

FORM: MMDME
REV. DATE: 7/23/96
[MMDME.FRM]

FOR MMD USE ONLY:
PROJECT NAME Capitan Iron Mine
PERMIT # LI 005 ME DATE _____
RECEIVED: ___/___/___ DATE APPROVED: _____
___/___/___ LEAD INSPECTOR: _____

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

Director
Mining and Minerals Division
2040 South Pacheco St.
Santa Fe, New Mexico 87505
Telephone: (505) 827-5970

RECEIVED
JAN 27 1997
MINING & MINERALS DIV.

SUBPART 3
MINIMAL IMPACT EXISTING MINING OPERATIONS
PERMIT APPLICATION

The following information is required under the New Mexico Mining Act (Sections 69-36-1 through 69-36-20, NMSA 1978) and associated rules. The Mining and Minerals Division of the Energy, Minerals and Natural Resources Department is the administrative agency through which this application is to be processed. See §303, Minimal Impact Existing Mining Operations, of the New Mexico Mining Act Rules for all regulations associated with Minimal Impact Mining operations.

Permit Application Requirements: (§303.A, B, C & D)

- ⇒ A minimal impact existing mining operation that continues mining operations will not be considered a minimal impact existing mining operation if it exceeds **10 acres of disturbed land**, except that permanent roads and areas within the permit area that are reclaimed will not be counted.
- ⇒ A minimal impact existing mining operations that has discontinued or does not continue active mining operations may consist of unlimited acres of disturbed land except sites with the following characteristics:
 - 1) sites that exceed state or federal standards for soil or water contamination;
 - 2) sites likely to create acid mine drainage; or
 - 3) sites where the applicant proposes to seek a waiver from the usual reclamation requirements for a pit or waste unit.
- ⇒ Applications for existing minimal impact mining operation shall be submitted by **December 31, 1994**.
- ⇒ The application shall include a closeout plan or a compliance schedule for completion of a close out plan, which shall be submitted no later than **December 31, 1995**.
- ⇒ Six copies of the completed application need to be submitted.

- PLEASE FILL IN ALL APPLICABLE INFORMATION AS COMPLETELY AS POSSIBLE.
- PLEASE PRINT OR TYPE ALL INFORMATION.

1. OPERATOR INFORMATION (§303.E.1)

LIST PROJECT NAME:	<u>CAPITAN Iron Project</u>
NAME OF APPLICANT:	<u>Bob Bouldin/Seven Western Mining</u>
ADDRESS:	<u>P.O. Box 1301:</u> <u>Capitan, NM, 88316</u>
PHONE #:	<u>505/354-4204.</u>
NAME OF OWNER (if different from applicant's name and address):	<u>Don Rodolph</u>
ADDRESS:	<u>123 S. 6th St.</u> <u>Clinton, Okla. 73601</u>
PHONE #:	<u>405-323-6090</u>
NAME OF ON-SITE CONTACT OR OPERATOR'S REPRESENTATIVE:	<u>Keth LaRue</u>
ADDRESS:	<u>P.O. Box 384</u> <u>Capitan, New Mexico 88316</u>
PHONE #:	<u>505-354-2665</u>

2. RIGHT TO ENTER INFORMATION (§303.E.1)

- A. Describe or provide evidence for the basis of the applicant's right to enter the property to conduct the mining and reclamation.

Patented Mining Claims, Surface
and Mineral Owned outright.

10. area.
Identify the location of shafts, adits, trenches, ponds, pits, quarries, stockpiles, wastes dumps etc.

4. MINING DESCRIPTION (§303.E.3)

A. Type of mineral(s) to be mined: Magnetite Iron

B. Check (✓) the method of proposed mining:
 Surface or Underground

C. Describe the sizes and volumes of the facilities to be used:

Plant Site/Staging Area:

How Many 1 Acreage 2 ^{B.9B}

Pits or Quarries: How Many 1 Acreage 3 ^{B.9B} Volume (cu.yds.) 1,000,000.

Stockpiles: How Many 1 Acreage 1 ^{B.9B} Volume (cu.yds.) 35

Waste Dumps: How Many 0 Acreage Volume (cu.yds.)

List for New road(s) the following:

Length (ft.) 0 Width (ft.) 0
Length (ft.) 0 Width (ft.) 0

List for Extension or widening of existing road(s) the following:

Length (ft.) 0 Width (ft.) 0
Length (ft.) 0 Width (ft.) 0

NOTE: The width is the total width of disturbed land surface, not just the width of the roadway.

Other Disturbances: Type NONE

How Many Acreage Volume (cu.yds.)

