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Sent: Tuesday, August 6, 2019 1:08 PM

To: Gore, Larry D -FS <larry.gore@usda.gov>; Ohori, David, EMNRD <david.ohori@state.nm.us>

Cc: Shepherd, Holland, EMNRD <holland.shepherd@state.nm.us>; Romero, Steve F -FS <steve.romero@usda.gov>; Burton, Melvin D -FS <melvin.burton@usda.gov>; heidi.klingel@usda.gov; Mike Haynes <mhaynes@newworldcobalt.com>

Subject: Tererro Exploration Project - 2nd amended proposed drill pad layout, site visit notes

Larry and David,

Thank you for spending last Thursday at the project with everyone. Based on that visit and discussions held I have updated our proposed drill pad layout map and its associated coordinate table (see attached). We removed formerly proposed pad numbers DH03, 04, 28, and 38; dropping the list (again) of potential pad locations down from 36 to 32. We have kept the "high certainty of use" pads the same from our mid-July update and I also note that we have removed a few formerly proposed overland routes (those that formerly accessed DH28/DH76, 38, 04/37, and 31/02/32).

The table now includes a tally of trees, for each of the proposed drill pad locations, that would need to be removed to allow for a drill and support equipment to operate from that site. Some areas had a fairly large number of small trees (1 to 3 inch diameter at breast height or DBH) and it is my impression that all of the identified trees are those which have grown in since site disturbance last took place 20 to 40 years ago.

Additional notes from discussions I had with folks at the site visit follow:

- water

Depth to water at the well was 17.48 ft from ground surface. Steve Acheampong with the OSE showed me that I had made an error in our application where we were requested to estimate the depth to groundwater (see page 11, part 7 of our application/Plan of Operations) – I put an estimated groundwater elevation of 8,305 ft as opposed to an estimated "depth to ground water". We observed groundwater discharging from the historic mine portals and I have collected a DTW at a historic borehole located just southwest of DH5. I also note that I had made an error in the application with regard to the discussion regarding the existing well and its estimated elevation. The elevation is not ~8,400 ft at the well and is more like 8,335 ft.

Well elevation: 8,835 ft

Well DTW: 17.48 ft

Middle Portal elevation: 9,091 ft

Middle Portal DTW: 0 ft (water flowing at ankle level within workings)

Historic borehole sw of DH05 elevation: 8,881 ft

Historic borehole sw of DH05 DTW: 772.5 ft

Depth to water is as great as 772.5 ft and as low as 0 ft but there is also significant topographic elevation changes throughout the project area.

TDS measurements from the two historic mine portals were as follows: 220 ppm (middle/main portal) and 240 ppm (lower portal). This is the only water quality data we have for the project at present.

Based on the above water information gathered Comexico will be submitting to the OSE a “well plugging plan of operations” as well as an “application to drill a well with no consumptive use” and an “application to for permit to use underground waters”.

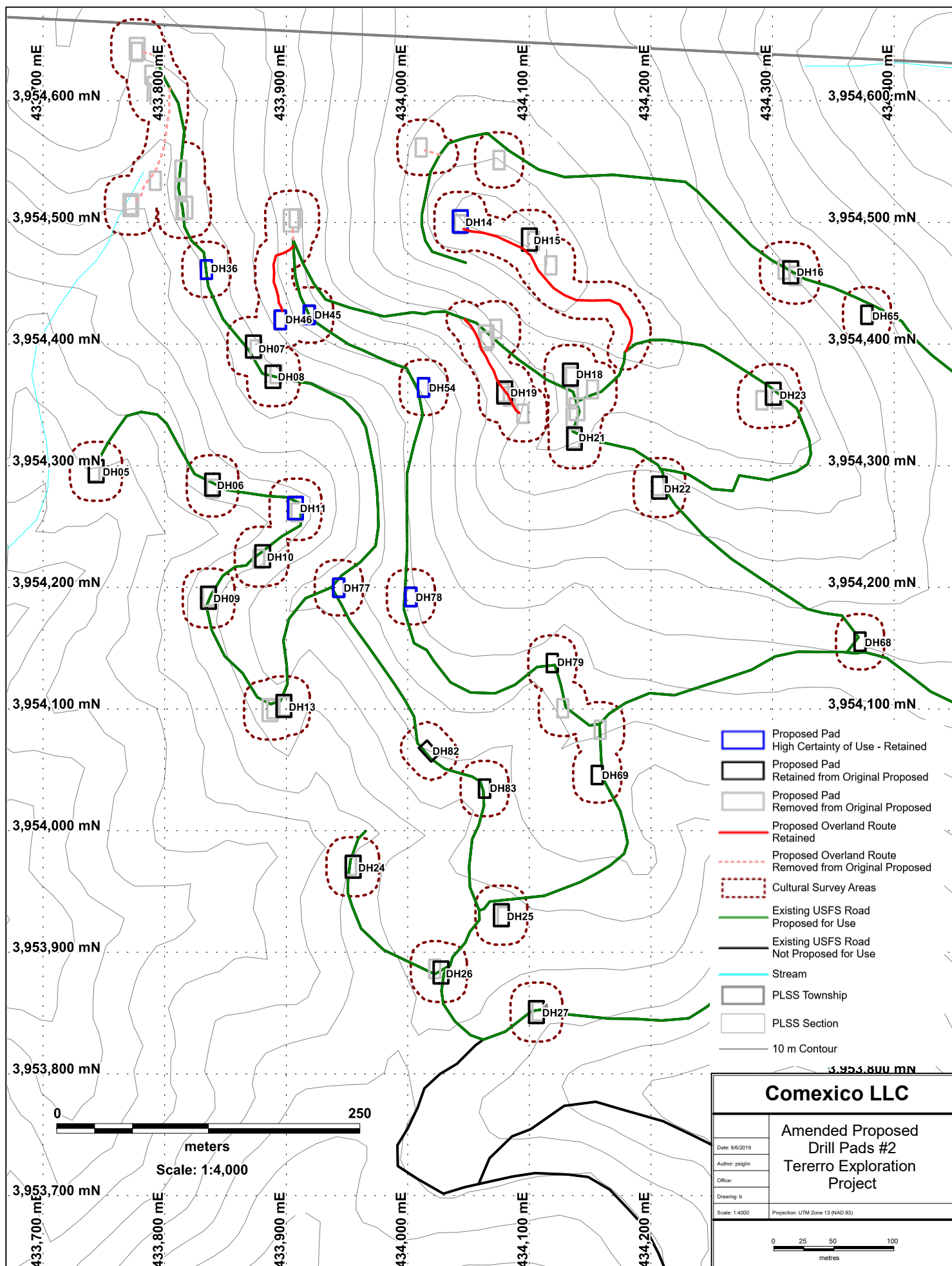
- I will work with Heidi on both arranging to change the existing water well owner from Champion Resources Inc to the Santa Fe Forest as well as begin some more formal discussion on potential road maintenance for those existing Forest roads which access the project area.
- We confirmed that reseeding will be required at all disturbance areas and I will continue to work with the Santa Fe Forest on an appropriate seed mix.
- I received a comment regarding Comexico considering using tanks in place of mud pits and we are considering that presently. I think the only thing to potentially change within our application would be allowing access to the project area for a vacuum truck to dispose of the mud after use of each pad has been completed. Another comment regarding mud pits was to propose mitigative measures for biology such as fencing and netting to keep mammals and birds from entering and potentially drowning.
- Comments were made about the status of the historic drill collars and that some of them are open and therefore pose a threat to wildlife. Comexico can commit to capping, covering, welding, or cinching these shut if necessary to mitigate that threat.
- We confirmed that there are no perennial streams within 100 feet of any of our proposed drill pad locations.
- I will follow up with a few NM licensed drill contractors to get some data on noise levels for the proposed drill rigs, both diamond drill (core drill) and reverse circulation drill. I will share this information once I have it.

