

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Melanie A. Kenderdine
Cabinet Secretary

Ben Shelton
Acting Deputy Cabinet Secretary

Albert Chang, Director
Mining and Minerals Division



August 14, 2024

Mike Thompson
Cibola Resources, LLC.
18032 Road G
Cortez, CO 81321

RE: Technical Comments on North Cebolleta Exploration Application, Permit No. CI019EM

Dear Mr. Thompson,

The New Mexico Mining and Minerals Division (MMD) received an application from Cibola Resources for the Minimal Impact Exploration Application North Cebolleta Exploration Project, Permit No. CI019EM on March 18, 2024.

On July 11th, MMD deemed the submitted application was administratively complete which was followed by a site inspection with Cibola Resources on July 29, 2024. MMD has conducted a technical review of the Application and, in accordance with 19.10.3.302.I NMAC, provided the Application to, and requested comments from, the New Mexico Environment Department (NMED), New Mexico Office of the State Engineer (NMOSE), New Mexico Department of Game and Fish (NMDG&F), New Mexico Historic Preservation Division (NMDCA), New Mexico Forestry Division (NMSFD), and the Cebolleta Land Grant.

Please review and respond to the attached technical comments from both MMD and Agencies within 60 days of receipt of this letter. If you have any questions regarding these comments, please contact me at (505) 216- 8945 or at samantha.rynas@emnrd.nm.gov.

Sincerely,

Samantha Rynas, Permit Lead
Mining Act Reclamation Program ("MARP")
Mining and Minerals Division

Attachment A: MMD Technical Comments

Attachment B: Combined Agency Comment letters

CC: David (DJ) Ennis, Program Manager, MARP, MMD
Clint Chisler, Reclamation Specialist Supervisor, MARP, MMD
Mine File CI019EM

Attachment A: MMD Technical Comments

North Cebolleta Exploration

Permit No. CI019EM

Date: August 13, 2024

OVERVIEW

Name of Operator: Cibola Resources

Permit Update: Application

Agency Responses: *Attached and available for review and response*

New Mexico Department of Cultural Affairs Submitted August 8, 2024

New Mexico Department of Game and Fish Submitted August 12, 2024

New Mexico Environment Department Submitted August 6, 2024

New Mexico Office of the State Engineer No Response.

EMNRD - Forestry Division Submitted July 30, 2024

MMD Comments

1. Section 4.C. Drill Pad Acreage. Please update this acreage to reflect only the drill pad dimensions (60 ft. X 100 ft.).
Operator response: and/or see attachment:
2. Section 4.D. Disposal of drill cuttings. MMD will require cuttings to be buried concurrently with completion of drilling and plugging.
Operator response: and/or see attachment:
3. Section 4.D. Disposal of drill cuttings and Radiation survey. MMD will require a pre-drilling RAD survey be completed and submitted to MMD establish background levels of radiation.
Operator response: and/or see attachment:
4. Section 4.F. Overland Travel. Please break out the overland acreage from total disturbance, see comment 1.
Operator response: and/or see attachment:
5. Section 6.D. Borehole abandonment. MMD reminds Cibola Resources that the top 2 feet of boreholes needs to be capped with topsoil.
Operator response: and/or see attachment:
6. Section 6.D. Borehole abandonment. If Cibola Resources expects some boreholes to be dry, please also indicate option for a dry borehole abandonment option.
Operator response: and/or see attachment:

MMD Comment Summary Report:

North Cebolleta Exploration

Permit No. CI019EM

Date: August 13, 2024

7. Section 7.C. MMD notes that the Application Amendment submission from July 9th, 2024 changes this section to reflect the use of mud pits. This amendment includes a plan for wildlife protection, and fluid containment.

Operator response: and/or see attachment:

8. Section 7.D. Reclamation Details. MMD encourages Cibola Resources to minimize the overall disturbance footprint by only hand broadcast seeds and raking. As observed at CI018EM site, disking and chain harrow practices led to a larger and more disturbed footprint.

