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Immediate Release

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USGS To Hold Public Meeting on Molycorp Groundwater Quality Study Results

(Santa Fe, NM) — The U.S. Geological Survey (USGS) will be holding a public informational meeting on Molycorp's groundwater quality on **May 9, 2006, from 6 p.m. to 8 p.m. at the Questa Ranger Station, 185 State Road 38, in Questa, New Mexico**.

The purpose of the meeting is to summarize the results of a five-year independent investigation, conducted under the authority of the New Mexico Environment Department (NMED). Because no groundwater was sampled prior to mining activities at the site, the study aims to infer the pre-mining groundwater quality at Molycorp's Questa mine site by an examination of the geologic, hydrologic, and geochemical controls on groundwater quality in a nearby analog site, the Straight Creek drainage basin.

The study does not attempt to determine how much of Molycorp's current or past mining activities have contributed to the Red River water quality or other aspects of the Red River Valley ecosystem. The study is a critical first step in a multi-step process NMED will follow to determine appropriate background concentrations of specific groundwater chemical constituents for regulatory purposes.

The USGS will summarize the 26 investigations on the geological, hydrological, and geochemical characteristics of the Red River Valley and how this information helped to infer the pre-mining ground-water quality. The studies include mapping of surface mineralogy by Airborne Visible-Infrared Imaging Spectrometry (AVIRIS); compilations of historic surface and groundwater quality data; tracer studies with mass loading and temporal water-quality trends of the Red River; geomorphology and its effect on ground-water flow; geophysical studies on depth to the groundwater table and depth to bedrock; bedrock fractures and their potential effect on groundwater flow; leaching studies of scars and mine waste-rock piles; mineralogy and mineral chemistry and their effect on groundwater quality; and groundwater geochemistry of selected wells undisturbed by mining in the Red River Valley.

The study reports that groundwater chemistry in the area can vary greatly over short distances depending on a number of factors, including the presence of natural scarring and rock type, among others. The report notes that several contaminants likely exceeded by as much as 10 times New Mexico's groundwater quality standards under natural, pre-mining conditions. Man-made activities and naturally occurring contaminants currently impact Red River water quality.

For more information, contact Adam Rankin, NMED Communications Director, at (505) 827-0314.

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