



June 3, 2019

State of New Mexico
Energy, Minerals and Natural Resources Department
Division Director Fernando Martinez
Mining and Minerals Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RE: Exploration Permit Application – Tererro Project

Dear Mr. Martinez

Please find enclosed six hard copies of the subject Exploration Permit Application for project activities proposed in Santa Fe County, New Mexico. A separate package will include the application-required Material Safety Data Sheets.

On May 31, 2019, Comexico LLC posted physical public notice in 5 conspicuous locations around the project area and transmitted 41 notices via certified mail to those parties required under 19.10.9.903 NMAC. A public notice will be published on June 4, 2019 in both English and Spanish in the Santa Fe New Mexican.

Site specific general biology, hydrogeology, cultural, and sensitive/listed species surveys are underway and their reports will supplement the application after they are complete.

Sincerely,

Patrick Siglin
Exploration Manager, North America
720.258.6329



FOR MMD USE ONLY:

PROJECT NAME: _____

PERMIT NUMBER: _____

DATE RECEIVED: _____

DATE APPROVED: _____

LEAD INSPECTOR: _____

FORM REVISION DATE: 07/09/09

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT**

Director

**Mining and Minerals Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505
Telephone: (505) 476-3400
Fax: (505) 476-3402**

Webpage: www.emnrd.state.nm.us/MMD/index.htm

**SUBPART 4
EXPLORATION
PERMIT APPLICATION**

The following information is required under the New Mexico Mining Act (Sections 69-36-1 through 69-36-20, NMSA 1978) and associated rules. The Mining and Minerals Division of the Energy, Minerals and Natural Resources Department is the administrative agency through which this application is to be processed. See Subpart 4 Exploration of the New Mexico Mining Act Rules for all regulations associated with Exploration Operations.

The applicant is requested to use this application. If additional space is needed, all information requested in this form must be submitted in this same format.

Permit Application Requirements: (§401 & §402)

- Six copies of the application must be submitted.
- Confidential information shall be **clearly** identified and submitted separately.
- Exploration commencing after 12/31/1994 shall submit an application not less than 120 days prior to the anticipated date of operations.
- Renewal applications shall be filed at least 30 days preceding expiration of the current permit.

IMPORTANT NOTES!!

- ! Obtaining a Mining Act permit does not necessarily satisfy the obligation to obtain other federal, state and local permits.**
- ! All proposed disturbance should be flagged or staked in the field prior to the Mining and Mineral Division's (MMD) initial inspection. Failure to properly mark any proposed drill holes or trenches will delay processing of the permit application.**
- ! All proposed disturbance, including any new proposed access road centerlines, all four (4) corners of any proposed drill pads, and proposed drill hole location(s) within the drill pad area must be staked in the field.**
- ! Any staking of proposed disturbances (access road centerline, drill pad corners, drill hole) should be completed using durable materials such as steel re-bar stakes or T-posts. MMD recommends using rebar stakes of suitable height, and flagging on the rebar at all four (4) corners. Drill holes should be marked by a single T-post driven at the location of proposed drilling.**
- ! The application will be deemed incomplete, without a proper map included. Provide a 1:24,000 USGS quadrangle map with the application. The map should identify locations of drill holes, pads and any new disturbance anticipated**
- ! If possible, please include with this application for submittal, any other operational plans that may have been submitted, as required, to other land management agencies. Plans of Operations (POO) submitted to the USFS and Notices of Intent (NOI) submitted to the BLM are very helpful in processing this application.**

PLEASE FILL IN ALL APPLICABLE INFORMATION AS COMPLETELY AS POSSIBLE.
PLEASE PRINT OR TYPE ALL INFORMATION.

