3 Building Demolition Plan and Soil Sampling and Analysis Plan Activities to be included in the Phase 3 plan are under assessment | NPDES requirement to cease discharge to tailing facility (October 2016) Within 3 months of approval of Phase 2 Demolition Plan Within 60 days of completion of Phase 2 | Approval of Phase 3 Building Demolition Plan 9 months post demolition start | TA001RE, Rev 96- 01 Permit TA001RE, Rev. 96-02 |
| Phase 3 Building Demolition Phase 3 Building Demolition Phase 3 Building Demolition Plan and Soil Sampling and Analysis Plan Activities to be included in the Phase 3 plan are under assessment | NPDES requirement to cease discharge to tailing facility (October 2016) Within 3 months of approval of Phase 2 Demolition Plan Within 60 days of | Approval of Phase 3 Building Demolition Plan 9 months post | Permit TA001RE, Rev. 96-02 Permit TA001RE, Rev. 96-02 |

| Sampling and Analysis Plans | needed they will be submitted as previous demolition plans are approved and work initiated | | Rev 96-02 |
|--|--|---|--|
| Plan for the reclamation of areas in the Mill Area that will not be used to support the long term operation of the water treatment facility | In accordance with schedule in CERCLA Consent Decree or administrative orders | In accordance with schedule in CERCLA Consent Decree or administrative orders | CERCLA consent decree or administrative orders, MMD Permit Modification (closeout plan required) |
| Mine Rock Piles | | | |
| "General Design Guidelines and Options Report" through the Technical Working Group (TWG) process | January 2013 | September 2013 | CERCLA Early Design AOC |
| "Roadside Waste Rock Piles Design Options Report" through the TWG process | In accordance with schedule in CERCLA Early Design AOC | In accordance with schedule in CERCLA Early Design AOC | CERCLA Early Design AOC |
| "Integrated Waste Rock Pile Conceptual Design Options Report" Through the TWG process | In accordance with schedule in CERCLA Early Design AOC | In accordance with schedule in CERCLA Early Design AOC | CERCLA Early Design Administrative Oder on Consent |
| Group I Waste Rock Pile Remedial Design Pilot Project (Goat Hill North) | In accordance with schedule in CERCLA Early Design AOC | In accordance with schedule in CERCLA Early Design AOC | CERCLA Early Design Administrative Order on Consent |
| Rock Pile Reclamation Goat Hill South Capulin Canyon Sugar Shack West Sugar Shack South Sugar Shack Middle Sulfur Gulch South Sulfur Gulch North/Blind Gulch | In accordance with schedule in CERCLA consent decree | In accordance with schedule in CERCLA consent decree | CERCLA Consent Decree |
| Future Storm water management structures | In accordance with schedule in CERCLA consent decree | In accordance with schedule in CERCLA consent decree | CERCLA Consent Decree |
| Questa Pit | | | NE ROSE PARENT |
| Questa Pit Reclaim Area | To be determined during the final design of rock pile regrading | Within 5 years of start date | CERCLA Consent Decree, Permit TA001RE, Rev 96- |

| | plan | | 02 and MMD Pit Waiver, DP-1539 |
|---|--|---|---|
| Truck Shop Slice | To be incorporated into the final design of rock pile regrading plan | 10-20 years post start date of final rock pile reclamation | Permit TA001 RE modification |
| Borrow Areas and Miscellaneous | | | |
| Individual borrow areas (e.g. Spring Gulch) | Within 1 year of completion of cover placement for entire site | Within 3 years of start date | CERCLA Consent Decree |
| Primary Roads | Within 1 year of completion of cover placement for entire site | Within 3 years of start date | Permit TA001RE, Rev. 96-02 |
| Exploration Drilling Project Roads, Drill Pads (and other selected Secondary Roads) | 3 nd Quarter 2014 | Within two years of start date | Permit TA001RE, Rev. 96-02 |
| Tailing Facility | | h sey hite banda | |
| Solar Facility Cover Demonstration Pilot - Monitoring | June 1, 2011 | May 31, 2016 | CERCLA Record of Decision, DP-933 |
| Solar Facility Cover Demonstration Pilot - Report | Within 6 months of completion of monitoring | NA | Early Design AOC, DP-933 |
| Tailing Facility (TF) Phase 1 Building Demolition Plan and Soil Sampling and Analysis Plan (note: this plan may be incorporated into the Phase 2 or 3 demolition plan for the mine site referenced above) | By November 29, 2014 | Approval of TF Phase 1 plan by MMD | Permit TA001RE, Rev. 96-01, DP-933 |
| Start Building demolition | Within 6 weeks of TF Phase 1 Building Demolition Plan approval | 9 months post demolition start date | Permit TA001RE, Rev. 96-01 |
| Studies to support closure/closeout plan | Within 90 days of effective date of Early Design SOW Amendment #2 | In accordance with early design SOW Amendment #2 schedule | Early Design AOC; Permit TA001RE, Rev. 96-01; DP-933 |
| Tailing Facility Revised Closure/Closeout Plan | Per the approved schedule in the CERCLA Consent Decree | Per the approved schedule in the CERCLA Consent Decree | CERCLA Consent Decree, Permit TA001RE, Rev. 96- 01, DP-933 |
| Subsidence Zone | Anticipated Year of Subsidence Area | Anticipated Duration of | |

| | Closeout Plan Implementation | Reclamation | |
|---------------------------------------|---------------------------------|----------------|-----------------|
| Goat Hill Zone | 3 nd Quarter 2014 | Within 3 years | Permit TA001RE, |
| "d" Ore Body Zone | | of start date | Rev. 05-01 |
| • Vein Zone | | | |
| • F2 extraction | | | |

