



NEW MEXICO
ENVIRONMENT DEPARTMENT



Surface Water Quality Bureau

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ERIKA SCHWENDER
Director
Resource Protection Division

Certified Mail - Return Receipt Requested

March 5, 2014

Mr. J. C. Lister, Mine Manager
Rio Grande Resources Corporation
P.O. Box 1150
Grants, New Mexico 87020

Re: Rio Grande Resources Mount Taylor Mine; Major; Individual Permit; SIC 1094: NPDES Compliance Evaluation Inspection; NPDES # NM0028100; February 26, 2014

Dear Mr. Lister:

Enclosed please find a copy of the report and checklist for the referenced inspection that the New Mexico Environment Department (NMED) conducted at your facility on behalf of the U.S. Environmental Protection Agency (USEPA). This inspection report will be sent to the USEPA in Dallas for their review. These inspections are used by USEPA to determine compliance with the National Pollutant Discharge Elimination System (NPDES) permitting program in accordance with requirements of the federal Clean Water Act.

Introduction, treatment scheme, and problems noted during this inspection are discussed in the "Further Explanations" section of the inspection report.

You are encouraged to review the inspection report, required to correct any problems noted during the inspection, and advised to modify your operational and/or administrative procedures, as appropriate. If you have comments on or concerns with the basis for the findings in the NMED inspection report, please contact us (see the address below) in writing within 30 days from the date of this letter. Further, you are encouraged to notify in writing both the USEPA and NMED regarding modifications and compliance schedules at the addresses below:

Racquel Douglas
US Environmental Protection Agency, Region VI
Enforcement Branch (6EN-WM)
1445 Ross Avenue
Dallas, Texas 75202-2733

Bruce Yurdin
New Mexico Environment Department
Surface Water Quality Bureau
Point Source Regulation Section
P.O. Box 5469
Santa Fe, New Mexico 87502

Rio Grande Resources Mount Taylor Mine

March 5, 2014

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If you have any questions about this inspection report, please contact Daniel Valenta at 505-827-2575 or at daniel.valenta@state.nm.us.

Sincerely,

/s/Bruce Yurdin

Bruce J. Yurdin
Program Manager
Point Source Regulation Section
Surface Water Quality Bureau

cc: Rashida Bowlin, USEPA (6EN-AS) by e-mail
Carol Peters, USEPA (6EN-WM) by e-mail
Brent Larsen, USEPA (6WQ) by e-mail
Racquel Douglas, USEPA (6EN-WM) by e-mail
Gladys Gooden-Jackson, USEPA (6EN-WC) by e-mail
NMED District I, William Chavez by e-mail



Form Approved
OMB No. 2040-0003
Approval Expires 7-31-85

NPDES Compliance Inspection Report

Section A: National Data System Coding

Transaction Code	NPDES										yr/mo/day						Inspec. Type	Inspector	Fac Type					
1 N	2 5	3 N	M	0	0	2	8	1	0	0	11	12	1	4	0	2	2	6	17	18 C	19 S	20 2		
Remarks																								
I N D U S T R I A L D I S C H A R G E M I N I N G																								
Inspection Work Days						Facility Evaluation Rating						BI	QA	-----Reserved-----										
67						70 4						71 N	72 N	80										

Section B: Facility Data

Name and Location of Facility Inspected (For industrial users discharging to POTW, also include POTW name and NPDES permit number) Rio Grande Resources Mount Taylor Mine, P.O. Box 1150, Grants, N.M... Located 23 miles northeast of Milan on NM 605. Approximately 1 mile past San Mateo to the right. Cibola County	Entry Time /Date 1040 hours/2-26-2014	Permit Effective Date 8/1/2010
	Exit Time/Date 1220 hours/2-26-2014	Permit Expiration Date 7/31/2015
Name(s) of On-Site Representative(s)/Title(s)/Phone and Fax Number(s) Ms. Janette Lister/ 505-287-7971	Other Facility Data Outfalls (Latitude, Longitude)	
Name, Address of Responsible Official/Title/Phone and Fax Number J. C. Lister, Mine Manager, Rio Grande Resources Corporation, P. O. Box 1150, Grants, NM 87020	Contacted Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> *	LAT N. 35° 24' 0.04' LONG W. -107° 38' 23.35' SIC 4952