1. OPERATOR INFORMATION (§402.D.1)

PROJECT NAME:	
NAME OF APPLICANT (or entity obligated under the Mining Act): <u>Comexico LLC</u>	
ADDRESS: <u>242 Linden St</u> <u>Fort Collins, CO 80524</u>	
PHONE:	<u>(720) 258-6329</u>
FAX:	<u>NA</u>
NAME OF OWNER (if different from Applicant's name and address): <u>New World Cobalt Ltd</u>	
ADDRESS: <u>45 Ventnor Avenue</u> <u>West Perth, WA 6005</u> <u>Australia</u>	
PHONE:	<u>+61 8 9226 1356</u>
FAX:	<u>NA</u>
NAME OF ON-SITE CONTACT OR OPERATOR'S REPRESENTATIVE: <u>Patrick Siglin</u>	
ADDRESS: <u>Comexico LLC</u> <u>242 Linden St</u> <u>Fort Collins, CO 80524</u>	
PHONE:	<u>(720) 258-6329</u>
FAX: <u>NA</u>	EMAIL: <u>psiglin@newworldcobalt.com</u>

2. OPERATION OWNERSHIP INFORMATION (§402.D.2)

- A. List all parties that have an ownership or controlling interest in the proposed exploration operation, or submit the most recent 10K form required by the U.S. Securities and Exchange Commission.

Name	Address	Phone #
New World Cobalt Ltd	45 Ventnor Avenue, West Perth, WA 6005	+61 8 9226 1356
	Australia	

- B. List all mining operations located within the U.S. owned, operated or directly controlled by the applicant, owner or operator.

Name	Address	Phone #
Colson Cobalt-Copper	1.3 mi west of the intersection of Colson Creek	(720) 258-6329
Exploration Project	and the Salmon River, Salmon-Challis National	
	Forest, Lemhi County, Idaho	

- C. List the names and addresses of regulatory agencies with jurisdiction over the environmental aspects of those operations listed in B above, and that could provide a compliance history for those operations.

Name	Address	Phone #
US Dept of Agriculture	1206 S. Challis Street, Salmon, ID 83467	(208) 756-5100
Salmon-Challis National Forest		
Idaho Department of Lands	3563 Ririe Highway, Idaho Falls, ID 83401	(208) 525-7167
Idaho Department of Water	900 N Skyline Dr, Suite A, Idaho Falls, ID 83402	(208) 525-7161
Resources		

3. RIGHT TO ENTER INFORMATION (§402.D.3 & 4)

- A. Provide copies of mineral leases and/or mineral claim documents upon which the applicant bases the right to enter the property to conduct the exploration and reclamation.

Attachment 1 – Access and Affected Claim Documents (partially CONFIDENTIAL)

- B. Include GPS coordinates for each claim, or show on a map in relation to the project area, any mineral leases and/or mineral claim boundaries upon which the applicant intends to conduct the exploration and reclamation.

Figure 1 – Affected Claim Boundary Map

- C. List the names and addresses of surface and mineral ownership within the proposed permit area.

Surface Owner(s):

Name	Address	Phone #
United States Department of	11 Forest Lane, Santa Fe, NM 87508	(505) 438-5300
Agriculture – Forest Service		
Santa Fe National Forest		

Mineral Owner(s):

Name	Address	Phone #
Andrea Rector	3715 Otra Vez Ct NW, Albuquerque, NM 87107	(505) 243-8610
Wayne LaBeau	8209 Krim Dr NE, Albuquerque, NM 87109	(505) 307-2541
Comexico LLC	242 Linden St, Fort Collins, CO 80524	(720) 258-6329

4. MAPS AND LOCATION (§402.D.4 & 5)

- A. Provide a legal description of the proposed permit area and each exploration site (i.e. Township(s), Range(s) and Section(s) NM PLSS), as well as GPS coordinates corresponding to each proposed drill hole.

Proposed Permit Area Legal Description:

Township 17 North, Range 11 East, Section 1 – specific unpatented mining claims therein (see Attachment 1 and Figure 1)

Proposed Drill Hole/Exploration Site GPS Coordinate(s):

1. List the drill hole/exploration name and the GPS Coordinate for each site.
2. Include datum/coordinate system of GPS coordinates (i.e. decimal degrees, UTM Zone 13, UTM Zone 12, NAD 27, NAD 1983, WGS 1984, etc.).

