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Chevron agrees to pay \$4M for water, habitat damage

By J.R. Logan

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Chevron Mining, Inc. has agreed to pay \$4 million to restore natural resources damaged by years of mining activity at the molybdenum mine near Questa.

The money is meant to compensate the public for pollution of surface water and groundwater, decreases in fish populations, and injury to wildlife habitat.

Those who negotiated the settlement trumpeted it as a victory, and it provides additional funding that could be used to piggyback on recent restoration projects already done on the Red River.

Still, some environmental advocates question whether the deal adequately addresses actual harm caused by the mine.

The New Mexico Office of Natural Resource Trustee, along with state and federal agencies, negotiated the settlement with Chevron. That settlement is part of a much larger Superfund clean-up process that intends to prevent future pollution from the mine. The U.S. Environmental Protection Agency has already proposed a separate clean-up plan that would cost the company an estimated \$800 million to keep heavy metal from leaching into the river and associated groundwater.

But that work will likely take decades to complete, and it is focused on remediation — stopping environmental damage. The \$4 million deal with the Natural Resource Trustee is earmarked for restoration — replacing what was lost.

Rebecca Neri Zagal of the Office of Natural Resource Trustee says there's no way to know exactly how many gallons of water were impacted or how many fish were lost because of the mine. Instead, she said that dollar figure is based on a "reasonable conservative assumption" that gives the benefit of the doubt to the environment. "We err on the side of looking at more restoration," Zagal said.

In the Chevron deal, which has been under negotiation for years, Zagal said the public will get its due. "Do we feel that we got a fair settlement? Absolutely," she said. "Otherwise, we would never had settled."

Under the terms of the agreement, Chevron will pay \$4 million on top of the \$3.4 million it has already paid to the various agencies that studied the mine site and calculated the damages. Of that \$4 million, \$2.5 million is to be set aside to "restore, replace and/ or acquire" the same

amount of groundwater the mine damaged. The remaining \$1.5 million must go to “restore, replace and/or acquire” wildlife habitat.

Chevron has also also agreed to give its 225-acre Anderson Ranch in the Sunshine Valley to the Bureau of Land Management.

While the settlement is to make up for damage caused on the Red River, it's possible, if not likely, the money will go to projects outside the immediate watershed. “We try and get as close to the area where the injuries occurred as possible,” Zagal said, adding that it might not make sense to do restoration projects on the Red River when crews are still expected to be working on remediation projects on the same stream for years to come.

Rachel Conn, interim director of Taos-based environmental group Amigos Bravos, has doubts about the settlement amount, and the logic of investing that money anywhere but the Red River.

“Amigos Bravos has major concerns regarding the \$1.5 million set aside for mitigating impacts to the aquatic habitat of the Red River,” Conn wrote in an email to *The Taos News*. “The \$1.5 million figure appears to be determined by an arbitrarily chosen set of restoration alternatives unrelated to direct resource damage impacts to farmers, the fishing and recreation industries, or the local residents that depend on the 15 miles of impacted Red River.”

In the coming weeks, the Office of the Natural Resource Trustee expects to announce public meeting dates to get input and proposals for restoration work that could be funded with the settlement money. Zagal said public support for projects was vital. “We want this to succeed,” she said.

If even some of that money is directed to the Red River, it could bolster a healthy restoration effort that has already proven effective.

The village of Questa and the Questa Economic Development Board recently collaborated with nonprofit groups like Trout Unlimited and state and federal agencies to pay for significant stream improvements on the Red River immediately adjacent to Eagle Rock Lake. The lake itself was recently dredged (a requirement of the EPA's clean-up plan), and a new walking path, picnic tables and other amenities were built. Additionally, habitat improvements were also done on a river section above the fish hatchery west of Questa.

A big reason for doing those projects was to make Questa a more attractive destination for fishermen and outdoorsmen — an economic development plan that became even more important following the permanent closure of the mine in June 2014 and the 300 layoffs that came with it.

When the Natural Resource Trustee takes comments on possible projects, it's likely there will be suggestions to build on the work that has already been done.