Section C: Areas Evaluated During Inspection

(S = Satisfactory, M = Marginal, U = Unsatisfactory, N = Not Evaluated)

S	Permit	N	Flow Measurement	N	Operations & Maintenance	N	CSO/SSO
S	Records/Reports	N	Self-Monitoring Program	N	Sludge Handling/Disposal	N	Pollution Prevention
S	Facility Site Review	N	Compliance Schedules	N	Pretreatment	N	Multimedia
N	Effluent/Receiving Waters	N	Laboratory	N	Storm Water	N	Other:

Section D: Summary of Findings/Comments (Attach additional sheets if necessary)

- A compliance evaluation inspection was conducted at the Rio Grande Resources Mount Taylor Mine near San Mateo, New Mexico. The inspector called the Taylor Mine Office prior to arrival at the site the morning of the inspection in order to determine availability of onsite personnel. Mr. Joel Lister, the Mine Manager was unable to attend due to a meeting, however Janette Lister was on site and available to answer questions. The mine is still in stand-by mode with no mining taking place. The mine has been in stand-by mode since 1990. All domestic waste from the office area is treated via septic tank.

Name(s) and Signature(s) of Inspector(s) Daniel Valenta /s/Daniel Valenta	Agency/Office/Telephone/Fax NMED/SWQB 505-827-2575	Date 3/5/2014
Signature of Management QA Reviewer Sarah Holcomb /s/Sarah Holcomb	Agency/Office/Phone and Fax Numbers NMED/SWQB 505-827-2798	Date 3/5/2014

SECTION A - PERMIT VERIFICATION

PERMIT SATISFACTORILY ADDRESSES OBSERVATIONS

 S M U NA (FURTHER EXPLANATION ATTACHED No.)

DETAILS:

1. CORRECT NAME AND MAILING ADDRESS OF PERMITTEE

 Y N NA

2. NOTIFICATION GIVEN TO EPA/STATE OF NEW DIFFERENT OR INCREASED DISCHARGES

 Y N NA

3. NUMBER AND LOCATION OF DISCHARGE POINTS AS DESCRIBED IN PERMIT

 Y N NA

4. ALL DISCHARGES ARE PERMITTED

 Y N NA

SECTION B - RECORDKEEPING AND REPORTING EVALUATION

RECORDS AND REPORTS MAINTAINED AS REQUIRED BY PERMIT.

 S M U NA (FURTHER EXPLANATION ATTACHED No.)

DETAILS:

1. ANALYTICAL RESULTS CONSISTENT WITH DATA REPORTED ON DMRs.

 Y N NA

2. SAMPLING AND ANALYSES DATA ADEQUATE AND INCLUDE.

 S M U NA

a) DATES, TIME(S) AND LOCATION(S) OF SAMPLING

 Y N NA

b) NAME OF INDIVIDUAL PERFORMING SAMPLING

 Y N NA

c) ANALYTICAL METHODS AND TECHNIQUES.

 Y N NA

d) RESULTS OF ANALYSES AND CALIBRATIONS.

 Y N NA

e) DATES AND TIMES OF ANALYSES.

 Y N NA

f) NAME OF PERSON(S) PERFORMING ANALYSES.

 Y N NA

3. LABORATORY EQUIPMENT CALIBRATION AND MAINTENANCE RECORDS ADEQUATE.

 S M U NA

4. PLANT RECORDS INCLUDE SCHEDULES, DATES OF EQUIPMENT MAINTENANCE AND REPAIR.

 S M U NA

5. EFFLUENT LOADINGS CALCULATED USING DAILY EFFLUENT FLOW AND DAILY ANALYTICAL DATA.

 Y N NA

SECTION C - OPERATIONS AND MAINTENANCE

TREATMENT FACILITY PROPERLY OPERATED AND MAINTAINED.

 S M U NA (FURTHER EXPLANATION ATTACHED No.)