Table 1 – List of GPS Coordinates for Potential Drill Pad Sites; UTM NAD 83 Zone 13

Figure 2 – Potential Drill pad Map

- B. Provide a topographic map(s) of at least 1 inch = 2,000 feet or appropriate scale for the size of disturbance (i.e. a 1:24,000 USGS Quadrangle map). The map name and at least two edges of the map (i.e. bottom and side edge) clearly showing all areas of land to be disturbed by the proposed exploration and reclamation. If the area to be explored contains the following features, show them on the map(s):
1. **Boundary of the proposed permit area** on a topographic map, and the proposed area of disturbance. This boundary should be labeled.
 2. Perennial, intermittent and ephemeral streams, springs, wetlands, riparian areas, lakes and reservoirs.
 3. Residences or other occupied dwelling.
 4. Proposed and existing roads, and other access routes.
 5. Pipelines and support facilities.
 6. Cemeteries, burial grounds and cultural resources.
 7. Previously disturbed areas.
 8. Oil, gas, water wells and monitoring wells within the permit area.
 9. Areas and types of proposed disturbances. Include the anticipated dimensions of each proposed disturbance.
 10. Identify the location of drill holes, shafts, pits, adits, trenches, ponds, stockpiles, wastes dumps, etc.

Figure 3 – Topographic Map and Figure 4 – Topographic Map

- C. Provide detailed written driving directions to access the site.

Access is gained via travelling eastward on I-25 North from Santa Fe, NM, proceeding about 15 miles to exit 299 for New Mexico State Highway 50 toward Glorieta/Pecos. Continue east on NM Hwy 50 for 6 miles to the Village of Pecos, NM and turn northward onto NM State Highway 63 then travel 10.9 miles to a gate accessing USFS road 192 – Indian Creek. Travelling westward on this road through four private parcels and one New Mexico Department of Game and Fish parcel leads to a network of forest service roads which access the project area approximately 3.5 miles west of the confluence of Indian Creek and the Pecos River.

5. EXPLORATION DESCRIPTION (§402.D.6 & 7)

A. List the proposed exploration dates:

Start Date: October 1, 2019

End Date: February 29, 2020

B. List the mineral or minerals to be explored for:

Copper sulfides, gold, zinc sulfides, lead (galena), silver (electrum, sulfides)

C. Check the box beside the proposed method(s) of exploration:

☐ Cuts

☐ Pits

☐ Trenches

☐ Shafts

☐ Tunnels/Adits/Declines

☒ Air drilling

☒ Fluid drilling

☐ Drilling & Blasting

☐ Other method (describe): _____

D. Information on stockpiles, ponds, drilling mud and water recirculation pits, impoundments and any other structures should be provided:

Mud pits are proposed to be utilized within the footprint of the drill pad while diamond drilling (coring).

When coring, fluid is circulated from a mud pit, down the drill pipe, returning to surface via the annulus (the space between the pipe and the wall of the bore hole). The fluid circulation not only cools and lubricates the bit and pipe, but it lifts fragments of rock to the surface, cleaning the hole. Once the fluid has returned to surface, it re-enters the mud pit then continues to circulate down and up the pipe and annulus.

Mud pits are generally 5-10 ft long by 5-10 ft wide and about 5 ft deep, dug into the ground and lined with plastic to keep the fluid from seeping into the ground. Comexico proposes 2 mud pits per drill pad to allow for fluid recirculation while drilling, a methodology which significantly reduces the required amount of water needed per drill hole. On one edge of each pit, a ramp will be constructed to allow potential egress.