TOTAL ACREAGE TO BE DISTURBED: 26 ^{B.9B} acres.

16,000 ft² of roads to be reclaimed.

See Section M on page 10 of this application

6. GROUND WATER INFORMATION (§303.E. 4)

- A. Provide an estimate of depth to ground water and the total dissolved solids concentration.

Depth to ground water (ft.) * T.D.S. concentration _____
* Drilled To 450' - Dry.

- B. Describe the source of ground water information: Drilling

- C. Describe any dewatering activities to be conducted during mining operations:

NO MINE DEWATERING

7. CLOSEOUT PLAN/RECLAMATION PLAN (§303.E. 6)

Reclamation of the disturbed area shall be reclaimed to a condition that allows for re-establishment of a self-sustaining ecosystem appropriate for the life zone of the surrounding areas following closure unless conflicting with the approved post-mining land use.

- A. List adjacent land use other than mining: ~~PLANT~~ National Forest ^{B.9B.}

- B. List the proposed post mining land use: ~~Capture Property~~ grazing ^{B.9B.}

- C. Describe how reclamation activities will avoid adverse impact to cultural resources.

~~Composite BACKFILL, Local Soil,~~

~~NATIVE VEGETURE re-seeding~~

B/B.

There are NO cultural resources in the area, but if detected, measures will be taken to inform MMD immediately & protect the cultural resource from further damage.

- D. Describe any backfilling and grading operations to be performed after mining. BACKFILL MOVED, PLACED & COMPACTED

w/ Bulldozer, disc ed & HAND CAST re-seeding.

H. Describe in detail the plant species to be used in the re-establishment of vegetation.

<u>Plant Name</u>	<u>Rate of application (lb/ac.)</u>
<u>side Onts Gramma</u>	<u>7 # @ \$ 6.95 #</u>
<u>Blue Gramma</u>	<u>7 # @ \$ 5.95 #</u>
<u>3 mix Buffalo Grass</u>	<u>7 # @ \$ 9.95 #</u>
<u>Sand Rop</u>	<u>7 # @ \$ 5.95 #</u>
<u>Vetch Shrub (Hairy)</u>	<u>7 # @ \$ 11.00 #</u>

I. Will the seeds be broadcast or drilled into the seed bed? Broadcast

J. Describe the type of mulch material and rate per acre to be applied after seeding: Blown Straw (wet) w/ Light discing.

K. What structures are on site and how will they be removed or reclaimed? (Buildings, portals, adits, shafts, bore holes, ponds, etc.)

One steel shop building, 3 settlement vats,
Crushing Plant & Grinding Plant combination,
roadway. All will be removed or re-claimed
upon Termination of mining.