DETAILS:

1. TREATMENT UNITS PROPERLY OPERATED.

 S M U NA

2. TREATMENT UNITS PROPERLY MAINTAINED.

 S M U NA

3. STANDBY POWER OR OTHER EQUIVALENT PROVIDED .

 S M U NA

4. ADEQUATE ALARM SYSTEM FOR POWER OR EQUIPMENT FAILURES AVAILABLE.

 S M U NA

5. ALL NEEDED TREATMENT UNITS IN SERVICE

 S M U NA

6. ADEQUATE NUMBER OF QUALIFIED OPERATORS PROVIDED.

 S M U NA

7. SPARE PARTS AND SUPPLIES INVENTORY MAINTAINED.

 S M U NA

8. OPERATION AND MAINTENANCE MANUAL AVAILABLE.

 Y N NA

STANDARD OPERATING PROCEDURES AND SCHEDULES ESTABLISHED.

 Y N NA

PROCEDURES FOR EMERGENCY TREATMENT CONTROL ESTABLISHED.

 Y N NA

SECTION C - OPERATIONS AND MAINTENANCE (CONT'D)

9. HAVE BYPASSES/OVERFLOWS OCCURRED AT THE PLANT OR IN THE COLLECTION SYSTEM IN THE LAST YEAR? Y N NA
 IF SO, HAS THE REGULATORY AGENCY BEEN NOTIFIED? Y N NA
 HAS CORRECTIVE ACTION BEEN TAKEN TO PREVENT ADDITIONAL BYPASSES/OVERFLOWS? Y N NA

10. HAVE ANY HYDRAULIC OVERLOADS OCCURRED AT THE TREATMENT PLANT? Y N NA
 IF SO, DID PERMIT VIOLATIONS OCCUR AS A RESULT? Y N NA

SECTION D - SELF-MONITORING

PERMITTEE SELF-MONITORING MEETS PERMIT REQUIREMENTS. S M U NA (FURTHER EXPLANATION ATTACHED NO.)
 DETAILS:

1. SAMPLES TAKEN AT SITE(S) SPECIFIED IN PERMIT. Y N NA

2. LOCATIONS ADEQUATE FOR REPRESENTATIVE SAMPLES. Y N NA

3. FLOW PROPORTIONED SAMPLES OBTAINED WHEN REQUIRED BY PERMIT. Y N NA

4. SAMPLING AND ANALYSES COMPLETED ON PARAMETERS SPECIFIED IN PERMIT. Y N NA

5. SAMPLING AND ANALYSES PERFORMED AT FREQUENCY SPECIFIED IN PERMIT. Y N NA

6. SAMPLE COLLECTION PROCEDURES ADEQUATE Y N NA

a) SAMPLES REFRIGERATED DURING COMPOSITING. Y N NA

b) PROPER PRESERVATION TECHNIQUES USED. Y N NA

c) CONTAINERS AND SAMPLE HOLDING TIMES CONFORM TO 40 CFR 136.3. Y N NA

7. IF MONITORING AND ANALYSES ARE PERFORMED MORE OFTEN THAN REQUIRED BY PERMIT, ARE THE RESULTS REPORTED IN PERMITTEE'S SELF-MONITORING REPORT? Y N NA

SECTION E - FLOW MEASUREMENT

PERMITTEE FLOW MEASUREMENT MEETS PERMIT REQUIREMENTS. S M U NA (FURTHER EXPLANATION ATTACHED No.)
 DETAILS:

1. PRIMARY FLOW MEASUREMENT DEVICE PROPERLY INSTALLED AND MAINTAINED.
 TYPE OF DEVICE Y N NA

2. FLOW MEASURED AT EACH OUTFALL AS REQUIRED. Y N NA

3. SECONDARY INSTRUMENTS (TOTALIZERS, RECORDERS, ETC.) PROPERLY OPERATED AND MAINTAINED. Y N NA

4. CALIBRATION FREQUENCY ADEQUATE. Y N NA
 RECORDS MAINTAINED OF CALIBRATION PROCEDURES. Y N NA
 CALIBRATION CHECKS DONE TO ASSURE CONTINUED COMPLIANCE. Y N NA