E. List the following proposed disturbance for each:

Drill pads:

How Many? Up to 30

Width (ft.): 50 to 60

Length (ft.) 30 to 40

Drill holes:

How Many? Up to 30

Depth (ft.): 500 to 4000

Diameter (in.): 3 to 5.5

Other Types of Excavations or Surface Disturbances:

Please describe: Within each drill pad foot print, Comexico proposes to dig 2 mud pits with dimensions of 5-10 ft by 5-10 ft by 5 ft deep. They will not add to the total disturbance as they'll be within the proposed drill pad footprint. Overland routes, on existing historic tracks, are proposed to access several proposed pad locations. Overland routes are proposed to be 15 ft wide and a total length of 1242 ft.

Acres: up to 2.1

F. Describe the equipment to be used for the exploration operations

Pickup trucks to access the site on a daily basis in support of the drill operations. A trailer or cargo truck with equipment parts stored in support of operations. A track mounted excavator to dig mud pits, make minor grade adjustments on the drill pads. A skid steer loader or similar to assist in moving pallets and pipe. A water truck to deliver water to the drill pads. A flat bed truck to deliver drill pipe. A core drilling rig (LF90 or equivalent). A reverse circulation (RC) rig (Prospector 750 or Explorer 1500 or equivalent) to pre collar deeper holes. ATV or UTV. Two, 3,000-gallon water tanks. Water pump. Bean pump. Light tower/generator. Generator. Bulldozer or grader/snow plow if necessary. Water pump. Mud Pump. Portable toilets (up to 4). Portable Toilet service truck.

Comexico proposes to operate two shifts per day with up to two drill rigs operating simultaneously.

G. Describe the area and size of each type of disturbance for cuts, pits, stockpiles, trenches, shafts, tunnels or other disturbances:

If an RC rig is utilized, the drill pad dimension would be 60 ft by 50 ft. If a diamond drill rig alone is utilized Then drill pad dimensions would be 50 ft by 30 ft. An RC rig would potentially be used for deeper holes, whereby the RC rig would drill the initial ~1500 ft of the hole, followed by the diamond drill. The drill pad, in either case would support the drill rig and platform, the drill pipe, the mud pits, circulation hoses and pumps, and area for pallets of mud, grout, and core boxes, and maybe a water truck. Pickup trucks can be parked on existing road nearby. Comexico has identified 84 existing locations which would support a drill pad site utilizing publicly available LiDar data. Each potential pad location exists in an area of historic disturbance and requires minimal new disturbance or grading to support the proposed drill operation.

Comexico proposes up to 30 holes from up to 30 individual pads and up to 5 holes from any single pad. For example, if Comexico were to drill from 6 pads, but 5 holes from each, then that would be 30 holes.

H. Roads

Roads shall be located to minimize disturbance to land and wildlife and enhance stability. Roads shall be constructed and maintained to control erosion. Roads constructed in or across intermittent or perennial streams require site specific designs. Roads to remain permanent must be approved by the surface owner and must be stabilized to control erosion.

List for New Road(s) the following:

Road description: <u>DH28, DH76</u>	Length (ft.) <u>30.2</u>	Width (ft.) <u>15</u>
Road description: <u>DH02, DH31, DH32</u>	Length (ft.) <u>323</u>	Width (ft.) <u>15</u>
Road description: <u>DH04, DH37</u>	Length (ft.) <u>31</u>	Width (ft.) <u>15</u>
Road description: <u>DH46</u>	Length (ft.) <u>208</u>	Width (ft.) <u>15</u>
Road description: <u>DH38</u>	Length (ft.) <u>43</u>	Width (ft.) <u>15</u>
Road description: <u>Jones Hill</u>	Length (ft.) <u>634</u>	Width (ft.) <u>15</u>
Road description: <u>South Jones Hill</u>	Length (ft.) <u>296</u>	Width (ft.) <u>15</u>

List for Extension or Widening of Existing Road(s) the following:

Road description: _____	Length (ft.) _____	Width (ft.) _____
Road description: _____	Length (ft.) _____	Width (ft.) _____
Road description: _____	Length (ft.) _____	Width (ft.) _____

Where applicable, describe road or drainage culvert location, size(s), and design:

No new culverts are proposed. Best management practices will be utilized to control potential overland road drainage such as silt fencing or waddles. If needed, water bars can be constructed.