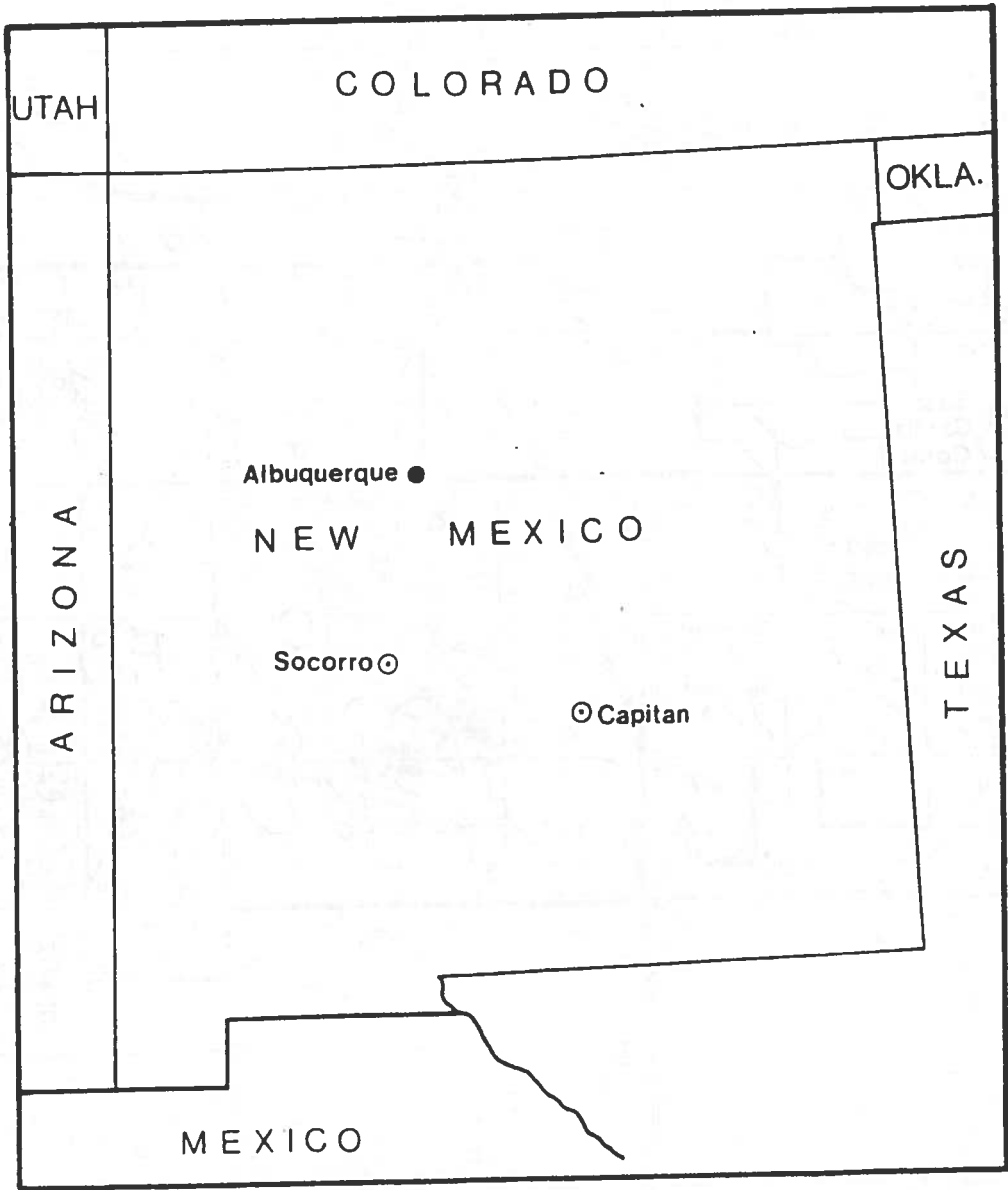
L. What will be the time frame for reclamation, (e.g. time of year, during mining, after mining, etc)?

Late Fall to avoid wind alteration
of re-seeding patterns.

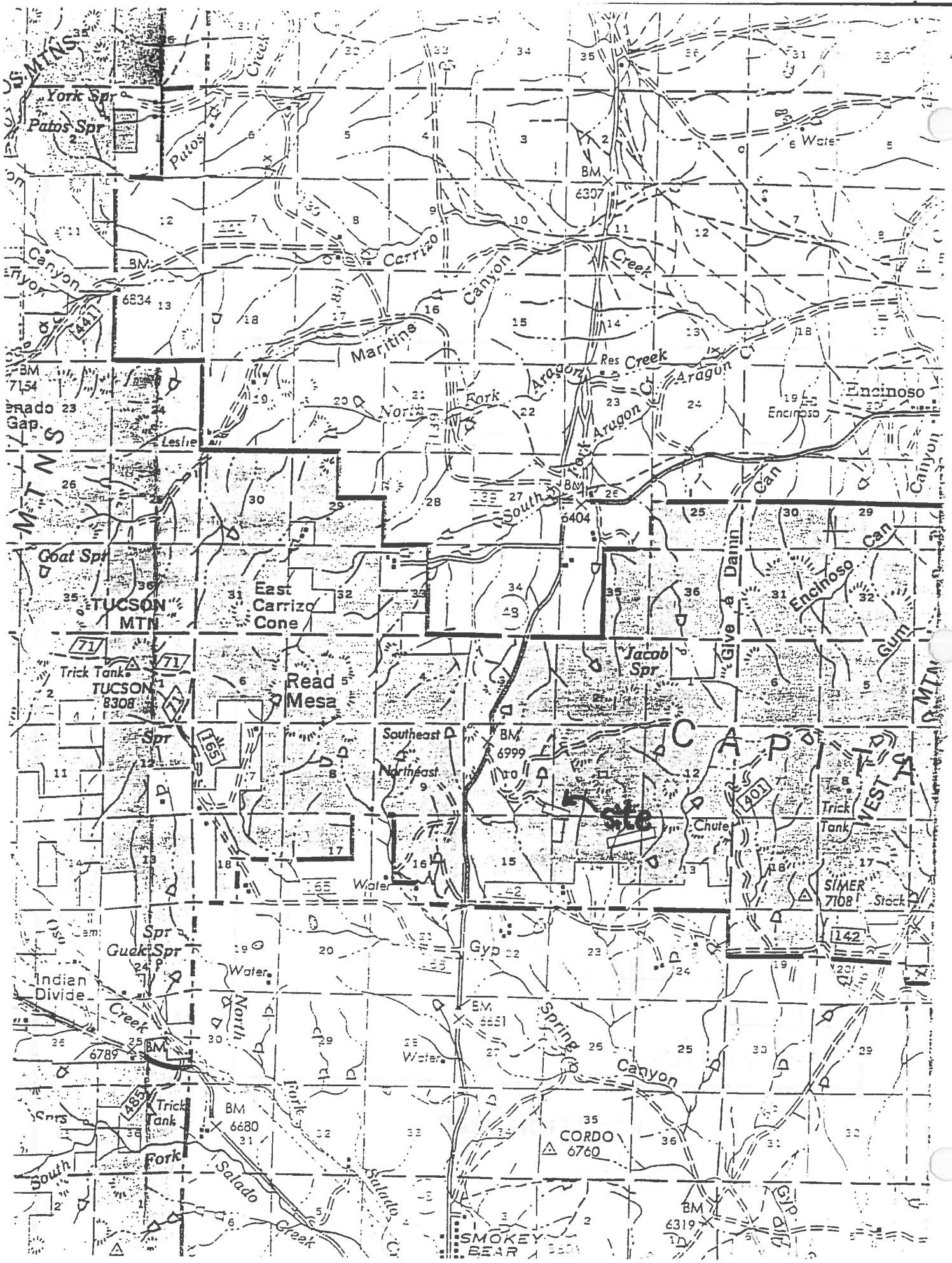
9. FINANCIAL ASSURANCE AND PERMIT FEES (§303.F & G)