5. FLOW ENTERING DEVICE WELL DISTRIBUTED ACROSS THE CHANNEL AND FREE OF TURBULENCE. Y N NA

6. HEAD MEASURED AT PROPER LOCATION. Y N NA

7. FLOW MEASUREMENT EQUIPMENT ADEQUATE TO HANDLE EXPECTED RANGE OF FLOW RATES. Y N NA

SECTION F - LABORATORY

PERMITTEE LABORATORY PROCEDURES MEET PERMIT REQUIREMENTS. S M U NA (FURTHER EXPLANATION ATTACHED No.)
 DETAILS:

1. EPA APPROVED ANALYTICAL PROCEDURES USED (40 CFR 136.3 FOR LIQUIDS, 503.8(b) FOR SLUDGES) Y N NA

SECTION F - LABORATORY (CONT'D)

2. IF ALTERNATIVE ANALYTICAL PROCEDURES ARE USED, PROPER APPROVAL HAS BEEN OBTAINED Y N NA
3. SATISFACTORY CALIBRATION AND MAINTENANCE OF INSTRUMENTS AND EQUIPMENT. S M U NA
4. QUALITY CONTROL PROCEDURES ADEQUATE. S M U NA
5. DUPLICATE SAMPLES ARE ANALYZED. ___ % OF THE TIME. Y N NA
6. SPIKED SAMPLES ARE ANALYZED. ___ % OF THE TIME. Y N NA
7. COMMERCIAL LABORATORY USED. Y N NA

LAB NAME
LAB ADDRESS
PARAMETERS PERFORMED

SECTION G - EFFLUENT/RECEIVING WATERS OBSERVATIONS. S M U NA (FURTHER EXPLANATION ATTACHED No.).

OUTFALL NO.	OIL SHEEN	GREASE	TURBIDITY	VISIBLE FOAM	FLOAT SOL.	COLOR	OTHER
001	N/A	N/A	N/A	N/A	N/A	N/A	

RECEIVING WATER OBSERVATIONS

SECTION H - SLUDGE DISPOSAL

SLUDGE DISPOSAL MEETS PERMIT REQUIREMENTS. S M U NA (FURTHER EXPLANATION ATTACHED No.).
DETAILS:

1. SLUDGE MANAGEMENT ADEQUATE TO MAINTAIN EFFLUENT QUALITY. S M U NA
2. SLUDGE RECORDS MAINTAINED AS REQUIRED BY 40 CFR 503. S M U NA
3. FOR LAND APPLIED SLUDGE, TYPE OF LAND APPLIED TO: _____ (e.g., FOREST, AGRICULTURAL, PUBLIC CONTACT SITE)

SECTION I - SAMPLING INSPECTION PROCEDURES (FURTHER EXPLANATION ATTACHED ___).

1. SAMPLES OBTAINED THIS INSPECTION. Y N NA
2. TYPE OF SAMPLE OBTAINED
GRAB _____ COMPOSITE SAMPLE ___ METHOD _____ FREQUENCY _____
3. SAMPLES PRESERVED. Y N NA
4. FLOW PROPORTIONED SAMPLES OBTAINED. Y N NA
5. SAMPLE OBTAINED FROM FACILITY'S SAMPLING DEVICE. Y N NA
6. SAMPLE REPRESENTATIVE OF VOLUME AND MATURE OF DISCHARGE. Y N NA
7. SAMPLE SPLIT WITH PERMITTEE. Y N NA
8. CHAIN-OF-CUSTODY PROCEDURES EMPLOYED. Y N NA
9. SAMPLES COLLECTED IN ACCORDANCE WITH PERMIT. Y N NA

**Compliance Evaluation Inspection
Rio Grande Resources/Mt. Taylor Mine
February 26, 2014
NM0028100**

Further Explanations

Introduction

On February 26, 2014, a Compliance Evaluation Inspection (CEI) was conducted at the Rio Grande Resources Corporation (RGR)/Mt. Taylor Mine located at San Mateo, New Mexico by Daniel Valenta of the State of New Mexico Environment Department (NMED) accompanied by Sandra Gabaldón (NMED). This is a temporarily inactive underground uranium mine. RGR is classified as a major discharger under the federal Clean Water Act, Section 402 National Pollutant Discharge Elimination System (NPDES) permit program and is assigned permit #NM0028100. This facility is permitted to discharge mine drainage, including excess storm water, from outfall 001, and treated sanitary wastewater from outfall 01A. Discharges from this facility are to an unnamed tributary to San Miguel Creek: thence to Arroyo Chico; thence to the Rio Puerco (East); thence to the Rio Grande in Segment 20.6.4.105 NMAC of the Rio Grande Basin.

