

Addendum to the Closeout/ Closure Plan (CCP) for Revision of Mine Permit #C1002RE from Standby to Active Status, Mt. Taylor Mine; July 9, 2015

1. Additions to the CCP Rev.1 text, specifically to section 2.5, Future Mine Units; section 4.3, Surface Facilities Demolition; and section 7, Cost Estimate, as follows:

2.5 Future Mine Units

Both existing and future mine units were described in the original mine permit application (RGR 1994b). The only mine units not existing at this time (future mine unit) are the north waste rock pile and the Molybdenum/ Selenium (MoSe) treatment facility. The north pile will be constructed only if needed, and that need will not be determined until at least five years after the mine is reactivated. The MoSe treatment facility will be constructed during mine reactivation adjacent to and north of the existing IX plant. The MoSe treatment facility will be operated as needed to maintain Mo and Se concentrations below the New Mexico human health standards per 20.6.2.3103A NMAC while water is pumped from the mine.

4.3 Surface Facilities Demolition

The MoSe facility is added to the list of facilities that will not be retained for the later use of the landowner and will be demolished.

7.0 COST ESTIMATE

The estimated costs of closeout/ closure of the Mt. Taylor Mine were developed to satisfy the requirements of both MMD's *CLOSEOUT PLAN GUIDELINES FOR EXISTING MINES, Attachment #4 (FINANCIAL ASSURANCE CALCULATION HAND BOOK)* and its *Guidance To Mine Operators for Calculating Reclamation Costs in Net Present Value, December 29, 2004* as well as NMED-GWQB's *Discharge Plan Closure Guidance for Mines, May 30, 1996*.

Several references were used for unit costs, the primary being R.S. Means Heavy Construction Cost Data 2013, the Wyoming DEQ Guideline No. 12, and the Caterpillar Performance Handbook. The basis for each unit cost is identified on the cost estimate spreadsheet.

Quantities of work and materials were based on field measurements or counts of materials, construction or design record drawings, and area/ volume calculation functions within AutoDesk AutoCAD Civil 3D® design software. A new base map, completed in June 2012 at 2.0-foot contour intervals, was used as the topographic base along with AutoCAD Civil 3D® design software for the earthwork estimates in this CCP.

The cost estimate does not include closure costs for the north waste pile. If this pile is needed, RGR will update the cost estimate to include costs related to closure of this facility. If the north waste pile is not needed and not constructed, the area reserved for this pile will be left undisturbed.

The cost estimate does not include any deductions or offsets for re-sale or salvage value of mine components and scrap. However, the value of these materials, especially the structural steel and the treated water pipeline, could offset one quarter to one third the actual direct cost of closeout.

Cost estimates for closeout of the IX facility are based on the conservative assumption that tubular materials (pipes) and debris internal to the IX circuit will contain scale or corrosion material with radiological contamination that cannot be removed, making it necessary to dispose of these materials as low-level radioactive waste in a licensed facility off-site (DOE 2002). Tubular materials (pipes) and debris internal to the MoSe circuit are not likely to contain scale or corrosion material with radiological contamination, so these materials will be disposed on-site with other similar material or recycled for off-site use. MoSe resins will be recycled to a permitted facility. Additional assumptions are that 1) the IX resin will be sent to a third party facility licensed by NRC or an Agreement State to process equivalent feed source material in the form of IX resin, and 2) the third party facility would accept title to the resin. The decontamination and demolition (D&D) costs for the IX circuit equipment are covered under the financial assurance requirement of the Radioactive Material License with the NMED Radiation Control Bureau and are not included in this estimate; only the IX structure is included in this estimate.

The detailed estimate is presented in Appendix E. The estimated costs by category are:

Direct Cost =	\$ 5,135,745
Indirect Cost =	\$2,516,515
Direct + Indirect Cost =	\$7,652,260

Location Cost Adjustment=	0.879
Total Adjusted Direct + Indirect =	\$6,726,337
New Mexico Gross Receipts Tax	\$441,416
Total Direct + Indirect, Location-adjusted, with NMGR	\$7,167,753

2. Changes to drawings MT13-CL-04 Rev.2, -07 Rev.2, and -13 Rev.2 to show the location of the MoSe facility, attached in pdf format
3. Change to Table 5.1, Building Inventory, to include the MoSe building, attached in pdf format.
4. Rev.2 of the Cost Estimate (Appendix E) to include the cost to remove the MoSe facility. Attached in pdf.

