

State of New Mexico
Energy, Minerals and Natural Resources Department

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Mining and Minerals Division



ELECTRONIC TRANSMITTAL

April 8, 2020

Cynthia Gulde, PhD, Chevron EMC Project Manager
Questa Mine
354 State Highway 38
Questa, NM 87556-0469

RE: Modification 19-1 Technically Complete: Request to Modify Mining Act Permit No. TA001RE – Updates to Financial Assurance.

Dear Dr. Gulde,

Pursuant to §19.10.5.505 NMAC, the New Mexico Mining and Minerals Division (“MMD”) has determined that Modification 19-1 Application submitted on August 28, 2019 with associated submittals and Financial Assurance is Technically Complete. The application was submitted by Chevron EMC, for the Regular Existing Questa Mine, Permit Tracking No. TA001RE located in Taos County, NM.

In accordance with 19.10.12.1208 G(1)(a) NMAC, a TPG may not exceed 75% of the total amount of the FA for a permit established pursuant to 19.10.12.1205 NMAC. Previously, the Modification 16-1 to Permit No TA001RE, set an amount of \$61,299,783 to be attributable as “Overlap Work” with jointly held FA between the State and the EPA. This interpretation is explained further in the letter, *MMD Permit TA001RE: Application for permit modification*, dated April 29, 2016.

The calculations below demonstrate how the TPG and non-TPG numbers should be calculated.

FA Source	Amount	Amount
Total FA under State permits	\$455,995,220	
Maximum TPG Amount Allowed by Rule (75% of Total FA)	(341,996,415)	341,996,415
Joint EMNRD, NMED, EPA TPG amount (“Overlap Work” per Mod 16-1)		(61,299,783)
State only TPG per Mod 19-1		<hr/> \$280,696,632
State only Non-TPG required per Mod.19-1	<hr/> <hr/> \$113,998,805	

The “Overlap Work” under the Federal/State TPG is no longer duplicated by FA instruments, but the State considers the cost associated with “Overlap Work” as part of the State’s TPG calculation.

Enclosed with this letter is Permit Modification 19-1 to Permit No. TA001RE, Questa Mine. Please sign and return the attached Modification. If you have any questions, please contact me at 505-476-3413 or via e-mail at: clinton.chisler@state.nm.us.

Sincerely,



Clint Chisler, Permit Lead - Permit Tracking No. TA001RE
Mining Act Reclamation Program MARP/MMD

CC: Holland Shepherd, Program Manager, MARP/MMD
Jerry Schoeppner, Director
Kevin Myers, MMD
Anne Maurer, NMED
Joseph Fox, NMED
Kurt Vollbrecht, NMED

Enclosure: Modification 19-1 to Permit No. TA001RE

Mine File: TA001RE

