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NEW MEXICO ENVIRONMENT DEPARTMENT

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RYAN FLYNN
Cabinet Secretary
BUTCH TONGATE
Deputy Secretary

MEMORANDUM

DATE:

January 15, 2016

TO:

Holland Shepherd, Program Manager, Mining and Minerals Division,

Mining Act Reclamation Program

FROM:

Kurt Vollbrecht, Manager, New Mexico Environment Department,

Mining Environmental Compliance Section

RE:

NMED Conditional Determination, Little Rock Mine Expansion

and Updated Closure/Closeout Plan, Revision 14-1, Permit No.

GR007RE

The New Mexico Environment Department (NMED) received correspondence from the Mining and Minerals Division (MMD) on September 29, 2014 requesting comments on the Little Rock Mine Expansion and Updated Closure/Closeout Plan Application submitted by Freeport McMoRan Tyrone, Inc. (Tyrone). The application includes an Updated Closure/Closeout Plan (UCCP) for the Little Rock Mine dated June 19, 2014. Tyrone responded to agency comments on the proposed UCCP in April of 2015 and July of 2015. MMD held a public hearing in Silver City on the proposed UCCP on September 2, 2015. Following the hearing, MMD accepted additional written comments until September 23, 2015.

Pursuant to 19.10.5.506.J(5) NMAC of the New Mexico Mining Act, the Director shall approve an application to incorporate a closeout plan if a written determination has been received from the Secretary of the Environment Department stating that the application has demonstrated that the activities to be permitted or authorized will be expected to achieve compliance with all applicable air, water quality, and other environmental standards if carried out as described in the closeout plan. NMED has reviewed the materials submitted to MMD as part of the application process and issues the attached determination, subject to the condition contained herein.

Surface Water Quality Bureau (SWQB)

As a component of the UCCP, Tyrone provided a DBS&A document (2014) that summarizes water quality modeling outcomes and conclusions in section 6.2 and 7, respectively (pages 41-43). The outcomes of future Little Rock Mine open pit water body chemistry constituents are

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predicted to be below the standards of 20.6.2.3103 NMAC, which are for groundwater, but there is no indication that the geochemical modeling was designed to evaluate support of surface water quality standards compliance.

As a component of corrective action required under ground water discharge permit DP-1236, the open pit is expected to capture ground water impacted by historic mining operations. Additional source control measures enacted by Tyrone under DP-1236 are expected to result in improvement to impacted ground water quality flowing into the Little Rock Mine open pit over time. Pursuant to 20.6.2.3101 NMAC, DP-1236 must insure protection of surface waters which are gaining because of ground water inflow. During active operations no surface water quality standards apply to the Little Rock Mine open pit. A condition has been included within the draft of DP-1236, which was issued on January 8, 2016 for public review and comment pursuant to 20.6.2.3108 NMAC, to address potential concerns related to achievement of applicable standards at closure.

This determination is conditioned on Tyrone meeting the requirements of DP-1236 related to a demonstration of achievement of applicable standards.

Ground Water Quality Bureau (GWQB)

The NMED Mining Environmental Compliance Section (MECS) received a ground water discharge permit application for the Little Rock Mine, DP-1236 dated April 2, 2015. Included within the discharge permit application is the UCCP that was also provided to MMD pursuant to the Mining Act. In a memo to MMD dated August 6, 2015, NMED provided specific comments on the UCCP that had previously been provided to Tyrone in an additional information request dated July 23, 2015 as part of the DP-1236 permit application review process. Tyrone adequately responded to those specific comments in a submittal to NMED dated September 25, 2015. Additional questions were raised in the Mining Act public hearing regarding a comprehensive storm water management plan for the Little Rock Mine. Tyrone has submitted to NMED a "Stormwater Handling Plan/Emergency Response Plan for Tyrone and Little Rock Mine Areas" in the Tyrone Master Document dated October 7, 2015, that is a component of the DP-1236 application. Based on review of these documents MECS has determined that the copper rule requirements have been met, and that the proposed activities for the Little Rock Mine, including the proposed UCCP are protective of ground water quality. A draft discharge permit renewal for the Little Rock Mine, DP-1236, that incorporates the aforementioned ground water protection measures was issued on January 8, 2016 for public review and comment pursuant to 20.6.2.3108 NMAC.

Air Quality Bureau (AQB)

The Tyrone facility, inclusive of the Little Rock Mine, has two active air quality permits: a New Source Review (NSR) construction permit and a comprehensive air quality operating permit under Title V of the Clean Air Act. The NSR Permit (NSR 2448 M2) has no expiration date. The Tyrone Title V permit (P147 – R1M3) covers air emissions from Tyrone facilities, including the Little Rock Mine, and associated infrastructure. An application for renewal of the Title V

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permit was deemed complete by the AQB on January 23, 2015. Tyrone currently has all necessary air quality permit coverage, and air quality standards are expected to be met under the terms of those permits.

If you have any questions, please contact Kurt Vollbrecht at (505) 827-0195.

cc: Fernando Martinez, Division Director, EMNRD-MMD
Trais Kliphuis, Director, NMED Water Protection Division
James Hogan, Bureau Chief, SWQB
Richard Goodyear, Bureau Chief, AQB
Kurt Vollbrecht, Program Manager, MECS
David Ohori, Lead Staff, EMNRD-MMD
Keith Ehlert, Permit Lead, DP-1236



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CONDITIONAL DETERMINATION PURSUANT TO THE NEW MEXICO MINING ACT, NMSA 1978, § 69-36-7 (E)(3), AND NEW MEXICO MINING ACT RULES 506.J.5 FOR AN EXISTING MINING OPERATION

Conditional Determination is hereby provided that Freeport-McMoRan Tyrone Inc., the applicant for the Little Rock Mine Closure/Closeout Plan Revision, submitted pursuant to the New Mexico Mining Act NMSA 1978, §§69-36-1 through 20 (Repl. Pamp. 1997) (NMMA), has demonstrated that the activities to be permitted or authorized will be expected to achieve compliance with all applicable air, water quality and other environmental standards if carried out as described in the NMMA Closure/Closeout Plan revision application and all applicable state and federal air, water quality, and other environmental permits.

This determination is conditional on Tyrone meeting the requirements of DP-1236 regarding open pit water quality.

Applicant:

Freeport-McMoRan Tyrone Inc.

Operation:

Little Rock Mine

Permit:

GR007RE

Determination by:

Ryan Flynn, Secretary

New Mexico Environment Department

Date:

January 15, 2016