Overland routes are proposed to be a nominal 15 ft wide and would not require any grading or tree removal. Silt fencing would be installed on the upslope and downslope sides of the routes.

- I. Describe (location and size) any other disturbances (equipment staging, storage and/or lay down areas, vehicle parking, temporary housing and/or trailers) to be created or situated on the site during exploration operations.

A laydown area is proposed at the area historically used as the drill camp by former operators. This is the general area at which well number UP 00826 is located, nearby which water tanks will be located to fill a water truck supporting the drill program. Vehicle parking outside the laydown area will be near the drill rig/s, upon existing roads.

The laydown area, water tank location, and parking areas are upon existing disturbance.

TOTAL ACREAGE TO BE DISTURBED: up to 2.1 acres

6. CHEMICAL USE (§402.D.8)

- A. List all chemicals, and include Material Safety Data Sheets (MSDS), for any chemicals proposed to be used by the exploration operation, including but not limited to any drilling mud, polymers, down-hole bit lubricants, lost circulation materials (LCM), or any other drilling additives, fuel and lubricants. Material Safety Data Sheets (MSDS) describing must be included. If any water is to be hauled onsite, please provide source information and intended use.

Name	Use
See attachment 2: Chemical List and MSDS	Mud, grout, parts cleaner, fuel, LCM, mud additives
Water source: well UP 00826	fluid circulation during drilling, mud mixing, fire safety.

- B. Describe in detail a plan for the containment, use and disposal of all chemicals listed above:

All potentially hazardous chemicals will be stored within a secondary containment vessel to ensure there is no leak onto or into the ground, nearby streams, or existing boreholes. No chemicals will be disposed of onsite. All trash and waste will be removed from the site and disposed of properly.

7. GROUND WATER INFORMATION (§402.D.9)

- A. Provide an estimate of depth to ground water and the total dissolved solids (TDS) concentration.

Depth to ground water (ft.): 8,305 to
TDS concentration (mg/L): unknown

- B. What is the source of this information?

The elevation of the top of casing of an existing water well in the area (proposed for use in this application), UP 00826, is ~8,400 ft and its depth to water is listed as 95 ft. Based on this single point, groundwater in the area is expected to be present at an elevation of ~8,305 ft. The stream arc and route GIS layers indicate the average maximum surface water elevation (based on the four nearest surface water bodies) has an average elevation of 9,053 ft. The most recent reports on the existing underground workings at Jones Hill are that they are dry; the primary workings exist at an elevation of 9,090 ft, and a second level exists at an elevation of about 9,040 ft. All of the discussed data points are from the same Proterozoic geology. A third party contractor is reviewing all hydrogeologic information available and a report will supplement this application upon its completion.

- C. Will dewatering activities be conducted:

☐ Yes ☒ No

If yes, please describe:

8. RECLAMATION AND OPERATION PLAN (§402.D.10)

Reclamation of the disturbed area shall be initiated as soon as possible following the completion or abandonment of the exploration operation, unless the disturbed area is included within a complete permit application for a new mining operation.

Topsoil or topdressing material removal and stockpiling shall precede any excavation within the drill site area. All lands, including access roads or terrain damaged in gaining access to or clearing the site, or lands whose natural state has been substantially disturbed as a result of the exploration by drilling, shall be restored as nearly as possible to their original condition. Where vegetation has been removed or destroyed within the permit area, vegetative cover shall be reestablished by seeding, planting, transplanting, or by other adequate methods. All open mud pits shall be constructed in a manner to prevent wildlife entrapment, and shall be constructed to prevent any overflows. When drilling is completed, the mud pits shall be allowed to dry and then backfilled with native cover.