- A. Financial assurance shall be provided in the amount of \$5,000 per permit plus \$2,500 per acre of disturbed land, unless the applicant makes a showing satisfactory to the Director that a lesser amount is appropriate, or the Director determines that a larger amount is required to perform the closeout plan.

- B. Attach the permit fees as determined pursuant to Rule 2 and a proposal for the required financial assurance.



LOCATION MAP

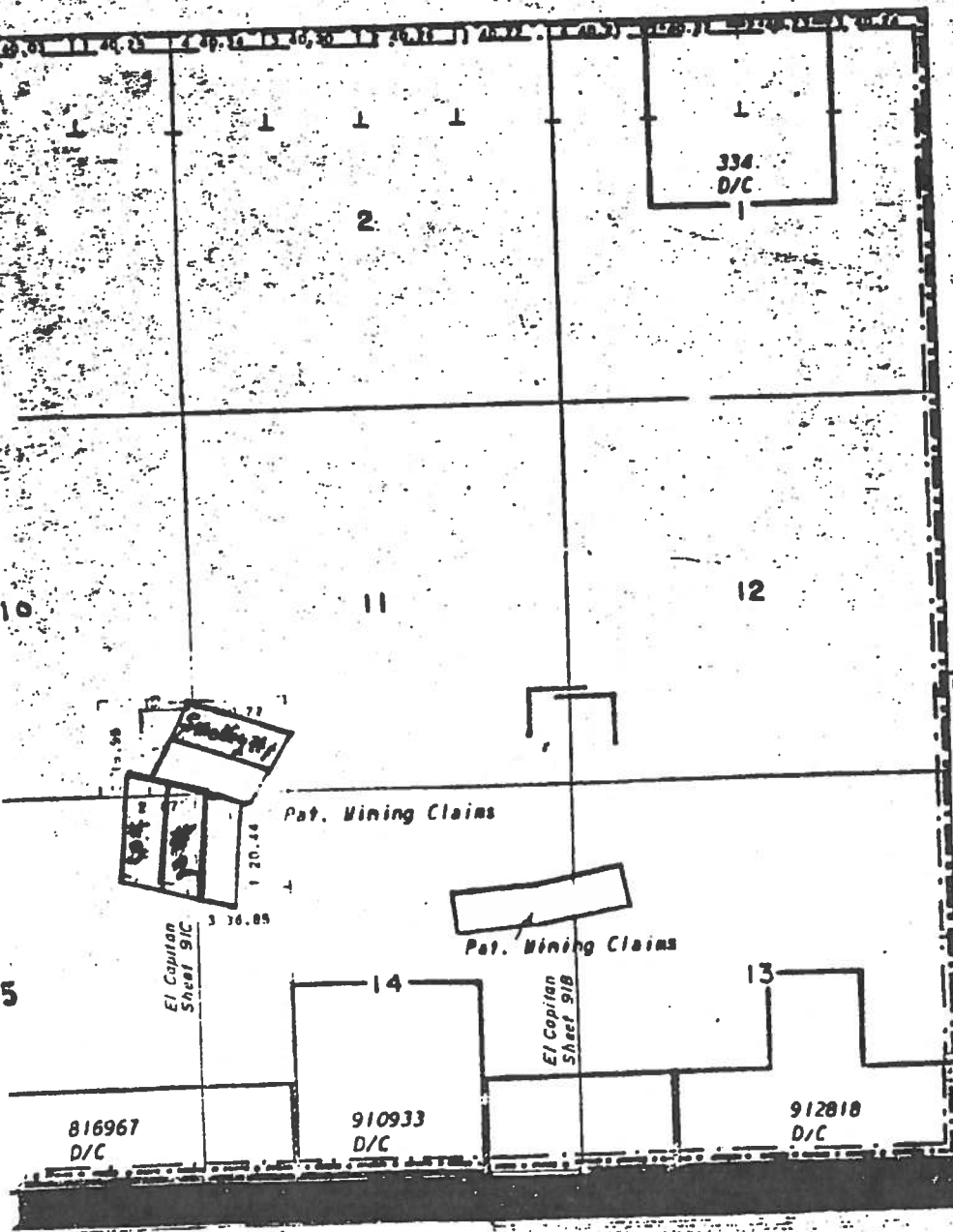


T 8 S, R 14 E
 EAST, OF THE NEW MEXICO PRIN. MERIDIAN, NEW MEXICO.

STATUS OF
 LAND AND

27 NM-6

MTP



INDEX TO	
RESURVEY	
TRACT NO	T

FOR ORDERS EFFECTING BY
 LANDS WITHDRAWN FOR CLM
 AND/OR OTHER PUBLIC USE
 MISCELLANEOUS DOCUMENT:

OR BLM USE ONLY

Not to Scale or the Basis
 of an Official Survey

ADJUDICATED

John D. ... 10/2/80
 Initials Date

EXPLANATION

Sec. 10

Sec. 11

● 35%
○ 20-35%
⊕ 5-20%
○ 5%

Iron content of bottom 3-foot drill sample.

Boundary of iron ore

Q18'

Test-pit or shaft, with depth.

