



REGION 6
1201 ELM STREET, SUITE 500
DALLAS, TEXAS 75270

NPDES Permit No NM0030180

AUTHORIZATION TO DISCHARGE UNDER THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

In compliance with the provisions of the Clean Water Act, as amended, (33 U.S.C. 1251 et. seq; the "Act"),

Chevron Mining, Inc.
Ancho Mine
1500 Louisiana Street
Houston, TX 77002
Office #38184

is authorized to discharge from the Ancho-Gachupin-Brackett (Ancho) Mine located at York Canyon Complex in Colfax County, New Mexico, to Salyers Canyon, Ancho Canyon, Gachupin Canyon, Brackett Canyon, and tributaries to Vermejo River, thence to the Canadian River in the Segment No. 20.6.4.309 of Canadian River Basin,

in accordance with this cover page and the effluent limitations, monitoring requirements and other conditions set forth in Part I, Part II and Part III.

This permit, prepared by Tung Nguyen, Environmental Engineer, Permitting Section (6WD-PE), supersedes and replaces NPDES Permit No. NM00301800 with an effective date of September 1, 2014.

This permit shall become effective on

This permit and the authorization to discharge shall expire at midnight,

Issued on

Charles W. Maguire
Director
Water Division (6WD)

DOCUMENT ABBREVIATIONS

In the document that follows, various abbreviations are used. They are as follows:

4Q3	Lowest four-day average flow rate expected to occur once every three-years
BAT	Best available technology economically achievable
BCT	Best conventional pollutant control technology
BPT	Best practicable control technology currently available
BMP	Best management plan
BOD	Biochemical oxygen demand (five-day unless noted otherwise)
BPJ	Best professional judgment
CBOD	Carbonaceous biochemical oxygen demand (five-day unless noted otherwise)
CD	Critical dilution
CFR	Code of Federal Regulations
cfs	Cubic feet per second
COD	Chemical oxygen demand
COE	United States Corp of Engineers
CWA	Clean Water Act
DMR	Discharge monitoring report
ELG	Effluent limitation guidelines
EPA	United States Environmental Protection Agency
ESA	Endangered Species Act
FCB	Fecal coliform bacteria
FWS	United States Fish and Wildlife Service
mg/l	Milligrams per liter
ug/l	Micrograms per liter
lbs	Pounds
MGD	Million gallons per day
NMAC	New Mexico Administrative Code
NMED	New Mexico Environment Department
NMIP	New Mexico NPDES Permit Implementation Procedures
NMWQS	New Mexico State Standards for Interstate and Intrastate Surface Waters
NPDES	National Pollutant Discharge Elimination System
ML	Minimum quantification level
O&G	Oil and grease
POTW	Publicly owned treatment works
RP	Reasonable potential
SS	Settleable solids
SIC	Standard industrial classification
s.u.	Standard units (for parameter pH)
SWQB	Surface Water Quality Bureau
TDS	Total dissolved solids
TMDL	Total maximum daily load
TRC	Total residual chlorine
TSS	Total suspended solids
UAA	Use attainability analysis
USGS	United States Geological Service
WLA	Wasteload allocation
WET	Whole effluent toxicity
WQCC	New Mexico Water Quality Control Commission
WQMP	Water Quality Management Plan
WWTP	Wastewater treatment plan

PART I – REQUIREMENTS FOR NPDES PERMITS

A. LIMITATIONS AND MONITORING REQUIREMENTS

1.a OUTFALLS (listed below under Part I.A.2, except Outfall 014)

During the period beginning the effective date and lasting through the expiration date, the permittee is authorized to discharge from the outfalls - mine drainage due to precipitation events from reclamation areas. Such discharges shall be limited and monitored by the permittee as specified below:

POLLUTANT	30-DAY AVG, lbs/day, unless noted	7-DAY AVG lbs/day, unless noted	30-DAY AVG mg/l, unless noted (*1)	7-DAY AVG mg/l, unless noted (*1)	DAILY MAX mg/l, unless noted (*1)	MEASUREMENT FREQUENCY	SAMPLE TYPE
Flow	Report MGD	N/A	N/A	N/A	N/A	Monthly	Estimate
Aluminum, total recoverable (TRA) (*2)	N/A	N/A	N/A	N/A	5.423	Monthly	Grab
Turbidity	N/A	N/A	N/A	N/A	Report	Monthly	Grab