Operator response: and/or see attachment:

9. Attachment A. Right of Entry. While right of way for the Cibola Land grant is clarified, Surface Estate owner Lupo Lands, LLC (Lobo ranch) hasn't provided a statement of right of entry. Please provide statement for right of entry for Lobo Ranch.

Operator response: and/or see attachment:

10. Figure 3 – Map of drilling locations. Application states 25 boreholes, but on review of the map, only 24 are indicated. Please clarify/update as needed.

Operator response: and/or see attachment:

11. Agency Responses:

New Mexico Department of Cultural Affairs

Operator response: and/or see attachment:

New Mexico Department of Game and Fish

Operator response: and/or see attachment:

New Mexico Environment Department

Operator response: and/or see attachment:

EMNRD - Forestry Division

Operator response: and/or see attachment:

Permit Lead: Samantha Rynas **DATE:** 8/13/2024



DIRECTOR AND SECRETARY
TO THE COMMISSION
Michael B. Sloane

STATE OF NEW MEXICO
DEPARTMENT OF GAME & FISH

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Silver City

9 August 2024

Samantha Rynas, Permit Lead
Mining Act Reclamation Program
Mining and Minerals Division (MMD)
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Minimal Impact Exploration Permit Application, North Cebolleta Exploration Project, Cibola County, New Mexico, Permit No. CI019EM; NMDGF Project No. NMERT-3662.

Dear Ms. Rynas,

The New Mexico Department of Game and Fish (Department) has reviewed the above referenced exploration project submitted by Cibola Resources, LLC (Cibola). Cibola is proposing to drill 25 exploratory holes across 25 drill pad sites. The depth of the holes will not exceed 650 feet. The exploration project will be located within the Cebolleta Land Grant, approximately 4.7 miles southeast of Seboyetta, New Mexico. The total area that would be disturbed by proposed activities is approximately 4.3 acres. Staff from the Department were unable to attend the site inspection conducted on 29 July 2024.

To minimize the likelihood of adverse impacts to migratory bird nests, eggs, or nestlings during project construction, the Department recommends that ground disturbance and vegetation removal activities be conducted outside of the primary breeding season. That season for migratory songbirds and most raptors is 1 March – 1 September; for golden eagle (*Aquila chrysaetos canadensis*) and great horned owl (*Bubo virginianus*) it is 1 January – 15 July. If ground disturbing and clearing activities must be conducted during the breeding season, the area should be surveyed for active nest sites (with birds or eggs present in the nesting territory) and avoid disturbing active nests until young have fledged. For active nests, establish adequate buffer zones to minimize disturbance to nesting birds. Buffer distances should be a minimum of 100 feet from songbird and raven nests; 0.25 miles from most raptor nests; and 0.5 miles for ferruginous hawk (*Buteo regalis*), golden eagle, peregrine falcon (*Falco peregrinus*), and prairie falcon (*Falco mexicanus*) nests. Active nest sites in trees or shrubs that must be removed should be mitigated by qualified biologists or wildlife rehabilitators. Department biologists are available to consult on nest site mitigation and can facilitate contact with qualified personnel.

Cibola is proposing to use a closed loop drilling system, which the Department fully supports and recommends. If the containment system for the drilling fluids is not fully enclosed, the Department recommends netting or covering any open containment tanks to exclude birds and bats. If netting is used, the Department recommends extruded plastic, knit, or woven netting with a mesh size of three eighths of an inch to exclude smaller animals. The Department does not support the use of

monofilament netting due to its tendency to ensnare wildlife, usually resulting in injury or death. Netting material must be held taught over a rigid and adequately supportive frame to prevent sagging into the drilling fluids.

It is also important to prevent wildlife from entering, and becoming trapped in, stockpiled pipes used in the drilling process. The Department recommends capping drill pipes as the most effective way to prevent wildlife entry. At a minimum, each section of pipe should be visually inspected prior to use to verify that no wildlife, including small mammals or reptiles, are inside.