Cul

Note: Numbers of holes are those of the

U.S. Bureau of Mines. Some closely

spaced holes are omitted. Roman

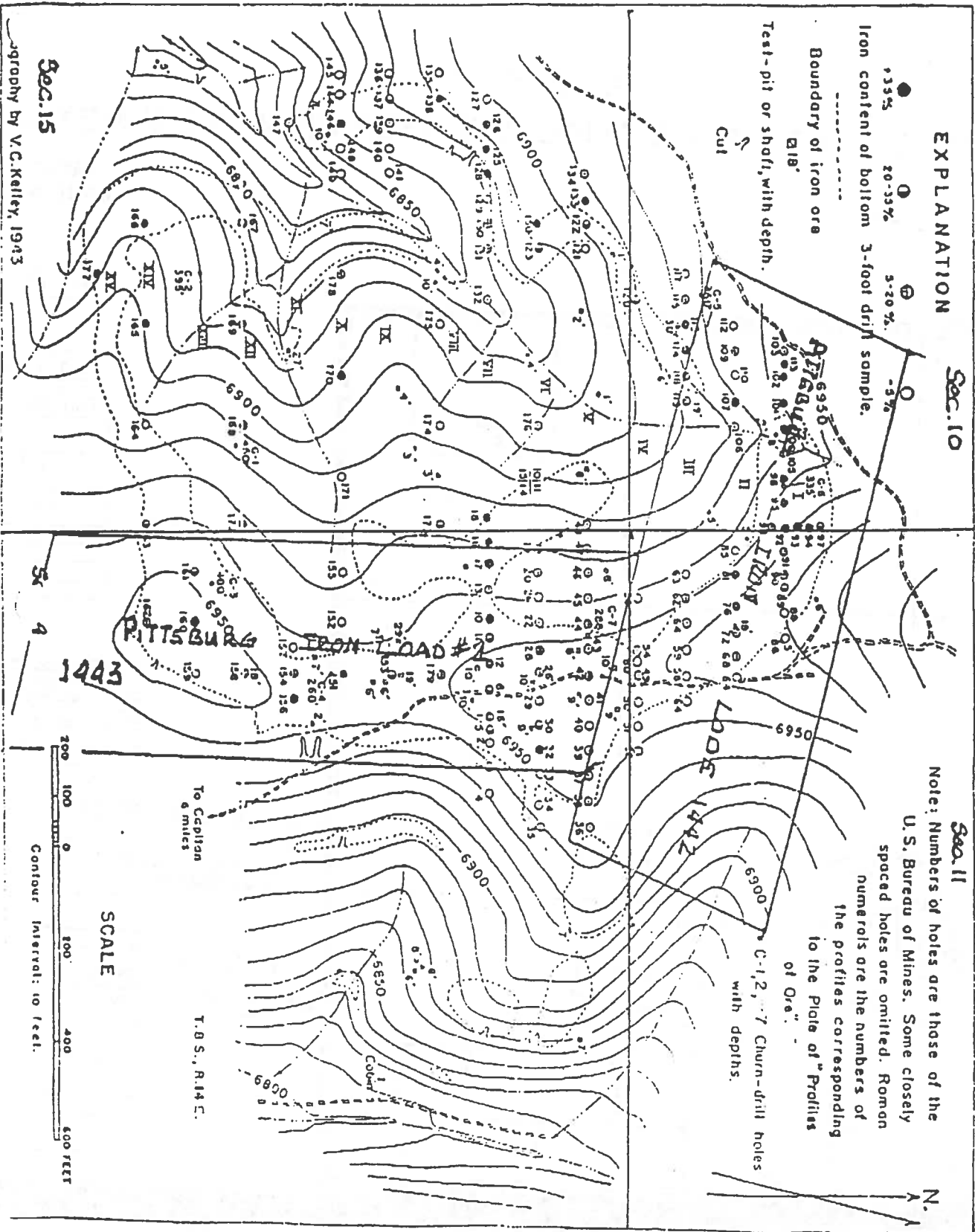
numerals are the numbers of

the profiles corresponding