1.b OUTFALL 014

During the period beginning the effective date and lasting through the expiration date, the permittee is authorized to discharge from the outfall - mine drainage due to precipitation events from reclamation areas. Such discharges shall be limited and monitored by the permittee as specified below:

POLLUTANT	30-DAY AVG, lbs/day, unless noted	7-DAY AVG lbs/day, unless noted	30-DAY AVG mg/l, unless noted (*1)	7-DAY AVG mg/l, unless noted (*1)	DAILY MAX mg/l, unless noted (*1)	MEASUREMENT FREQUENCY	SAMPLE TYPE
Flow	Report MGD	N/A	N/A	N/A	N/A	Monthly	Estimate
Aluminum, total recoverable (*2)	N/A	N/A	2.173	N/A	3.259	Monthly	Grab
Turbidity	N/A	N/A	N/A	N/A	Report	Monthly	Grab

Footnotes:

*1 See **Appendix A of Part II** of the permit for minimum quantification limits.

*2 Test filtration specified for TRA per 20.6.4.900.I NMAC, most recent applicable NMED SOPs and listing methodologies shall be followed.

2. OUTFALLS:

Outfall	Latitude	Longitude	Receiving Stream
004	36° 48' 15"	104° 51' 30"	Ancho Canyon
005	36° 48' 15"	104° 51' 30"	Salyers Canyon
006	36° 48' 45"	104° 52' 15"	Salyers Canyon
007	36° 49' 15"	104° 52' 45"	Salyers Canyon
011	36° 47' 45"	104° 51' 00"	Ancho Canyon
012	36° 47' 30"	104° 50' 15"	Un-named Canyon, then to Vermejo River
014	36° 46' 60"	104° 52' 00"	Vermejo River
015	36° 47' 15"	104° 52' 00"	Gachupin Canyon
017	36° 47' 15"	104° 53' 30"	Salyers Canyon
018	36° 47' 15"	104° 53' 60"	Gachupin Canyon
030	36° 47' 15"	104° 54' 00"	Gachupin Canyon
031	36° 47' 15"	104° 53' 30"	Gachupin Canyon
032	36° 47' 15"	104° 53' 00"	Gachupin Canyon
034	36° 46' 30"	104° 52' 30"	Brackett Canyon

3. FLOATING SOLIDS, VISIBLE FOAM AND/OR OILS

There shall be no discharge of oils, scum, grease and other floating materials resulting from other than natural causes that would cause the formation of a visible sheen or visible deposits on the bottom or shoreline, or would damage or impair the normal growth, function or reproduction of human, animal, plant or aquatic life.

4. SAMPLE LOCATION

Samples taken in compliance with the monitoring requirements specified above shall be taken at the outfalls listed above under Part I.A.2.

B. SCHEDULES OF COMPLIANCE

None

C. MONITORING AND REPORTING (MINOR DISCHARGERS)

Discharge Monitoring Report (DMR) results shall be electronically reported to EPA per 40 CFR 127.16. To submit electronically, access the NetDMR website at <https://netdmr.epa.gov>. Until approved for Net DMR, the permittee shall request temporary or emergency waivers from electronic reporting. To obtain the waiver, please contact: U.S. EPA - Region 6, Water Enforcement Branch, New Mexico State Coordinator (6EN-WC), (214) 665-7179. If paper reporting is granted temporarily, the permittee shall submit the original DMR signed and certified as required by Part III.D.11 and all other reports required by Part III.D. to the EPA and copies to NMED as required (See Part III.D.IV of the permit). Reports shall be submitted quarterly.

1. Reporting periods shall end on the last day of the months March, June, September and December.
2. The permittee is required to submit regular reports as described above postmarked no later than the 28th day of the month following each reporting period.
3. NO DISCHARGE REPORTING: If there is no discharge at the outfalls during the sampling month, place an "X" in the NO DISCHARGE box located in the upper right corner of the Discharge Monitoring Report.

D. OVERFLOW REPORTING

The permittee shall report all overflows with the Discharge Monitoring Report submittal. These reports shall be summarized and reported in tabular format. The summaries shall include: the date, time, duration, location, estimated volume, and cause of the overflow; observed environmental impacts from the overflow; actions taken to address the overflow; and ultimate discharge location if not contained (e.g., storm sewer system, ditch, tributary).