- FACILITIES TO BE REMOVED

01

MANWAY/VENT SHAFT
HEADFRAME AND HEATER
BUILDINGS

02

PRODUCTION SHAFT
HEADFRAME

03

VENT FAN STRUCTURE

04

STORAGE BUILDING

05

GLYCOL HEAT EXCHANGER

06

HOIST HOUSE

07

SERVICE BUILDING

09

WATER TREATMENT

10

COMPRESSOR BUILDING

11

ELECTRICAL BUILDING

12

PORTABLE BUILDING

13

FUEL PUMP HOUSE

15

FUEL STORAGE TANKS

17

YORK CHILLER

24

ACCESS/UTILITY TUNNEL

25

PUMP BUILDING

26

COOLING TOWER

27

CHLORINE BUILDING

28

CONDUIT 1

29

CONDUIT 2

30

MINE CAR RAILS

31

BARIUM CHLORIDE BUILDING

32

ION EXCHANGE PLANT

33

FLOCCULANT BUILDING
- 34

TREATED WATER PIPELINE
- 35

PLANT AND REFRIGERATION
WATER PIPELINES
- 36

MINE WATER TREATMENT
PUMP HOUSE
- 37

TRUCK WASH EQUIPMENT
AND DRAINAGE PIPES
- 38

SANITARY TREATMENT PLANT
- 39

Mo/Se ADSORPTION BUILDING
- TP

WATER TREATMENT PONDS
(PONDS #1 THROUGH #8)
- HS

(21) HYDRAULIC CONTROL
STRUCTURES

FACILITIES TO REMAIN

08

SUBSTATION (NOTE 1)

14

CARPENTER SHOP

16

WATER TANK

18

GUARD HOUSE

19

FIRE EQUIPMENT BUILDING

20

CORE STORAGE BUILDING

21

ADOBE HOUSE
(PRE-MINING STRUCTURE)

22

FAN SHOP

23

CAR SHOP

39

SEPTIC TANK

40

LEACH FIELD

41

DRAINAGE PIPES

OTHER AREAS

ORE PAD - 10 ACRES (TO BE REMOVED)

SOUTH STOCK TANK AREA
(SOUTH STORM WATER RETENTION POND) - 2.8 ACRES

WASTE ROCK PILE AREA 21.7 ACRES
(REMAINS BUT CLOSED)

AREAS NOT IN MINE PERMIT - 8.4 ACRES (NOTE 1)

