

**PERMIT MODIFICATION 05-1 TO PERMIT NO. GR020RE GEORGETOWN MINE
EXISTING MINING OPERATION**

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

This Permit Modification of Permit No. GR020RE is issued by the Director of the Mining and Minerals Division (MMD) of the New Mexico Energy, Minerals and Natural Resources Department to:

Sierra Corporation

JH Mining

whose correct address is:

5070 Mark IV Parkway
Fort Worth, Texas 76106

(Permittee) for the Georgetown Mine located in Grant County, New Mexico.

This permit modification approves the reduction of the amount of financial assurance required for the Georgetown Mine. The reduction is a result of Sierra Corporation conducting reclamation as mandated in the permit document and closeout plan. The previous financial assurance was in the amount of \$21,000. The new financial assurance amount is approved for \$5,200 and will be held in the form of a Certificate of Deposit.

The following sections of Permit No. GR020RE are amended or modified as follows:

Section 3. Findings of Fact

- J. The Permittee has filed an application for release of financial assurance as required by 19.10.12.1210.A.1 of the New Mexico Mining Act Rules (Rules).
- K. The Permittee has submitted the \$500 permit modification fee on September 11, 2006, as required by 19.10.2.201.H of the New Mexico Mining Act Rules.
- L. The Permittee has described the reclamation and closeout measures completed and have agreed to an estimate of the cost of reclamation (Attachment 1) as required by 19.10.12.1210.A.2 of the Rules.
- M. The Permittee has provided proof that the notice of application has been provided in accordance with 19.10.12.1210, 19.10.9.902 and 19.10.9.903 of the Rules.
- N. The Director has provided notice of the application to other government agencies in accordance with 19.10.12.1210.A.4 of the Rules.
- O. The Director conducted an inspection of the site on May 11, 2006 and June 6, 2007 in accordance with 19.10.12.1210.B of the Rules.
- P. The Permittee has adequate financial assurance in place for the remainder of the reclamation work to be completed, per 19.10.5.506.J.2 of the Rules. The amount of

financial assurance is \$5,200 in the form of a Certificate of Deposit held with (name of bank).

- Q. The Director is satisfied that the phase of the closeout plan covered by the financial assurance to be released has been accomplished in accordance with the Act, the Rules, and the permit as required by 19.10.12.1210.E of the Rules.

Section 9. Conclusions of Law

- E. The Director has determined that a decrease in the amount of financial assurance is appropriate based on the completion of reclamation activities that have been accomplished in accordance with the Act, the Rules and the permit. The Financial assurance in the amount of \$5,200 is sufficient to meet the requirements of the Act, the Rules and the permit.
- F. Unless specifically modified herein, in all respects the terms, conditions, and other contents of Permit GR020RE, as previously modified, revised or otherwise amended, remain the same and in full force and effect.

Operator Certification

I certify that I have read, understand and will comply with the requirements of this Permit Modification.

Authorized Representative of the Permittee

Title

Company

Subscribed and sworn to before me this _____ day of _____, 20__

Notary Public

My Commission Expires

_____, 20__

ORDER

NOW THEREFORE, IT IS HEREBY ORDERED that Permit Modification 05-1 of the Georgetown Mine (Permit No. GR020RE), located in Grant County, New Mexico; is approved. Sierra Corporation may continue mining, exploration, or reclamation operations in accordance with the permit.

By Order of the Director, Mining and Minerals Division, Energy, Minerals and Natural Resources Department, of the State of New Mexico.

Mining and Minerals Division

The State of New Mexico

By:

Bill Brancard, Director
Mining and Minerals Division
Energy, Minerals and Natural Resources Department

DATED: _____