



## AMERICAN MAGNESIUM LLC

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July 23, 2024

State of New Mexico  
Energy, Minerals and Natural Resources Department  
Mining and Minerals Division  
1220 South St. Francis Drive  
Santa Fe, NM  
87505

**Attention:**     **Mr. DJ Ennis, Program Manager**  
                  **Mr. Kevin Barnes, Reclamation Manager**

Dear Sirs:

**Re:     Part 3 Minimum Impact Exploration Permit No. LU047EM**  
      **Little Mountain Exploration Project**  
      **Modification 24-1 Application**

Further to our recent discussions and correspondence with Mines and Minerals Division (MMD), this letter presents American Magnesium LLC's (AM) application for a modification to their Part 3 Minimum Impact Exploration Permit No. LU047EM for the Little Mountain Exploration Project.

The modification is required due to the changes in the routing and length of the access and overland roads, in addition to the size of the staging area, and the size and location of the five drill pads. These modifications were necessary due to a change in drilling contractor and drilling equipment required to complete the exploration program. In addition, due to the steepness of the Little Mountain topography, a switchback overland road was required in order to access the upper drill pads (BV3 and BV4).

AM conducted an updated survey of the Little Mountain Exploration Project site on July 10, 2024. The purpose of this survey was to provide an accurate description of the current extent of disturbances, including the access road, staging area, overland travel paths, and drill pads. The results of this survey are shown on the attached Figure 1 and summarized on Table 1. The survey indicates a total of 1.15 acres of disturbances on site and a total roadway (access road and overland travel paths) length of 3,051 feet. This compares to a total of 0.71 acres of disturbances and a total of 2,205 feet of total roadways in the original Permit No. LU047EM.

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Attached to this letter in Appendix A are the revised summary tables from the original permit application. These tables are as follows:

- Other Supporting Equipment
- Roads and Overland Travel
- Support Facilities

A third-party estimate for the reclamation of all disturbances at the project site (Figure 1 and Table 1) was prepared by Dola Rock Construction on behalf of AM and submitted to MMD on May 13, 2024. Based on this estimate AM provided additional Financial Assurance to MMD. The total Financial Assurance now held by MMD for this permit is \$71,490.00.

We trust this information satisfies MMD's requirements to modify Permit No. LU047EM. Please contact me should you have any questions or concerns.

Yours Truly,



Carol Ness  
Managing Member  
American Magnesium LLC

Attachments

Figure 1 – Disturbed Areas  
Table 1 – Summary of Disturbed Areas  
Appendix A – Revised Permit Application Tables

**Table 1**  
**Summary of Disturbed Areas**

<b>Area</b>	<b>Distance (Feet)</b>	<b>Average Width (Feet)</b>	<b>Area (Acres)</b>
South Access Road	944	8.8	0.1911
South Access Road	201	8.2	0.03795
South Access Road	85	8.7	0.01694
West Mountain Overland Path	269	8.8	0.05432
West Mountain Overland Path	69	7.7	0.012096
Mid Mountain Overland Path	196	9.2	0.04115
Mid Mountain Overland Path	45	8.0	0.00822
Mid Mountain Overland Path	274	8.7	0.05462
Mid Mountain Overland Path	132	8.5	0.02568
Cross Mountain Overland Path	393	9.0	0.08077
East Mountain Overland Path	336	14.3	0.11003
East Mountain Overland Path	107	14.2	0.03473
Staging Area	-	-	0.2166
Drill Pad BV1	-	-	0.03
Drill Pad BV2	-	-	0.09463
Drill Pad BV3	-	-	0.04938
Drill Pad BV4	-	-	0.07192
Drill Pad BV5	-	-	0.01655
<b>Totals</b>	<b>3051</b>	<b>-</b>	<b>1.146686</b>

A. Other Supporting Equipment

<input checked="" type="checkbox"/> 4x4 Trucks/Vehicles	Quantity: 2
<input checked="" type="checkbox"/> Water Truck	Weight (lbs.): 64000
<input type="checkbox"/> Geophysical Truck	Weight (lbs.):
<input type="checkbox"/> Pipe Truck (rig support)	Weight (lbs.):
Bulldozer	Type: D6
Backhoe	Type:
Trackhoe	Type: 1
Scaper/Grader	Type:
Trailers	Quantity/Type:
Portable Toilet	Quantity: 1
Other	List:



B. Roads and Overland Travel:

List of new roads to be constructed for this exploration project:

Description of <i>NEW</i> Roads	Length (ft.)	Width (ft.)	Total Acres (length x width x 0.0000229)
<p>See attached Figure 1 for new road locations. The new South Access road was created to access the Staging Area. This road is on relatively flat ground and not on the dolomite. The road and support area were created by blading and grading with a bulldozer. The South Access road is a total of 1,230 feet in length and an average of 8.8 feet in width.</p> <p>1,230 ft x 8.7 ft x 0.0000229 = 0.25 acres</p>			
<b>TOTAL ACRES DISTURBED BY NEW ROAD CONSTRUCTION:</b>			0.25

Describe how new roads will be constructed:

A bulldozer will blade and grade a path for the equipment to pass on.

List for extension or widening of existing roads:

Description of Modification to <i>EXISTING</i> Roads	Length (ft.)	Width (ft.)	Total Acres (length x width x 0.0000229)
<p>The modifications on existing roads will be the grading of eroded areas ensure safe travel. The decision of what section of road that will need grading will be made during the mobilization of the drill rig. The 100 feet estimate should be considered a conservative (high) estimate.</p> <p>100 ft x 9 ft x 0.0000229 = 0.02 acres</p>			
<b>TOTAL ACRES DISTURBED BY ROAD IMPROVEMENTS:</b>			0.02

Describe how existing roads will be extended or widened:

List for routes of overland travel:

Description of <i>OVERLAND TRAVEL</i> Routes	Length (ft.)	Width (ft.)	Total Acres (length x width x 0.0000229)
See attached Figure 1 and Table 1. The overland travel paths were created by a bulldozer to assist the drill rig to access the five drilling pads on the ridgeline of Little Mountain.			
West Mountain Overland – 338 ft x 8.6 ft x 0.0000229 = 0.066 acres			
Mid Mountain Overland – 647 ft x 8.8 ft x 0.0000229 = 0.13 acres			
Cross Mountain Overland – 393 ft x 9 ft x 0.0000229 = 0.08 acres			
East Mountain Overland – 443 ft x 14.3 ft x 0.0000229 = 0.14 acres			
<b>TOTAL ACRES DISTURBED BY OVERLAND TRAVEL:</b>			<b>0.42</b>

C. Support Facilities

Describe (location and size) any support facility disturbances (equipment staging, equipment and material storage and/or lay down areas, vehicle parking, temporary housing and/or trailers) to be created or situated on the site during exploration operations.

See attached Figure 1 and Table 1 which illustrates the Staging Area location on the south side of Little Mountain. The Staging Area will contain the water truck, support equipment truck (which will contain fuel, oil, hydraulic oil, etc), chemical toilet and core tent. The Staging Area is a total of 0.22 Acres.