- A. Provide a description of the native vegetation of the area to be disturbed. Include tree, shrub and grass communities of the area.

Comexico has identified 84 potential drill pad locations, based on publicly available LiDar data, at which minimal vegetation disturbance would occur. The proposed drilling program would utilize existing roads and historic disturbance (from as recent as 1993) for drill pads.

Vegetation is typified by sparse stands of Ponderosa pine forest on the southern exposures of ridge flanks and tops. Dense thickets of Gambel's oak also occur here as do rare large pinon pine trees. The somewhat wetter north, east, and west slopes support dense spruce forests. Aspen, Douglas fir, manzanita, and raspberry are secondary species on the wetter slopes. In many areas of the project, downed spruce, fir, and aspen trees constitute an almost impenetrable barrier over the forest floor. In other areas, forest duff (pine needles) and laves form a mat from 1-12 inches in depth.

A third party contractor is surveying the area for general bio and their report will supplement this application.

- B. Describe in general how the operation will be operated to salvage topsoil and best prevent erosion. Include the removal and storage of excavated material and the construction of roads. Describe how these facilities will be protected from erosion if applicable.

In areas that are not existing roads, topsoil will be scraped and stockpiled for use as final cover during reclamation. Topsoil piles will be bounded by silt fences to control any potential erosion. At each drill pad location, the upslope and downslope boundaries will be silt fenced to control any potential erosion from entering or leaving the pad.

Overland road routes upon historic tracks will be bounded with silt fence on the upslope and downslope sides to prevent erosion.

C. Describe in detail the plant species to be used in the re-establishment of vegetation.

Plant name	Seeding Rate (lbs./acre)
Past approved seed mix:	
25% orchard grass	
30% Brome	
25% wheatgrass	
10% Yellow sweetclover	
10% Weeping lovegrass	
Comexico will work with the USFS to determine a final seed mix, if reseeding is the determined reclamation method. Formerly, on USFS lands, reseeding has been advised against by the USFS biologists.	

D. Provide the methods to be used during revegetation operations and provide a schedule of when the operations are to begin and end.

If reseeding is an approved reclamation method, then, after topsoil has been replaced, seed will be either hand broadcast or sprayed on via hydroseed mix. Silt fencing would be left in place until after the seed has taken and then removed.

Comexico proposes to implement activities in October, 2019, potentially undertaking drilling activities through early 2020 and ending prior to the end of February, 2020. Comexico proposes completing reclamation activities either after drilling operations are complete and before February 29, 2020, or prior to 12 months after implementation but after nesting season ends – between September 1 and 12 months from implementation.

E. Proposed Reclamation dates:

Start Date: September 1, 2020
End Date: September 15, 2020

F. If riparian areas and wetlands exist, provide the detailed reclamation plan for the mitigation of the area. Describe the methods to minimize disturbance during exploration.

Comexico has Identified 84 sites potentially suitable for drill pads based on publicly available LiDar data. These sites appear suitable for access and drill pad use because only minimal vegetation disturbance would be required and no major drill pad grading would be required. Upslope and downslope sides of any overland access road, drill pad boundary, and topsoil stockpile are proposed to be bounded with silt fence to control potential erosion.

- G. If this is a drilling operation each drill hole shall be plugged from total depth to within 2 feet of the original ground surface or the collar of the hole, whichever is lower, with a column of cement, high density bentonite clay or other materials specified in the permit. If the approved plugging material is not cement, then the top ten feet of the column must be a cement plug. The hole shall be backfilled with topdressing or topsoil from above the cement plug to the original ground surface. The hole shall be plugged as soon as is practical after drilling is complete, but no later than 30 days after completion of drilling; however, if a water bearing stratum is encountered, the hole shall be plugged as soon as practicable and satisfy the requirements of the Office of the State Engineer and the New Mexico Environment Department for proper plugging of such holes. This plugging requirement may be waived if the State Engineer issues a permit for a well for the exploration drill hole. Describe how drill holes will be plugged and abandoned. What plugging and abandonment methods will be employed where groundwater is encountered versus holes where no groundwater is encountered? (Plugging methods must comply with 19.27.4 NMAC of the State Engineer Office's plugging and abandonment requirements.)