The Department concurs with the proposed native seed mix and suggests including some species designed to enhance local pollinator habitat. The Department also recommends that only certified weed-free seed be used to avoid inadvertently introducing non-native species to the reclamation site. Any alternate plant species, used to substitute for primary plant species that are unavailable at the time of reclamation, should also be native. When possible, the Department recommends using seeds that are sourced from the same region and habitat type as the reclamation site and suggests including seeds from a region that represents potential future climatic conditions at the site.

Thank you for the opportunity to review and comment on the proposed exploration permit application. If you have any questions, please contact Ron Kellermueller Mining and Energy Habitat Specialist, at (505) 270-6612 or ronald.kellermueller@dgf.nm.gov.

Sincerely,

Virginia Seamster, Ph.D.
Assistant Chief for Technical Guidance, Ecological and Environmental Planning Section

cc: USFWS NMES Field Office



Environment Department Internal Memorandum

DATE: July 26, 2024

TO: Amber Rheubottom, Mining Environmental Compliance Section, Ground Water Quality Bureau, New Mexico Environment Department

FROM: Alan Klatt, Watershed Protection Section, Surface Water Quality Bureau, New Mexico Environment Department

SUBJECT: **Request for Review and Comments, Minimal Impact Exploration Permit Application, North Cebolleta Exploration Project, Cibola County, New Mexico, Permit Tracking No. CI019EM**

On July 23, 2024 the Surface Water Quality Bureau (SWQB) received a request for comments regarding the Subject application submitted by Cibola Resources, LLC. The exploration area is located on the Cebolleta Land Grant approximately 4.7 miles southeast of Seboyetta, NM. The proposed total disturbance area is 4.3 acres and includes 25 drill holes with average depths of 640 feet. No drilling is proposed within the channel of any perennial, intermittent, or ephemeral streams. Pursuant to 19.10.3.302 New Mexico Administrative Code (NMAC), SWQB is providing the following comments:

The proposed North Cebolleta Exploration Project is located in close proximity to Arroyo del Valle which flows to the Rio Puerco and ultimately the Rio Grande. Arroyo del Valle is subject to New Mexico surface water quality standards at 20.6.4.13 NMAC and 20.6.4.98 NMAC which include designated uses for livestock watering, wildlife habitat, marginal warmwater aquatic life and primary contact. Arroyo del Valle is currently listed on the Clean Water Act Section 303(d) list of impaired waters for alpha particles and does not support the designated use for livestock watering¹. Mine exploration activities that have the potential to contribute pollutants to waters of the state must be implemented with appropriate and reasonable Best Management Practices (BMPs) to minimize and prevent potential impacts to water quality. Any discharge of a water contaminant, in such quantity as may with reasonable probability injure or be detrimental to human health, animal or plant life, or property, or unreasonably interfere with the public welfare or the use of property, must be reported to the Environment Department within twenty-four hours (20.6.2.1203 NMAC).

To protect and maintain surface water quality standards, SWQB recommends the following:

- Appropriate spill clean-up materials such as absorbent pads must be available on-site at all times during road construction, site preparations, and drilling activities to address potential spills. Report all spills immediately to the NMED as required by the New Mexico Water Quality Control Commission Regulations (20.6.2.1203 NMAC). For non-emergencies during normal business hours, call 505-428-2500. For non-emergencies after hours, call 866-428-6535. For emergencies only, call 505-827-9329 twenty-four hours a day (New Mexico Department of Public Safety).
- The applicant must contain any water produced from the exploration holes at the drill site to prevent erosion and gully formation. Drilling cores and drilling mud must be collected and disposed of properly.