Overflows that endanger health or the environment shall be orally reported at (214) 665-6595, PP Environmental Department at (505) 455-2278 and NMED Surface Water Quality Bureau at (505) 827-0418, within 24 hours from the time the permittee becomes aware of the circumstance. A written report

of overflows that endanger health or the environment shall be provided to EPA and NMED Surface Water Quality Bureau within 5 days of the time the permittee becomes aware of the circumstance.

E. SEDIMENT CONTROL PLAN

The permittee shall implement and update as necessary an approved Sediment Control Plan (SCP) for all reclamation areas, brushing and grubbing areas, topsoil stockpiling areas and regraded areas as defined under Western Alkaline Coal Mining Rule at 40 CFR 434.80.

1. This subpart applies to drainage at western alkaline coal mining operations from reclamation areas, brushing and grubbing areas, topsoil stockpiling areas, and regraded areas where the discharge, before any treatment, meets all the following requirements:
 - (a) pH is equal to or greater than 6.0;
 - (b) Dissolved iron concentration is less than 10 mg/L; and
 - (c) Net alkalinity is greater than zero.
 - (i) The term *brushing and grubbing area* means the area where woody plant materials that would interfere with soil salvage operations have been removed or incorporated into the soil that is being salvaged.
 - (ii) The term *regraded area* means the surface area of a coal mine that has been returned to required contour.
 - (iii) The term *sediment* means undissolved organic and inorganic material transported or deposited by water.
 - (iv) The term *sediment yield* means the sum of the soil losses from a surface minus deposition in macro-topographic depressions, at the toe of the hillslope, along field boundaries, or in terraces and channels sculpted into the hillslope.
 - (v) The term *topsoil stockpiling area* means the area outside the mined-out area where topsoil is temporarily stored for use in reclamation, including containment berms.
 - (vi) The term *western coal mining operation* means a surface or underground coal mining operation located in the interior western United States, west of the 100th meridian west longitude, in an arid or semiarid environment with an average annual precipitation of 26.0 inches or less.
2. The operator shall submit an updated site-specific SCP, if there is any, which is approved by the Office of Surface Mining or State Mining Programs agency (Mining Office) under the Surface Mining Control and Reclamation Act (SMCRA) programs, to EPA within three (3) months from the approval of the Plan update. The Plan shall be designed to prevent an increase in the average annual sediment yield from pre-mined, undisturbed conditions. The Plan must identify best management practices (BMPs) and also must describe design specifications, construction specifications, maintenance schedules, criteria for inspection, as well as expected performance and longevity of the best management practices. The permittee shall also send a copy of the Plan to the State of New Mexico Environmental Department.
3. Using watershed models, the operator shall demonstrate that implementation of the SCP will result in average annual sediment yields that will not be greater than the sediment yield levels

from pre-mined, undisturbed conditions. The operator shall use the same watershed model that was used to acquire the SMCRA permit.

4. The operator shall submit an annual Sediment Control Report to cover a 12-month reporting period from the last report. This report shall demonstrate that the facility has met requirements set forth in above sub-sections (2) and (3). The permittee shall also send a copy of the annual report to the State of New Mexico Environmental Department.
5. The permittee shall conduct reclamation inspections within the drainage areas associated with the outfalls list above in conjunction with vegetation and erosion studies no less than once/quarter. Inspection reports for each associated outfall shall be submitted with the annual Sediment Control Report as described in item (4) above. Each reclamation inspection report shall include, at a minimum, the following items:
 - (i) The personnel who conduct the inspections.
 - (ii) Date(s) on which inspection was performed.
 - (iii) A written summary of major observations, including observation of no deficiency.
 - (iv) Actions should be taken to correct noted deficiencies.
 - (v) Photo documentation of findings if necessary.
 - (vi) The signature of delegated officer.

F. SMCRA BOND RELEASE

When the appropriate Surface Mining Control and Reclamation Act (SMCRA) authority has authorized bond release, the permittee may request to terminate the corresponding NPDES discharge points to that specific drainage area. The permittee shall demonstrate the release of Phase III bond for that particular drainage area. The demonstration shall be sent to EPA w/copy to NMED.