The NMED performs a certain number of CEIs for the U.S. Environmental Protection Agency (USEPA), Region VI, under the NPDES permit program, in accordance with the Federal Clean Water Act. USEPA uses these inspections to determine compliance with the NPDES permit program. This inspection report is based on information provided by the permittee's representatives, observations made by the NMED inspector, and reports kept by the permittee and/or NMED.

Upon arrival at the mine at 1040 hours on February 26, 2014, the inspector conducted an entrance interview with Ms. Janette Lister. The Inspector presented his credentials and explained the purpose of the inspection. Mr. Joel Salazar, Site Subcontractor, provided a tour of the facility. An exit interview was conducted with Ms. Lister at the facility at approximately 1235 on February 26, 2014 to present the preliminary findings of the inspection.

Permit/Discharge Status

Prior to 1971, when Gulf Mineral Resources Corporation acquired the property, there was no mining within the permit area of the Mt. Taylor Mine. However, some disturbance for exploratory drilling and access roads was created before 1971.

The Mt. Taylor Mine was developed in the 1970's by Gulf Mineral Resources Company. After excavation of the two 3,300 foot shafts during a five-year period, Gulf started production in 1980. Production continued until September 30, 1982, when the market price of uranium fell dramatically, resulting in the temporary cessation of production by Gulf. Mine pumps continued pumping mine water during this shut-down period. Ownership was transferred to Chevron Resources Company in 1985 when the two companies merged. Chevron suspended the mine in 1990 due to the low market price for uranium. RGR acquired the mine and other Chevron property in 1991.

The mine has not been in production since RGR purchased the property because of the continued low market value for uranium. The mine is proposed to resume operation after the mine permit (# CI002RE), issued by the New Mexico Mining and Minerals Division, is revised to Active status about year 2014. To gain access to the ore zones, the mine has to be dewatered. The mine water may have to be treated to remove uranium and radium before discharging. The mine historically produced uranium using conventional underground mining methods from ore zones of the Morrison Formation at depths of more than 3000 feet below ground surface

NMED/SWQB
Official Photograph Log

Photo # 1

Photographer: Daniel Valenta	Date: 2/26/2014	Time: 1053 hours
City/County: Mount Taylor Mine, 23 miles north of Milan/Cibola County		
Location: Rio Grande Mount Taylor Mine, facing east.		
Subject: Entrance to mine property.		



NMED/SWQB
Official Photograph Log

Photo # 2

Photographer: Daniel Valenta	Date: 2/26/2014	Time: 1121 hours
City/County: Mount Taylor Mine, 23 miles north of Milan/Cibola County		
Location: Rio Grande Mount Taylor Mine, facing east.		
Subject: Stormwater from the plant flows to settling pond.		



NMED/SWQB
Official Photograph Log

Photo # 3

Photographer: Daniel Valenta	Date: 2/26/2014	Time: 1156 hours
City/County: Mount Taylor Mine, 23 miles north of Milan/Cibola County		
Location: Rio Grande Mount Taylor Mine, facing west.		
Subject: Material storage area.		



NMED/SWQB
Official Photograph Log

Photo # 4

Photographer: Daniel Valenta	Date: 2/26/2014	Time: 1121 hours
City/County: Mount Taylor Mine, 23 miles north of Milan/Cibola County		
Location: Rio Grande Mount Taylor Mine, facing east.		
Subject: The facility would discharge through a 24-inch steel pipe that runs approximately 4.5 miles north to outfall 001. This is the beginning of the discharge line.		



NMED/SWQB
Official Photograph Log

Photo # 5

Photographer: Daniel Valenta	Date: 2/26/2014	Time: 1245 hours
City/County: Mount Taylor Mine, 23 miles north of Milan/Cibola County		
Location: Rio Grande Mount Taylor Mine discharge line, facing south.		
Subject: Discharge line enters the unnamed tributary that flows to San Miguel Creek.		

