

RANCHERS EXPLORATION AND DEVELOPMENT CORPORATION

Box 6217 / 1776 Montano Road, N.W. / Albuquerque, New Mexico 87107 / Telephone (505) 344-3542

May 31, 1977

Water Quality Division
Environmental Improvement Agency
P. O. Box 2348
Santa Fe, New Mexico 87501

Re: Johnny M Mine, Secs. 7 & 18, T. 13 N., R. 8 W., McKinley County, N.M.

Gentlemen:

Notice is hereby given of an urgent intent to discharge mine tailings in slurry form underground to prevent already-worked sections of a mine from caving in and affecting the Dakota water above it. Details are as follows:

1. Ranchers Exploration and Development Corporation.
2. 1776 Montano Road NW, Albuquerque, N. M. 87107.
3. Johnny M Mine near San Mateo, New Mexico.
4. Prevention of the caving of mine workings require the introduction of sand support in the stopes as mining progresses. Mining is being carried out in the Poison Canyon and Westwater members which lie below the Dakota sand. The Dakota sand, in the area of the mine, is water-bearing, and caving in the ore zones below could result in the Dakota water entering the mine in quantities, which would result in the loss of the mine.

It is proposed to use mill tails from the Kerr-McGee milling operation in the Ambrosia Lake area as a fill material. Kerr-McGee uses an acid leach process in the milling. The mill tails material will be slurried with mine discharge water and transported underground to the mining areas, where it will be placed behind permeable "fences" as support. The analysis of the slurry material is unknown at the present time, but Ranchers will undertake to obtain such analysis within thirty (30) days of starting to use the system.

5. There will be no additional discharge from the mine, since the water used to slurry the tails will be mine discharge water. The slurried material will not be contained by impermeable barriers; it is judged there will be no effect on the natural ground waters at the mining level as a consequence.

It is imperative that this system be put into operation at once to avoid the possible loss of the mine due to flooding. Should any additional information be required, please advise Mr. Deuel, who is delivering this letter, or call the undersigned at 344-3542.

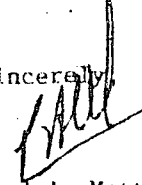
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As a final matter, our providing this notice of intent to discharge shall in no way be considered as a waiver of our position concerning the present appeal of groundwater regulations, and this notice shall be without prejudice to any rights we may have.

Sincerely,



Paul A. Matthews
Vice President
Operations

PAM:bbh

cc: Jim Cleveland, Kerr-McGee

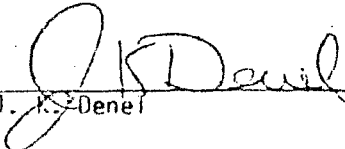
bcc: A. Buchanan
R. Kaufman
J. Deuel ✓
H. Campbell

Addendum to Ranchers
Letter of May 31, 1977

In compliance with article 1-201, NOTICE OF INTENT TO DISCHARGE, sub-paragraph B.4, of the Water Quality Control Commission regulations as amended January 11, 1977, the following "estimate of concentration of water contaminants in the discharge" is hereby provided:

1.	Gross α	unk	pCi/l
2.	Ra-226	30	pCi/l
3.	U-nat	0.2	mg/l
4.	Se	<0.01	mg/l
5.	Mo	0.03	mg/l
6.	As	0.02	mg/l
7.	V	unk	mg/l
8.	Cd	<0.001	mg/l
9.	CN	0.2	mg/l
10.	Zn	<0.01	mg/l
11.	Fe	<0.001	mg/l
12.	Na	unk	mg/l
13.	Mn	0.001	mg/l
14.	SO ₄	220	mg/l
15.	Cl	8.0	mg/l
16.	Kjeldahl N	3.8	mg/l
17.	NO ₃ as N	0.2	mg/l
18.	pH	8	mg/l

Submitted


J. K. Denei

Date

7/6/77