Table 1 Reclamation Schedule for Questa Mine, Mill, and Tailing Facility (TA001RE)

| Unit(s)/ Mine Disturbance | Full Mine Closeout | Variable Control | Permit/Agreement |
|---|---|--|--|
| | Anticipated Start Date | Anticipated | Mechanism |
| | for Reclamation | Finish Date | |
| Mine and Mill | | | |
| Building Demolition Phase 1 | | | |
| Phase 1 Building Demolition Plan submittal Phase 1 Soil Sampling and Analysis Plan | By November 29, 2014 (Tentative submittal of Phase 1 Building and Demolition Plan by August 31, 2014 with submittal of Phase 1 Soil Sampling and Analysis Plan to follow shortly after) | Approval of Phase 1 plan by MMD | Permit TA001RE, Rev. 96-02 |
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| Historic Tailing Removal/Relocation | Samuela la l | | |
| Removal and placement of Historic tailing in Open pit area | Within 6 weeks of Phase 1 Building and Demolition Plan approval by MMD | 9 months after demolition start | Permit TA001RE, Rev. 96-02 |
| Mill Area Stormwater Upgrades | | 医胚层的角膜的 | |
| 005 Catchment construction | NA | 9 months after approval of discharge permit modification by NMED | Start date dependent on approval of DP- 1539 permit modification |
| Waste Water Treatment Facility | | | |
| Building Construction | November 1, 2013 | August 1, 2014 | |
| Treatment facility components | In accordance with | Within 14 | CERCLA consent |

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|---|--|-------------------------------------|------------------|
| construction activities and tie-ins | schedule in CERCLA | months of start | decree; DP-1055 |
| | Consent Decree or | of construction | (pending DP-1539 |
| | administrative orders | - | approval) |
| Treatment facility initial operations | Begin within 1 month | Within 1 year of | NPDES NM0022306 |
| | of construction | shakedown | |
| | completion | start date. To | |
| | | be completed | |
| *1 | | not later than | |
| | | October 2016 | |
| Interim Sludge repository design | Submit proposed | 9 months after | DP-1539 |
| | discharge permit | approval of | |
| | modification within 3 | discharge | |
| | months of completion | permit | |
| | of Phase 1 building | modification by | |
| | demolition activities | NMED | |
| Interim Sludge Peneciters | Within 6 months of | Within 12 | CERCLA consent |
| Interim Sludge Repository construction | permit approval by | months of | decree, DP-1539, |
| Construction | NMED and MMD | construction | MMD Permit |
| | INIVIED and IVIIVID | start date | Modification |
| | | Start date | (closeout plan |
| | | | required) |
| Phase 2 Building Demolition | | | 1 column cu j |
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| Activities to be included in | Demolition Plan | Demolition Plan | |
| the Phase 2 plan are under | | | |
| assessment | | | |
| Phase 2 Demolition Activities | Within 60 days of | 9 months post | Permit TA001RE, |
| | completion of Phase 1 | demolition start | Rev 96-02 |
| | demolition activities | date | |
| Tailing Pipeline Removal | PER PARKET PA | | |
| Tailing Pipeline decommissioning | Within one year of | | DP-933; Permit |
| and removal | NPDES requirement to | | TA001RE, Rev 96- |
| | cease discharge to | | 01 |
| | tailing facility (October | | |
| 48 | 2016) | | |
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| Phase 3 Building Demolition Plan | Within 3 months of | Approval of | Permit TA001RE, |
| _ | | | |
| and Soil Sampling and Analysis Plan | approval of Phase 2 | Phase 3 Building | Rev. 96-02 |
| and Soil Sampling and Analysis Plan Activities to be included in | approval of Phase 2 Demolition Plan | Phase 3 Building Demolition Plan | Rev. 96-02 |
| and Soil Sampling and Analysis Plan | '' | | Rev. 96-02 |
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| Questa Pit | | | |
| Questa Pit Reclaim Area | To be determined during the final design of rock pile regrading | Within 5 years of start date | CERCLA Consent Decree, Permit TA001RE, Rev 96- |

| | plan | | 02 and MMD Pit Waiver, DP-1539 |
|---|--|---|---|
| Truck Shop Slice | To be incorporated into the final design of rock pile regrading plan | 10-20 years post start date of final rock pile reclamation | Permit TA001 RE modification |
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| Solar Facility Cover Demonstration Pilot - Monitoring | June 1, 2011 | May 31, 2016 | CERCLA Record of Decision, DP-933 |
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| Start Building demolition | Within 6 weeks of TF Phase 1 Building Demolition Plan approval | 9 months post demolition start date | Permit TA001RE, Rev. 96-01 |
| Studies to support closure/closeout plan | Within 90 days of effective date of Early Design SOW Amendment #2 | In accordance with early design SOW Amendment #2 schedule | Early Design AOC; Permit TA001RE, Rev. 96-01; DP-933 |
| Tailing Facility Revised Closure/Closeout Plan | Per the approved schedule in the CERCLA Consent Decree | Per the approved schedule in the CERCLA Consent Decree | CERCLA Consent Decree, Permit TA001RE, Rev. 96- 01, DP-933 |
| Subsidence Zone | Anticipated Year of Subsidence Area | Anticipated Duration of | |

| | Closeout Plan Implementation | Reclamation | |
|--|---------------------------------|------------------------------|-------------------------------|
| Goat Hill Zone"d" Ore Body Zone | 3 nd Quarter 2014 | Within 3 years of start date | Permit TA001RE, Rev. 05-01 |
| Vein ZoneF2 extraction | | | |