State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie A. Kenderdine Cabinet Secretary

Dylan M. FugeDeputy Cabinet Secretary

Albert Chang, Director Mining and Minerals Division



Electronic Transmission

May 21, 2024

E. Terry Jensen Gila Mining, LLC 201 W. Spruce St. P.O. Box 444 Deming, NM 88030

RE: Notice of Pending Denial Minimal Impact Mine Application, Deming Alpha Mine, Permit Tracking No. LU042MN, Gila Mining, LLC

Dear Mr. Jensen:

On July 6, 2021, the New Mexico Mining and Minerals Division ("MMD") provided Gila Mining a "Technically Approvable" determination for the proposed Deming Alpha Mine, Permit Tracking No. LU042MN, and requested that Gila Mining provide a suitable financial assurance mechanism for reclamation of the site. On September 24, 2021, MMD provided a revised amount for the financial assurance mechanism of \$61,326.59. To date, a financial assurance mechanism has not been provided by Gila Mining for the Facility.

This letter will serve to notify Gila Mining that the application for the Deming Alpha Mine, Permit Tracking No. LU042MN, is pending denial. It is MMD policy to suspend an application for a maximum of six months to allow an operator time to address any deficiencies in the permit and secure funding for the financial assurance mechanism. Greater than six months have passed without the provision of financial assurance for this Permit. As such, MMD requests the required financial assurance of \$61,326.59 be provided within ninety (90) days of the date of this letter, or by August 19, 2024. If financial assurance is not provided in this timeframe, MMD will proceed with the denial of this minimal impact mining permit application due to inactivity.

If you have any questions, please contact me at (505) 470-5354 or kevin.barnes@emnrd.nm.gov Sincerely,

Kevin T. Barnes Permit Lead

Mining Act Reclamation Program (MARP)

cc: David "DJ" Ennis, MARP Program Manager

Mine File (LU042MN)