to the Plate of "Profiles

of Ore."

C-1, 2, 7 Churn-drill holes
with depths.



Sec. 15

Geography by V.C. Kelley, 1943

Sec. 4

SCALE



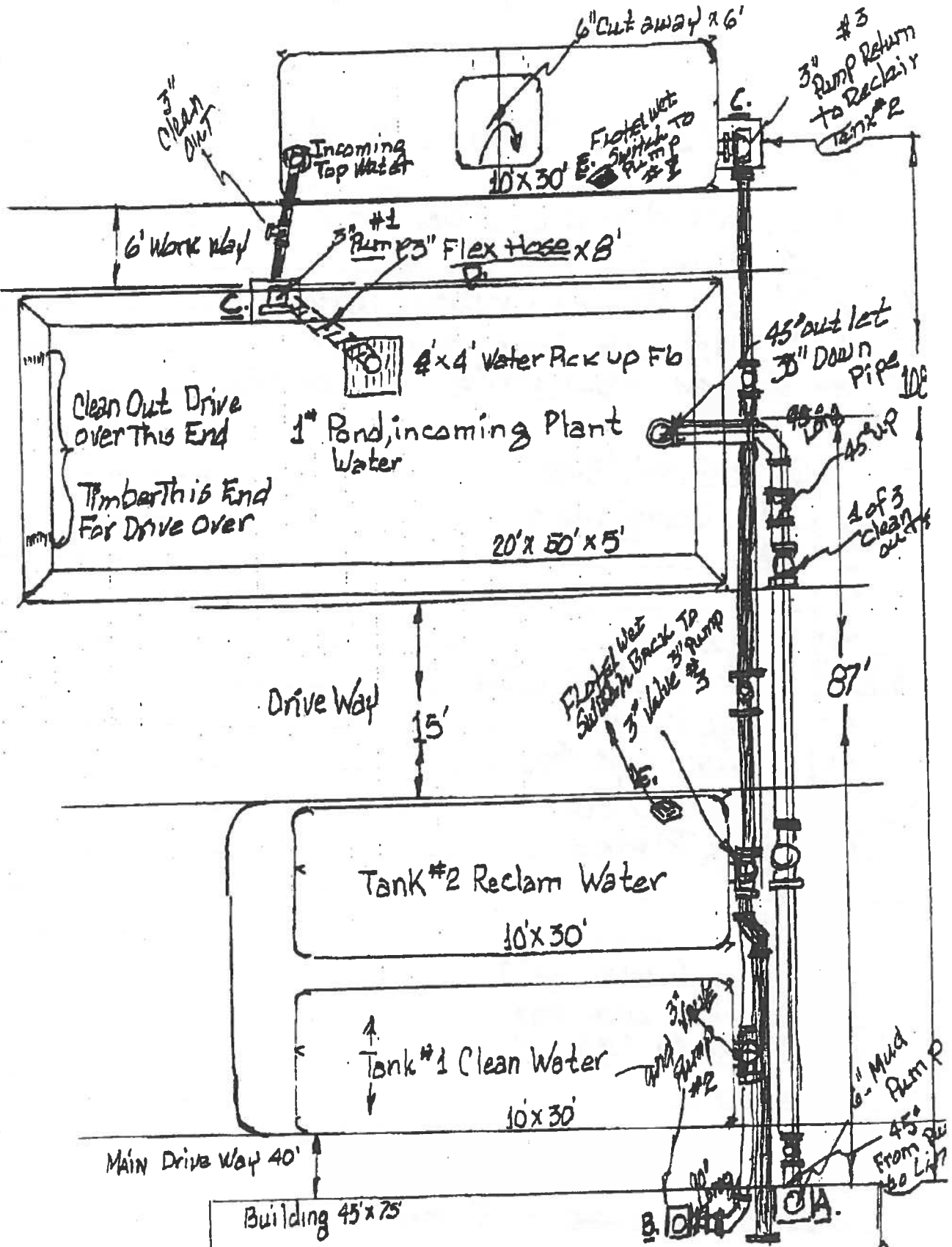
Contour Interval: 10 feet.

