

State of New Mexico  
Energy, Minerals and Natural Resources Department

---

**Michele Luan Grisham**  
Governor

**Sarah Cottrell Propst**  
Cabinet Secretary

**Todd Leahy**  
Deputy Cabinet Secretary

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



August 9, 2019

Mr. George Lotspeich  
Southwest Resources Inc.  
4011 Mesa Verde Rd. NE  
Albuquerque, NM 87110

Pete Domenici Jr.  
Domenici Law Firm  
320 Gold Ave. SW Suite # 1000  
Albuquerque, NM 87102

**Comments on *Work Plan Shaft Water Investigation*, dated 7/19/2019, Section 12 Mine,  
McKinley Co., NM  
Permit Tracking No. MK046RE**

Mr. Lotspeich:

The New Mexico Mining and Minerals Division (“MMD”) and the New Mexico Environment Department (“NMED”) have reviewed the *Work Plan Shaft Water Investigation*, dated 7/19/2019 for the Section 12 Mine, McKinley Co., NM and have the following comments.

NMED

1. Based on the information provided in the historical documents related to the Section 12 Mine, ground water was encountered during advancement of the mine shaft. The use of a water level indicator may be used to determine if any ground water is present in the bottom of the mine shaft, but the downhole camera is required to determine current conditions of the mine shaft and if groundwater is seeping into the mine shaft from depths below ground surface.

MMD

1. According to Section 4.1.1 of the Draft Conceptual Reclamation Workplan a downhole camera is proposed as the first option for determining the presence of water in the shaft. MMD concurs with NMED and will require a downhole camera to be used for determining the presence of water in the mine shaft and current mine shaft conditions.

**Mr. George Lotspeich**

**Comments on *Work Plan Shaft Water Investigation*, dated 7/19/2019, Section 12 Mine, McKinley Co., NM  
Permit Tracking No. MK046RE**

**August 9, 2019**

**Page 2 of 2**

Should you have any questions, comments, or require additional information concerning this letter or any enclosures, please contact me at (505) 476-3413, or via email at: [clinton.chisler@state.nm.us](mailto:clinton.chisler@state.nm.us).

Sincerely,

A handwritten signature in black ink that reads "Clinton Chisler". The signature is written in a cursive style and is positioned to the right of the word "Sincerely,".

Clint Chisler – Permit Lead, MK046RE  
Mining Act Reclamation Program (“MARP”)  
New Mexico Mining and Minerals Division

**Cc:** Holland Shepherd, Program Manager, MARP/MMD  
Dana David, Assistant General Counsel  
Fernando Martinez, MMD Director  
Jeff Lewellin, Mining Act Team Leader, NMED  
Mine File (MK046RE)