For drill holes which do not encounter groundwater (generally any hole less than 1,300 ft deep), plugging via tremmied cement/bentonite mixture from the bottom of the borehole to surface. A concrete cement plug will be installed from 10 feet below surface to surface.

No artesian (flowing groundwater) conditions are expected to be encountered during drilling operations at the proposed project location. If an unidentified artesian stratum is encountered, the state engineer shall be immediately notified.

For drill holes where groundwater is anticipated to be encountered during drilling, Comexico will seek authorization from the Office of the State Engineer, via plan of operations, to identify appropriate methods, materials, and plugging records. This will likely be via plugging the borehole from bottom to top via tremmied cement grout, bentonite, or mixture of the two.

- H. Describe dewatering activities, the location and construction of mud pits and drill pads and any other activities causing disturbance.

Comexico has identified 84 potential drill pad locations of which a maximum to 30 are proposed to be constructed. The maximum pad dimension is 60 by 40 ft, within which two mud pits of dimensions of 5-10 ft by 5-10 ft and 5 ft deep are proposed. The drill pad locations were chosen to minimize any possible disturbance to flora by being located in areas of existing or former disturbance. Minor grading may be required to support a drill. Mud pits will be fenced off to help keep wildlife out, and designed with a ramp leading from the bottom to the top of one edge to assist any animal which may fall into the pit.

Topsoil will be scraped, stockpiled, and bounded with silt fence. Material excavated to construct mud pits be stockpiled and bounded with silt fence.

- I. Describe how the reclamation of portals, drilling mud and/or waste pits, adits, shafts, ponds, roads or other disturbances will be performed.

Mud pits will be allowed to dry, open to the air, between the end of drilling operations and commencement of final reclamation – fenced off for the duration. Backfilling will occur at the mud pits after removing the plastic liner. Dirt will be filled into the mud pits and stirred with a tracked excavator, repeating this process until the pit is filled and level with the surrounding ground, as existed prior to project implementation.

9. CULTURAL RESOURCES (§403.B)

Cemeteries and burial grounds and the disturbance of cultural resources listed on, or eligible for, the National Register of Historic Places or the State Register of Cultural Properties shall be avoided until clearance has been granted by the Director after consultation with the State Historic Preservation Officer.

Provide information on Cultural Resource Survey(s) performed on the site. Include a copy of the Archeological or Cultural Resource Survey **separately** in the application package. **Please DO NOT display any archaeological site locations upon other project maps submitted under Section 4 of this Application.** Any Archaeological or Cultural Resource Survey and Report information shall be submitted with this Application, but separately as a stand alone component of this Application.

A third party contractor will be undertaking cultural surveying activities at the project area and a report will supplement this application upon completion of the survey. A cultural survey was commissioned by Conoco Inc in 1981 and a report prepared and submitted by the School of American Research, Santa Fe NM on May 11, 1981.

10. SAFEGUARDING (§403.C)

Provide a description of measures that will be taken to safeguard the public from unauthorized entry into hazardous areas. This description shall address the following:

- A. Closing shafts, adits, and tunnels to prevent entry;
- B. Posting warning signs in locations near hazardous areas (in Spanish, English and/or other languages);
- C. Restricting access to hazardous areas; or other measures to protect human safety. and
- D. Waste disposal

All forest roads within the project area are closed to the public. Two gates exist between Highway 63 and Forest Service Road 192 – one of which has a lock. There is additional potential access from Macho Canyon, via private property. Comexico will post signs at All potential entrances as well as ensure the drill contractor puts measures in place to ensure no one will come within a specified distance of the operating drill rig. The area is a rangeland allotment and Comexico will inform the rancher of the proposed activities prior to implementation.