T.B.S., R.14 E.

To Capitan
6 miles

N.

84
82
80
78
76
74
72
70
68
66
64
62
60
58
56
54
52
50
48
46
44
42
40
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18
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2
0
3
6
4
2
0
?



2 A B 10 12 14 16 18 20 22 24 26 28 30 32 34 36 38 40 42 44 46 48 50 52 54 56

Needs - Tanks / Ponds

- #
- A. 1- 6" Silt Pump (rubber lined)
- B. 1- 3" Pump
- C. 2- 3" Silt Pumps (rubber lined)
- D. 1- 3" Flex hose, Female/Male x 8'
- E. 2- Water over flow OFF/ON level switches

← 6" - 40 SCD / P.V.C

2 - 90° Long Turn

3 - 45°

4 - T's

4 - Couplers

100 Ft 6" SCD 40 / P.V.C Pipe

4 - Flang Plates

4 - 6" Clean Out Sets

← 3" SCD 40 / P.V.C

16 - Flang Plates

4 - T's

2 - 45°

2 - 90° Long Turn

4 - 3" Clean out Sets

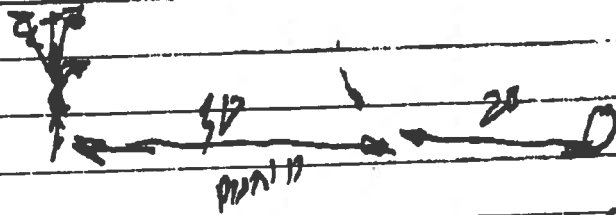
140 Ft 3" SCD 40 / P.V.C Pipe

← VALVES

3- 3"- 3 way Valves, or Make Ups

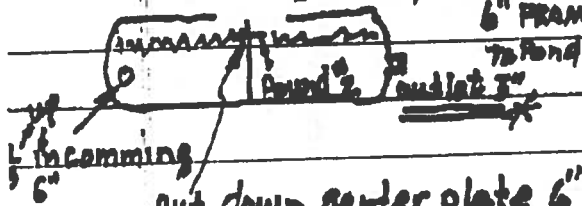
6 cans Cement & Primer

- 1. 6" TRASH Pump, Rubber lined
- 2. 3" Pumps, 1-rubberlined 1-Not



- 4 - Cons of Cement
- 2 - 90°
- 5 - 6" clean out Fittings
- 5 - T's
- 3 - Couplers
- 100' - 6" SCD 40 P.V.C