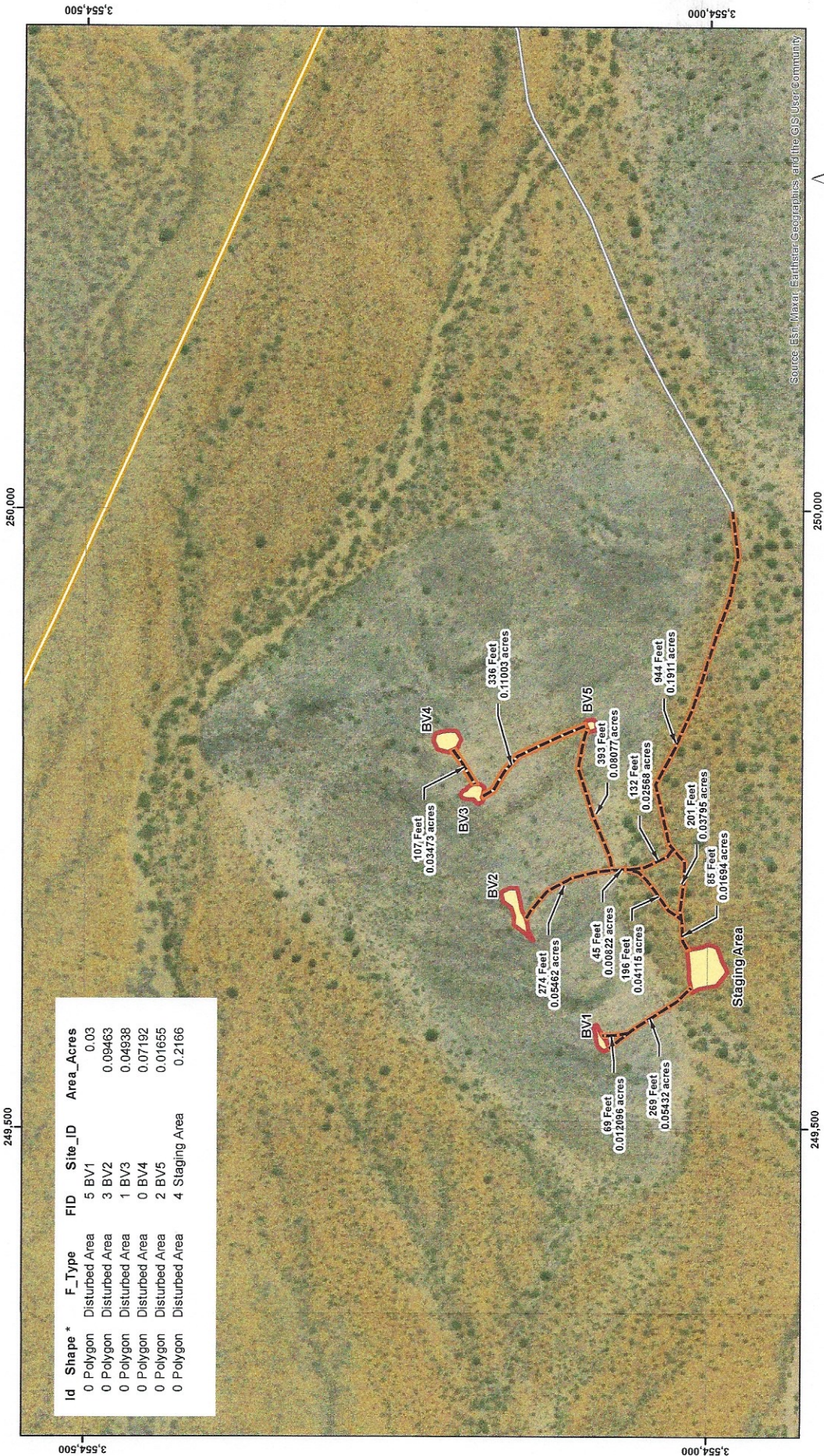
In addition there are five drill pad locations as shown on Figure 1 and Table 1. The areas for each of the drill pads is as follows:

- BV1 - 0.030 acres
- BV2 – 0.095 acres
- BV3 – 0.049 acres
- BV4 – 0.072 acres
- BV5 – 0.017 acres

D. **TOTAL ACREAGE TO BE DISTURBED BY PROJECT**      **1.15**

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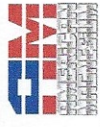




Id	Shape *	F_Type	FID	Site_ID	Area_Acres
0	Polygon	Disturbed Area	5	BV1	0.03
0	Polygon	Disturbed Area	3	BV2	0.09463
0	Polygon	Disturbed Area	1	BV3	0.04938
0	Polygon	Disturbed Area	0	BV4	0.07192
0	Polygon	Disturbed Area	2	BV5	0.01655
0	Polygon	Disturbed Area	4	Staging Area	0.2166



Figure: 1  
Disturbed Areas



Client:

Project:  
Little Mountain

Date: July 17, 2024

Drawn By:  
SMART MAP

Map Notes:  
1. Datum: WGS 1984  
2. Projection: WGS 1984 UTM Zone 13N



Document Path: D:\Projects\G3\Fire\GIS\New\_Mexico\_Project\03\_MXD\Disturbed\_Areas.mxd

**Map Key**

- BLM Road BO13
- Disturbed Sites
- BLM Road BO16
- Temporary Roads