11. PROTECTION OF WILDLIFE AND IMPORTANT HABITAT (§403.G)

Describe in detail the measures that will be taken during the exploration and reclamation to minimize impacts on wildlife and important habitat.

A third party contractor is undertaking sensitive/critical species surveys, general biology surveys, hydro-geologic surveys, and cultural surveys to fully identify any resources for which measures may need to be taken to minimize impacts. These surveys will be summarized in reports which will supplement this application.

12. OPERATIONS TO MINIMIZE EROSION (§403.E)

Describe in detail the measures that will be taken and/or Best Management Practices (BMP's) to be utilized during exploration and reclamation to prevent and minimize erosion. Acceptable practices include:

- A. Stabilizing disturbed areas through land shaping, re-contouring, berming or grading to final contour;
- B. Minimizing reconstructed slope lengths and gradients;
- C. Diverting storm water runoff;
- D. Establishing vegetation;
- E. Regulating channel velocity of water;
- F. Lining drainage channels with rock, vegetation or other geotechnical materials; and
- G. Mulching.

Comexico has identified 84 potentially suitable sites for the location of drill pads for the proposed drill operations. All constructed pads and stockpiled material will be silt fenced on the upslope and downslope edges, or completely bounded by silt fence to control potential erosion. Overland routes will be silt fenced on upslope and downslope edges to control potential erosion. If necessary, water bars will be installed in the overland routes.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

13. BLASTING INFORMATION (§403.L)

When blasting is employed during the exploration operations, indicate the following:

Distance to nearest structure or dwelling: NA feet

Typical number of pounds used per blast: NA lbs/blast

Type of blasting agent: NA

14. FINANCIAL ASSURANCE, PUBLIC NOTICE AND PERMIT FEES (§402.D.10.c, §402.D.12, & §402.D.13)

- A. The acceptable forms of financial assurance are surety bonds, letters of credit, or cash accounts described in 19.10.12.1208 NMAC. Provide an estimate of the proposed financial assurance required by Subpart 12.

Attachment 3 – Financial Assurance Estimate

- B. Attach a copy of the proposed form of public notices required under Subpart 9.

Attachment 4 – Public notice

- C. Attach the permit fees as determined pursuant to Subpart 2. The application fee for an exploration permit is \$1,000.00.

Check the method of payment.

- ☐ Cash
☒ Check

Check Number: 005
Financial institution: US Bank

LIAZUS INC
242 LINDEN ST
FORT COLLINS CO 80524-2424

Date 6/3/2019 005

PAY TO THE ORDER OF NM Mining & Minerals Division \$ 1,000.00
one thousand and 00/100

usbank

Memo Tevorro Project Permit app

1020000211 103684434881 64

LOOK FOR FRAUD-DETECTING FEATURES INCLUDING THE SECURITY SQUARE AND HEAT-REACTIVE INK. DETAILS ON BACK.

15. CERTIFICATION REQUIREMENT (§402.C)

Each application shall be signed by the permittee or an authorized agent of the permittee for the operation with the following certification made

(Certification does not require notarization):

I certify that I have personally examined and am familiar with the information submitted herein, and based on my inquiry of those individuals responsible for obtaining the information; I believe the submitted information is true, accurate, and complete. I agree to comply with the reclamation requirements set forth in this permit application and related correspondence, the New Mexico Mining Act and the Rules. Further, I certify that I am not in violation of any other obligation under the New Mexico Mining Act or the Rules adopted pursuant to that Act and I allow the Director to enter the permit area, without delay, for the purposes of conducting inspections during exploration and reclamation.

Signature of Permittee or Authorized Agent



Name (typed or print)

Patrick Sijlh

Title/Position:

Exploration Manager

Date

June 3, 2019

Figures 1 thru 4