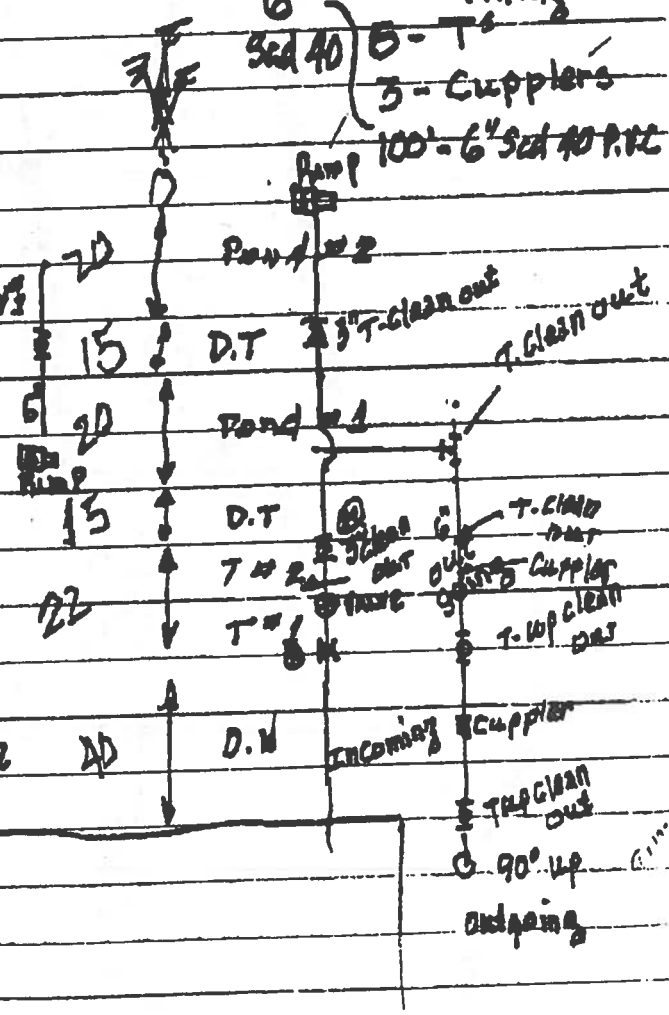
Pond #2 will be a Split Tank pumped to 1/2 off the bottom Right Side, Same on left



cut down center plate 6"

3" Return to #2 clean Tank from #2 Pond Tank 140' Need pump

2-3" Valves between Tank #1 & #2 on Incoming Clean #1 and Pond Water #2



TRASH out
90° UP
outgoing

EL CAPITAN LTD / SEVEN WESTERN PERMIT NO. L1006ME

Section 10 Section 11

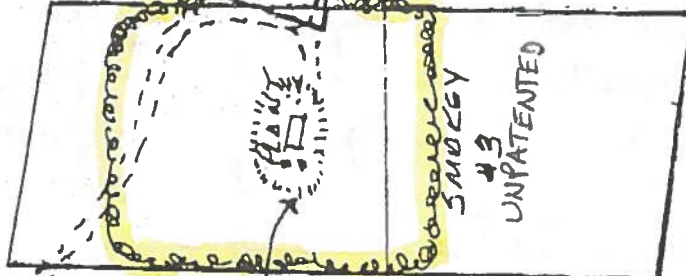
TO HWY 246
FOREST SEON AD

125,730 sq ft
2.88 acres

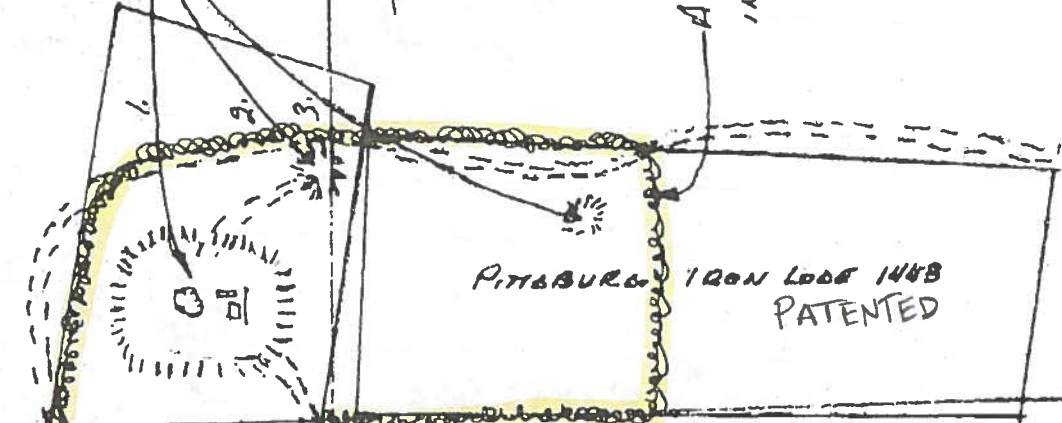
ACTIVE MINING AREAS

1. 182,250 sq ft - 4.18 acres
2. 17,550 sq ft - .402 acres
3. 11,700 sq ft - .26 acres

All on patented property



SMOKEY #3 UNPATENTED



PATENTED PITTSBURGH IRON LODE 1448

PITTSBURGH IRON LODE 1448 PATENTED

Existing Pit Disturbance (responsibility of Larue according to Bob Bouldin) UNPATENTED

APPROX 40 ACRES IN PERMIT BOUNDARY (OUTLINED) 1742400 sq ft



Section 14

Section 10