- LEGEND
- AREA DISTURBED BY MINING ACTIVITY

RETAINED RGR PROPERTY LINE

PROPERTY LINE

FENCE LINE

DRAINAGE PIPES

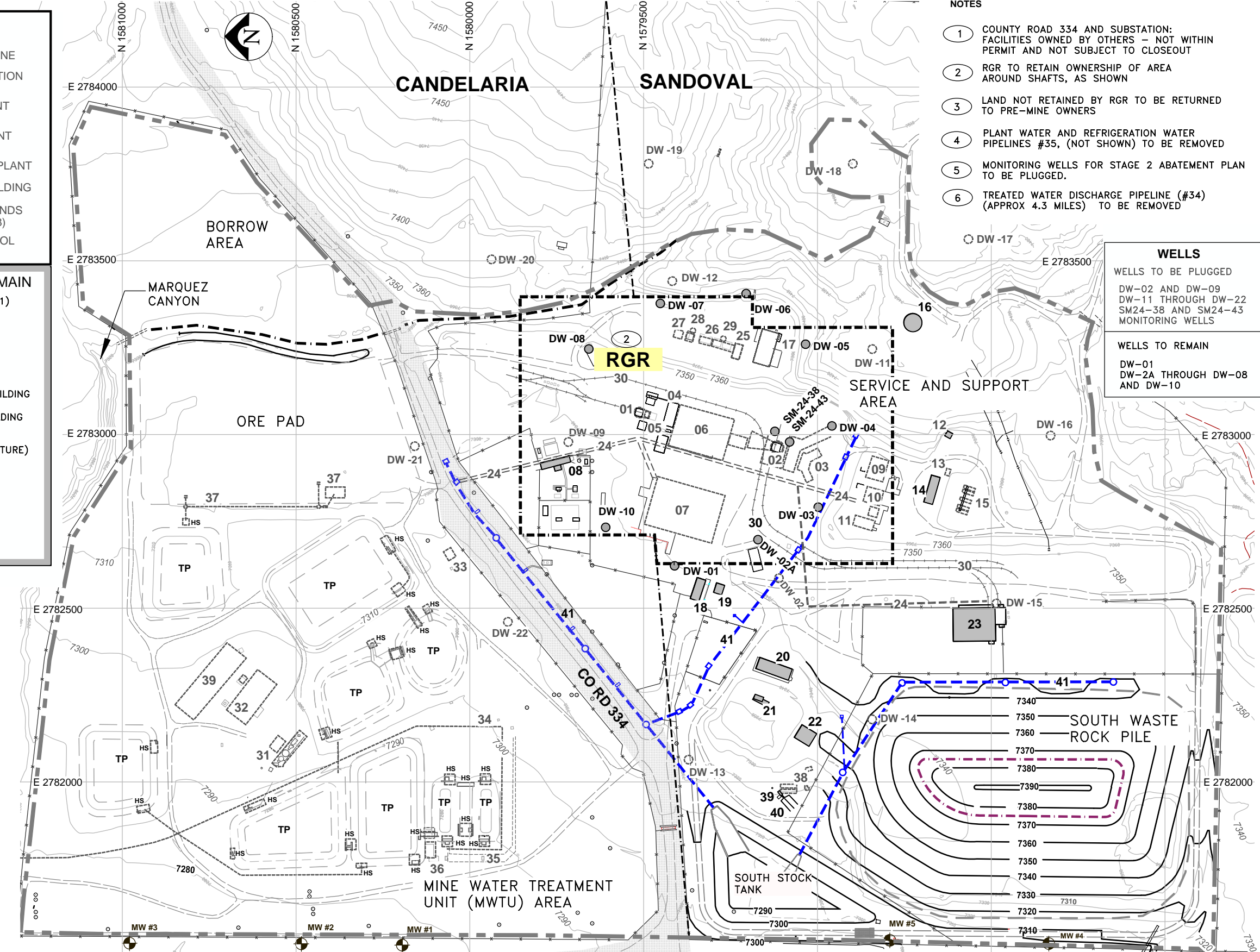
ACCESS/UTILITY TUNNEL

FACILITY TO REMAIN

MONITORING WELL
(TO BE PLUGGED)

DW-00 DEWATERING WELL (TO REMAIN)

DW-00 DEWATERING WELL (TO PLUG)