¹ <https://www.env.nm.gov/surface-water-quality/303d-305b/>

- Gamma radiation levels at each drill site must be restored to pre-exploration levels.
- Pressure wash and/or steam clean all mobile equipment used in the project area before the start of the project and inspect daily for leaks. A written log of inspections and maintenance should be completed.
- The use of overland travel and site selection, design, and construction of well pads, reserve pits, and roads should comply with the guidelines described in the Bureau of Land Management “Gold Book”². Suspend construction, maintenance activities, or off-road travel during periods when the soil is too wet to adequately support heavy equipment without causing surface disturbance. The operator should commit to repair any surface disturbance they caused.
- Roads, pads, and other facility structures should be set back a minimum of 100 feet from any watercourses, including springs, wetlands, and arroyos.
- Implement Best Management Practices to prevent direct impacts to watercourses, including springs, wetlands, and arroyos. For temporary surface disturbances during exploration and reclamation activities, the operator should implement erosion control measures that are designed, constructed and maintained using professionally recognized standards (e.g., Natural Resource Conservation Service standards or the Bureau of Land Management “Gold Book”).
- The applicant should ensure that stormwater entering the project area (“run-on”) is diverted from soil storage piles and should place piles uphill of excavations when possible.
- This project may qualify for coverage under the National Pollutant Discharge Elimination System (NPDES) 2021 Multi-Sector General Permit (MSGP) for storm water discharges, Sector G Metal Mining. Information on permit coverage requirements can be found at <https://www.epa.gov/npdes/stormwater-discharges-industrial-activities-epas-2021-msgp>.

Among other things, the MSGP requires that a Stormwater Pollution Prevention Plan (SWPPP) be prepared for the site and that appropriate Best Management Practices (BMPs) be designed, installed and maintained to prevent, to the extent practicable, pollutants in stormwater runoff from entering waters of the U.S. This permit also requires that permanent stabilization measures, and permanent stormwater management measures be implemented post construction to minimize, in the long term, pollutants in storm water runoff from entering these waters. Section 9.6.2 of the 2021 MSGP describes additional New Mexico specific requirements for monitoring, SWPPPs, ponds and impoundments, inspections, and stabilization.

- Activities within watercourses or wetlands may require coverage under a Clean Water Act Section 404 permit. If you have questions about this permitting, please contact the U.S. Army Corps of Engineers, Albuquerque District, Regulatory Division at <https://www.spa.usace.army.mil/Missions/Regulatory-Program-and-Permits/Regulatory-Contacts/>.

For questions related to these comments, please contact Alan Klatt, SWQB, at 505-819-9623.

² <https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/operations-and-production/the-gold-book>



Electronic Transmission

MEMORANDUM

Date: August 6, 2024

To: David Ennis, Program Manager, Mining Act Reclamation Program

Through: Amber Rheubottom, Acting Mining Act Coordinator, Mining Environmental Compliance Section (MECS)

From: Alan Klatt, Surface Water Quality Bureau (SWQB)
Sufi Mustafa, Air Quality Bureau (AQB)
Amber Rheubottom (MECS)

Subject: **New Mexico Environment Department (NMED) Comments, Cebolleta Exploration Project, Exploration Permit Application, Cibola County, New Mexico, Mining Act Permit No. CI019EM**

The New Mexico Environment Department (NMED) received correspondence from the Mining and Minerals Division (MMD) on July 19, 2024, requesting that NMED review and provide comments on the above-referenced MMD permitting action. Pursuant to the Mining Act, this is a new minimal impact exploration permit. MMD requested comments on the application within 20 days of receipt of the request for comments.

Background

Cibola Resources (Applicant) proposes to disturb up to 4.3 acres of the Cebolleta Land Grant land. The applicant proposes to drill up to 25 boreholes, with an average depth of 640 feet below ground surface (bgs). This site is located approximately 5 miles southeast of Seboyetta, New Mexico.

Air Quality Bureau

The AQB comments are attached.

Surface Water Quality Bureau

The SWQB comments are attached.

Mr. David Ennis
North Cebolleta Exploration Project
August 6, 2024
Page 2 of 2

Mining Environmental Compliance Section

The MECS has no comments.

NMED Summary Comment

NMED has determined the proposed exploration activities will be protective of the environment if done in accordance with the approved permits and pollution controls as presented.

