

State of New Mexico  
Energy, Minerals and Natural Resources Department

---

**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**Fernando Martinez, Director**  
Mining and Minerals Division



**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

December 26, 2017

Armando Martinez  
Mining and Specialty Portfolios Business Unit  
Chevron Mining Inc.  
P.O. Box 469  
Questa, NM 87556

**RE: Transmittal of Permit Modification 17-1 Approval, Questa Mine, Permit No. TA001RE**

Dear Mr. Martinez,

The Mining and Minerals Division (MMD) has approved permit modification, *Permit Modification 17-1 to Permit No. TA001RE*, that changes the definition of "approved materials" in Modification 15-2 Section 9 (A) to allow disposal of tailing, historic tailing, sediment from stormwater catchments, and construction and/or demolition debris, generated during closure activities at the mine, to the Questa Mine Open Pit ("Pit") during Questa Mine reclamation. Please call me at (505) 476-3413 or Holland Shepherd at (505) 476-3437 if you have any questions.

Sincerely,

Clint Chisler  
Permit Lead, Mining Act Reclamation Program (MARP)

encl: Approved Permit Modification 17-1

email cc: Bill Brancard, Director  
Holland Shepherd, MARP Program Manager  
Kurt Vollbrecht, NMED  
Jeff Lewellin, NMED  
Joe Fox, NMED  
Permit File, TA001RE

**PERMIT MODIFICATION 17-1 TO PERMIT NO. TA00IRE QUESTA MINE  
EXISTING MINING OPERATION**

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

This Modification 17-1 ("Modification 17-1") to Permit No. TA00IRE (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:

Whose correct address is:           Chevron Mining Inc.  
  116 Inverness Drive East, Suite 207  
  Englewood, Colorado 80112

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

This Modification 17-1 incorporates changes to the Permit and changes the definition of "approved materials" in Modification 15-2 Section 9 (A) to allow disposal of tailing, historic tailing, sediment from stormwater catchments, and construction and/or demolition debris, generated during closure activities at the mine, to the Questa Mine Open Pit ("Pit") during Questa Mine reclamation.

The following Sections are added to the Permit:

**Section 1 (17-1)                           STATUTES AND REGULATIONS**

- A.     This Modification 17-1 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 17-1 is subject to the Act, the Rules, and any other regulations that are now or hereafter in force under the Act.

**Section 2 (17-1)                           PERMIT MODIFICATION PACKAGE**

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

- A.     New Mexico Environmental Department ("NMED") Amendment to Discharge Permit DP-1055, Placement of Debris and Tailing in Open Pit Associated with Closure and Tailing Pipeline Removal Activities at Chevron Mine Site dated September 8, 2017.
- B.     A letter from the Permittee to the NM Mining and Minerals Division ("MMD") requesting changes to the definition of "approved materials" in Modification 15-2 Section 9 (A).

- C. A check from the Permittee (No. 0022508198) was received by MMD on November 28, 2017 to satisfy the permit modification fee required under 9.10.2.201(H)NMAC.
- D. Permit Modification 17-2.

**Section 3 (17-1)**

**FINDINGS OF FACT**

- A. The \$1,000 application fee for this Modification 17-1 was paid on November 28, 2017 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 17-1 does not authorize an expansion of design limits that currently are authorized under Permit No. TA001RE.
- D. This Modification 17-1 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 17-1 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 17-1.
- H. The Permittee has provided the required signature and certification for this Modification 17- 1, as required by 19.10.5.503.F(3) of the Rules."

**Section 4 (17-1)**

**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 17-1, the language of this Modification 17-1 shall supersede the PMP or pit waiver, but only to the extent of the ambiguity or apparent conflict."

**Section 5 (17-1)**

**CONDITIONS**

- A. The Permittee is authorized to place approved waste materials ("Materials") in the Pit. These Materials include tailing associated with the tailing pipeline, historic tailing, sediment from stormwater catchments, and construction and/or demolition debris, generated during closure activities at the mine. These Materials can originate from removal operations at the Mill Area, the tailing pipeline corridor, and other locations at the mine, where approved closure activities have been identified, in the permit. 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 E of Permit Modification 15-2
- B. Pursuant to Section 9.C of Permit Revision 96-2, the waste disposal area designated in this Modification 17-1 is identified as an area of the Pit that will be reclaimed pursuant to Section 6.T of Permit Revision 96-2.

**Section 6 (17-1)**

**CONCLUSIONS OF LAW**

- A. The Director has jurisdiction over the Permittee and the subject matter of this Modification 17-1.
- B. This Modification 17-1 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 in regard to this Modification 17-1.

**All other provisions contained in the Permit remain unchanged by this Modification 17-1.**

**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.

  
\_\_\_\_\_  
Authorized Representative of the Permittee

*Manager*  
*Environmental Management Company*  
\_\_\_\_\_  
Title

*Cherron Environmental Management Company*  
\_\_\_\_\_  
Company

Subscribed and sworn to before me this 13<sup>th</sup> day of December, 2017

  
\_\_\_\_\_  
Notary Public

My Commission Expires

July 24<sup>th</sup>, 2018

**ORDER**

NOW THEREFORE, IT IS HEREBY ORDERED that the Director approves Permit Modification 17-1 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 Br  
Bill Brancard, Director  
Mining and Minerals Division  
Energy, Minerals and Natural Resources Department

Date: Dec. 22, 2017