G. OTHER REQUIREMENTS

The permittee shall provide test analyses (at each outfall when discharge first occurs) for: aluminum (dissolved), aluminum (total recoverable), antimony (dissolved), arsenic (dissolved), nickel (dissolved), selenium (dissolved), thallium (dissolved), zinc (dissolved), cyanide (total recoverable), phenols and 2,3,7,8-TCDD (Dioxin). The test results shall be sent to EPA and NMED.

The permittee shall use all practicable turbidity control techniques for breaching or removal of BMPs, including temporary impoundments.

Copy of the permit application that includes EPA required data on Form 2C V-1 thru V3 shall be sent to NMED.

PART II - OTHER CONDITIONS

A. MINIMUM QUANTIFICATION LEVEL (MQL)

EPA-approved test procedures (methods) for the analysis and quantification of pollutants or pollutant parameters, including for the purposes of compliance monitoring/DMR reporting, permit renewal applications, or any other reporting that may be required as a condition of this permit, shall be sufficiently sensitive. A method is "sufficiently sensitive" when (1) the method minimum level (ML) of quantification is at or below the level of the applicable effluent limit for the measured pollutant or pollutant parameter; or (2) if there is no EPA-approved analytical method with a published ML at or below the effluent limit (see table below), then the method has the lowest published ML (is the most sensitive) of the analytical methods approved under 40 CFR Part 136 or required under 40 CFR Chapter I, Subchapters N or O, for the measured pollutant or pollutant parameter; or (3) the method is specified in this permit or has been otherwise approved in writing by the permitting authority (EPA Region 6) for the measured pollutant or pollutant parameter. The Permittee has the option of developing and submitting a report to justify the use of matrix or sample-specific MLs rather than the published levels. Upon written approval by EPA Region 6 the matrix or sample-specific MLs may be utilized by the Permittee for all future Discharge Monitoring Report (DMR) reporting requirements.

Current EPA Region 6 minimum quantification levels (MQLs) for reporting and compliance are provided in Appendix A of Part II of this permit. The following pollutants may not have EPA approved methods with a published ML at or below the effluent limit, if specified:

POLLUTANT	CAS Number	STORET Code
Total Residual Chlorine	7782-50-5	50060
Cadmium	7440-43-9	01027
Silver	7440-22-4	01077
Thallium	7440-28-0	01059
Cyanide	57-12-5	78248
Dioxin (2,3,7,8-TCDD)	1764-01-6	34675
4, 6-Dinitro-0-Cresol	534-52-1	34657
Pentachlorophenol	87-86-5	39032
Benzidine	92-87-5	39120
Chrysene	218-01-9	34320
Hexachlorobenzene	118-74-1	39700
N-Nitrosodimethylamine	62-75-9	34438
Aldrin	309-00-2	39330
Chlordane	57-74-9	39350
Dieldrin	60-57-1	39380
Heptachlor	76-44-8	39410
Heptachlor epoxide	1024-57-3	39420
Toxaphene	8001-35-2	39400

Unless otherwise indicated in this permit, if the EPA Region 6 MQL for a pollutant or pollutant parameter is sufficiently sensitive (as defined above) and the analytical test result is less than the MQL, then a value of zero (0) may be used for reporting purposes on DMRs. Furthermore, if the EPA Region 6 MQL for a pollutant or parameter is not sufficiently sensitive, but the analytical test result is less than the published ML from a sufficiently sensitive method, then a value of zero (0) may be used for reporting purposes on DMRs.

B. 24-HOUR ORAL REPORTING: DAILY MAXIMUM LIMITATION VIOLATIONS

Under the provisions of Part III.D.7.b.(3) of this permit, violations of daily maximum limitations for the following pollutants shall be reported orally to EPA Region 6, Compliance and Assurance Division, Water Enforcement Branch (6EN-W), Dallas, Texas and concurrently to NMED within 24 hours from the time the permittee becomes aware of the violation followed by a written report in five days.

Aluminum, total recoverable.

C. PERMIT MODIFICATION AND REOPENER

In accordance with [40 CFR Part 122.44(d)], the permit may be reopened and modified during the life of the permit if relevant portions of NMWQS are revised, or new State water quality standards are established and/or remanded by New Mexico Water Quality Control Commission, respectively.

In accordance with [40 CFR Part 122.62(s)(2)], the permit may be reopened and modified if new information is received that was not available at the time of permit issuance that would have justified the application of different permit conditions at the time of permit issuance. Permit modifications shall reflect the results of any of these actions and shall follow regulations listed at [40 CFR Part 124.5].