- NOTES
- 1

COUNTY ROAD 334 AND SUBSTATION:
FACILITIES OWNED BY OTHERS - NOT WITHIN
PERMIT AND NOT SUBJECT TO CLOSEOUT
- 2

RGR TO RETAIN OWNERSHIP OF AREA
AROUND SHAFTS, AS SHOWN
- 3

LAND NOT RETAINED BY RGR TO BE RETURNED
TO PRE-MINE OWNERS
- 4

PLANT WATER AND REFRIGERATION WATER
PIPELINES #35, (NOT SHOWN) TO BE REMOVED
- 5


MONITORING WELLS FOR STAGE 2 ABATEMENT PLAN
TO BE PLUGGED.
- 6

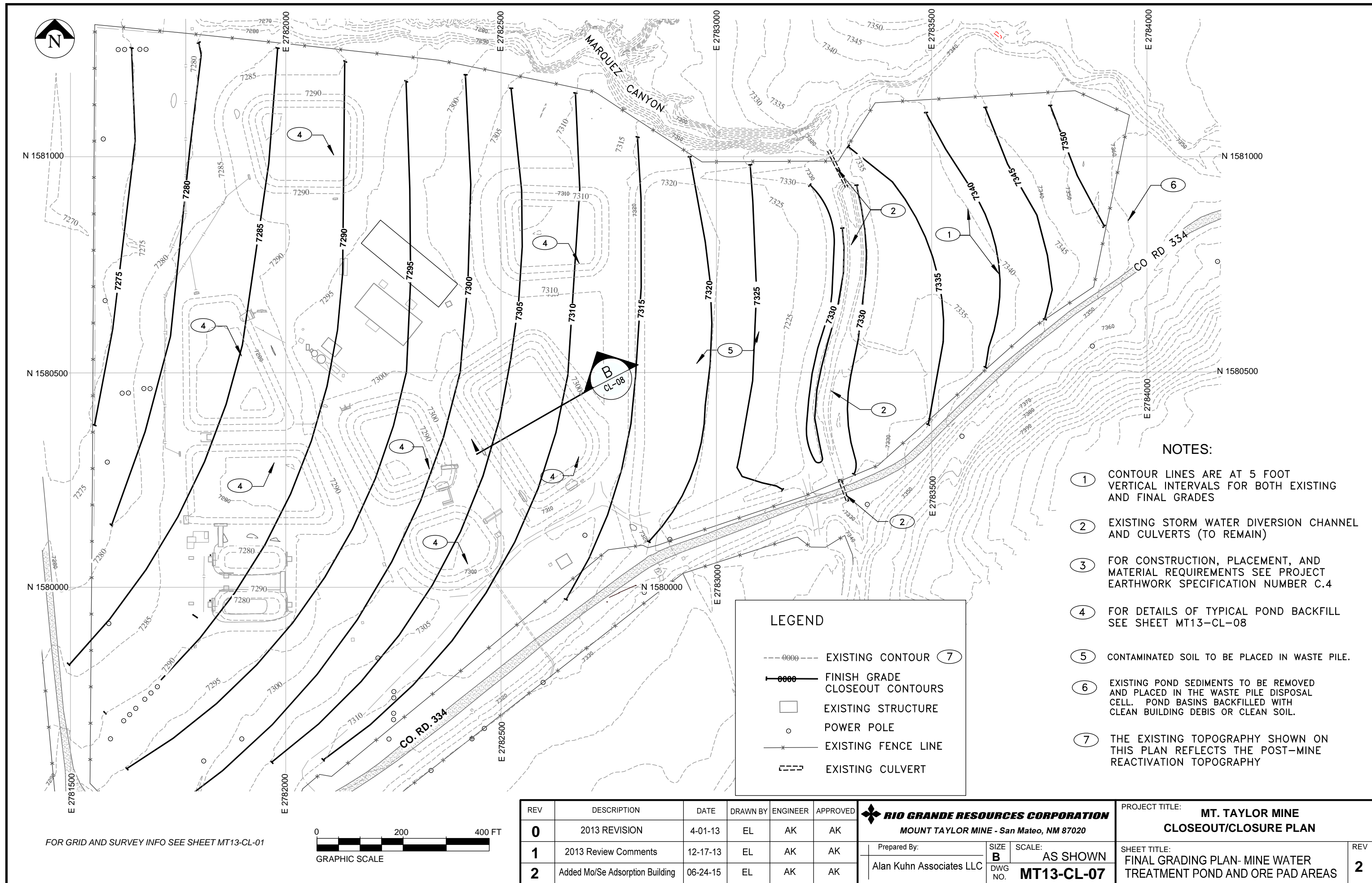
TREATED WATER DISCHARGE PIPELINE (#34)
(APPROX 4.3 MILES) TO BE REMOVED

- WELLS
- WELLS TO BE PLUGGED

DW-02 AND DW-09
DW-11 THROUGH DW-22
SM24-38 AND SM24-43
MONITORING WELLS
- WELLS TO REMAIN

DW-01
DW-2A THROUGH DW-08
AND DW-10

REV	DESCRIPTION	DATE	DRAWN BY	ENGINEER	APPROVED	 RIO GRANDE RESOURCES CORPORATION MOUNT TAYLOR MINE - San Mateo, NM 87020				PROJECT TITLE: MT. TAYLOR MINE CLOSEOUT/CLOSURE PLAN	
0	2013 UPDATE	4-01-13	EL	AK	AK						
1	2013 Reveiw Comments	12-17-13	EL	AK	AK	Prepared By:		SIZE	SCALE:		
2	Added Mo/Se Adsorption Bldg.	6-24-15	EL	AK	AK	Alan Kuhn Associates LLC		B	AS SHOWN	SHEET TITLE: FACILITY DISPOSITION PLAN	
								DWG NO.	MT13-CL-04		



NOTES:

- 1 CONTOUR LINES ARE AT 5 FOOT VERTICAL INTERVALS FOR BOTH EXISTING AND FINAL GRADES
- 2 EXISTING STORM WATER DIVERSION CHANNEL AND CULVERTS (TO REMAIN)
- 3 FOR CONSTRUCTION, PLACEMENT, AND MATERIAL REQUIREMENTS SEE PROJECT EARTHWORK SPECIFICATION NUMBER C.4
- 4 FOR DETAILS OF TYPICAL POND BACKFILL SEE SHEET MT13-CL-08
- 5 CONTAMINATED SOIL TO BE PLACED IN WASTE PILE.
- 6 EXISTING POND SEDIMENTS TO BE REMOVED AND PLACED IN THE WASTE PILE DISPOSAL CELL. POND BASINS BACKFILLED WITH CLEAN BUILDING DEBIS OR CLEAN SOIL.
- 7 THE EXISTING TOPOGRAPHY SHOWN ON THIS PLAN REFLECTS THE POST-MINE REACTIVATION TOPOGRAPHY

LEGEND

- EXISTING CONTOUR 7
- FINISH GRADE CLOSEOUT CONTOURS
- EXISTING STRUCTURE
- POWER POLE
- EXISTING FENCE LINE
- EXISTING CULVERT

REV	DESCRIPTION	DATE	DRAWN BY	ENGINEER	APPROVED
0	2013 REVISION	4-01-13	EL	AK	AK
1	2013 Review Comments	12-17-13	EL	AK	AK
2	Added Mo/Se Adsorption Building	06-24-15	EL	AK	AK



RIO GRANDE RESOURCES CORPORATION
MOUNT TAYLOR MINE - San Mateo, NM 87020

Prepared By:
Alan Kuhn Associates LLC

SIZE
DWG
NO. **B**

SCALE:
AS SHOWN
MT13-CL-07

PROJECT TITLE:
**MT. TAYLOR MINE
CLOSEOUT/CLOSURE PLAN**

SHEET TITLE:
**FINAL GRADING PLAN- MINE WATER
TREATMENT POND AND ORE PAD AREAS**

REV
2