If you have any questions, please contact Amber Rheubottom at (505) 660-2379.

cc: Joseph Fox, Program Manager, NMED-MECS
Shelly Lemon, Bureau Chief, NMED-SWQB
Dana Bahar, Acting Bureau Chief, NMED-AQB
Samantha Rynas, EMNRD-MARP



MEMORANDUM

DATE: August 2, 2024

TO: Amber Rheubottom, Acting Mining Act Team Leader, Mining Environmental Compliance Section, NMED

FROM: Sufi Mustafa, Staff Manager, Air Dispersion Modeling and Emission Inventory Section, Air Quality Bureau.

Request for Review and Comment, Minimal Impact, North Cebolleta Exploration, Cibola County, New Mexico, Mining Act Permit No. CI019EM

The New Mexico Air Quality Bureau (AQB) has completed its review of the above-mentioned mining project. Pursuant to the New Mexico Mining Act Rules, the AQB provides the following comments.

Details

Cibola Resources will explore for Uranium in Cibola County. The applicant will drill 25 holes and create 25 drill pads. Total disturbed area is expected to be less than 4.3 acres.

Air Quality Requirements

The New Mexico Mining Act of 1993 states that "Nothing in the New Mexico Mining Act shall supersede current or future requirements and standards of any other applicable federal or state law." Thus, the applicant is expected to comply with all requirements of federal and state laws pertaining to air quality.

20.2.15 NMAC, *Pumice, Mica and Perlite Processing*. Including 20.2.15.110 NMAC, *Other*

Particulate Control: "The owner or operator of pumice, mica or perlite process equipment shall not permit, cause, suffer or allow any material to be handled, transported, stored or disposed of or a building or road to be used, constructed, altered or demolished without taking reasonable precautions to prevent particulate matter from becoming airborne."

Request for Review and Comment, Minimal Impact, North Cebolleta Exploration, Cibola County, New Mexico, Mining Act Permit No. CI019EM

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Paragraph (1) of Subsection A of 20.2.72.200 NMAC, *Application for Construction, Modification, NSPS, and NESHAP - Permits and Revisions*, states that air quality permits must be obtained by:

“Any person constructing a stationary source which has a potential emission rate greater than 10 pounds per hour or 25 tons per year of any regulated air contaminant for which there is a National or New Mexico Ambient Air Quality Standard. If the specified threshold in this subsection is exceeded for any one regulated air contaminant, all regulated air contaminants with National or New Mexico Ambient Air Quality Standards emitted are subject to permit review.”

Further, Paragraph (3) of this subsection states that air quality permits must be obtained by:

“Any person constructing or modifying any source or installing any equipment which is subject to 20.2.77 NMAC, *New Source Performance Standards*, 20.2.78 NMAC, *Emission Standards for Hazardous Air Pollutants*, or any other New Mexico Air Quality Control Regulation which contains emission limitations for any regulated air contaminant.”

Also, Paragraph (1) of Subsection A of 20.2.73.200 NMAC, *Notice of Intent*, states that:

“Any owner or operator intending to construct a new stationary source which has a potential emission rate greater than 10 tons per year of any regulated air contaminant or 1 ton per year of lead shall file a notice of intent with the department.”

The above is not intended to be an exhaustive list of all requirements that could apply. The applicant should be aware that this evaluation does not supersede the requirements of any current federal or state air quality requirement.

Fugitive Dust

Air emissions from this project should be evaluated to determine if an air quality permit is required pursuant to 20.2.72.200.A NMAC (e.g. 10 lb/hour or 25 TPY). Fugitive dust is a common problem at mining sites and this project will temporarily impact air quality as a result of these emissions. However, with the appropriate dust control measures in place, the increased levels should be minimal. Disturbed surface areas, within and adjacent to the project area, should be reclaimed to avoid long-term problems with erosion and fugitive dust. EPA’s *Compilation of Air Pollutant Emission Factors, AP-42, “Miscellaneous Sources”* lists a variety of control strategies that can be included in a comprehensive facility dust control plan. A few possible control strategies are listed below:

Request for Review and Comment, Minimal Impact, North Cebolleta Exploration, Cibola County, New Mexico, Mining Act Permit No. CI019EM

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Paved roads: covering of loads in trucks to eliminate truck spillage, paving of access areas to sites, vacuum sweeping, water flushing, and broom sweeping and flushing.

Material handling: wind speed reduction and wet suppression, including watering and application of surfactants (wet suppression should not confound track out problems).

Bulldozing: wet suppression of materials to “optimum moisture” for compaction.

Scraping: wet suppression of scraper travel routes.

Storage piles: enclosure or covering of piles, application of surfactants.

Miscellaneous fugitive dust sources: watering, application of surfactants or reduction of surface wind speed with windbreaks or source enclosures.

Recommendation

The Air Quality Bureau does not have any objection to this project.

This written evaluation does not supersede the applicability of any forthcoming state or federal regulations.

If you have any questions, please contact me at 505 629 6186.

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Melanie A. Kenderdine
Cabinet Secretary Designate

Benjamin Shelton
Acting Deputy Cabinet Secretary

Laura McCarthy, State Forester
Forestry Division



July 30, 2023

Samantha Rynas, Permit Lead
Mining and Minerals Division
Energy, Minerals and Natural Resources Department (EMNRD)
1220 S. St. Francis Drive
Santa Fe, NM 87505

**RE: Request for Agency Comments, Minimal Impact Exploration Operation Permit Application,
North Cebolleta Exploration Project, Cibola County, NM, Permit Tracking No. CI019EM**

Thank you for the opportunity to comment on the above referenced project. I do not anticipate any impacts to State Endangered or Federally Endangered or Threatened plants as a result of this project, as described in the application.

Please let me know if I can be of further help.

Sincerely,

Erika Rowe

Endangered Plant Program Coordinator
EMNRD-Forestry Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505
erika.rowe@emnrd.nm.gov
(505)699-6371 (Phone)
<http://www.emnrd.state.nm.us/SFD/>



Department of Cultural Affairs

Historic Preservation Division
State of New Mexico

Michelle Lujan Grisham
Governor

Debra Garcia y Griego
Secretary

August 8, 2024

Samantha Rynas
Mining Act Reclamation Program (MARP)/MMD
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: **HPD Log #122959 Minimal Impact Exploration Operation Permit Application, North Cebolleta Exploration Project, Grant Co., NM, Permit Tracking No. CI019EM**

VIA EMAIL: samantha.rynas@emnr.dnm.gov

Dear Ms. Rynas:

Thank you for submitting NMCRIS 155034 *Cultural Resource Survey Report for the North Cebolleta Mine Exploration Project, Cibola County, New Mexico* to the New Mexico State Historic Preservation Officer (SHPO) for comment and review. The information was received on July 19, 2024.

Based on the information provided in NMCRIS 155034 the SHPO concurs with earlier determinations and finds LA 159748 (subsumes LA 159749 and LA 159750) and LA 159752 are Eligible for listing in the National Register of Historic Places (NRHP), under Criterion D.

The SHPO concurs with the earlier determination that more information is needed to make a determination of eligibility for listing in the NRHP for LA 159754. The SHPO finds more information is needed to make a determination of eligibility for listing in the NRHP for LA 204308. Both sites should be treated as eligible for listing in the NRHP and therefore be avoided.

I agree with the proposed treatment recommendations put forth by the contractor. These are listed below:

- No drill holes within the boundaries of LA 159748 or within 50 feet of said boundary.
- Access to drill holes located east of LA 159748 will be from the east rather than crossing the site.
- No drill holes, ground disturbance, or access routes are to occur within 50 feet of sites.

As long as the proposed treatment recommendations are followed, this project will have no effect on historic properties.

If you have any questions or concerns, please contact me at cortney.wands@dca.nm.gov.

Sincerely,

Cortney Wands

Cortney Wands
Archaeological Review
cortney.wands@dca.nm.gov