Please let me know if you have any questions or comments.

Regards,
Pat

Patrick Siglin
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Drill_Hole_Site	X_UTMn83z13_m	Y_UTMn83z13_m	Pad_Dimensions_ft_x_ft	Status	Tree number	Notes re trees proposed for removal
DH01	433792	3954612	60 x 40	removed July 16, 2019		
DH02	433772	3954516	60 x 40	removed July 16, 2019		
DH03	433817	3954514	60 x 40	removed August 6, 2019		
DH04	433904	3954503	60 x 40	removed August 6, 2019		
DH05	433745	3954296	60 x 40	retained	14	12 conifers at to 2-3" DBH, 2 at 4" DBH
DH06	433839	3954285	60 x 40	retained	21	18 conifers, 2-3" DBH, 2 at 4" DBH and 1 at 5" DBH
DH07	433873	3954397	60 x 40	retained	2	2 conifers, up to 2" DBH
DH08	433889	3954374	60 x 40	retained	7	6 conifers, 2-3" DBH, 1 conifer at 6" DBH
DH09	433836	3954192	60 x 40	retained	14	14 conifers at 2" DBH
DH10	433880	3954226	60 x 40	retained	11	11 conifers, 2-3" DBH
DH11	433907	3954266	60 x 40	high certainty of use	40	40 conifers, 1-3" DBH
DH12	433887	3954100	60 x 40	removed July 16, 2019		
DH13	433898	3954103	60 x 40	retained	4	1 shrub at 7' diameter, 3 conifers at 3" DBH
DH14	434043	3954501	60 x 40	high certainty of use	0	0 trees
DH15	434099	3954486	60 x 40	retained	0	0 trees
DH16	434315	3954460	60 x 40	retained	0	0 trees
DH17	434065	3954407	60 x 40	removed July 16, 2019		
DH18	434134	3954376	60 x 40	retained	4	3 conifers, 2-3" DBH, 1 at 4" DBH
DH19	434080	3954361	60 x 40	retained	65	55 conifers including USFS road, overland route, and pad at sapling to 3" DBH, 7 at 3-4" DBH, 3 at 5" DBH
DH20	434139	3954347	60 x 40	removed July 16, 2019		
DH21	434136	3954324	60 x 40	retained	0	0 trees
DH22	434206	3954282	60 x 40	retained	3	3 conifers, 3" DBH
DH23	434301	3954359	60 x 40	retained	1	1 conifer, 4" DBH
DH24	433955	3953971	60 x 40	retained	5	5 conifers, 2-3" DBH
DH25	434077	3953931	60 x 40	retained	0	0 trees
DH26	434027	3953884	60 x 40	retained	0	0 trees
DH27	434106	3953852	60 x 40	retained	1	1 conifer, 3" DBH
DH28	433778	3954643	60 x 40	removed August 6, 2019		
DH29	433789	3954622	50 x 30	removed July 16, 2019		
DH30	433793	3954607	50 x 30	removed July 16, 2019		
DH31	433772	3954515	50 x 30	removed July 16, 2019		
DH32	433793	3954535	50 x 30	removed July 16, 2019		
DH33	433813	3954544	50 x 30	removed July 16, 2019		
DH34	433813	3954528	50 x 30	removed July 16, 2019		
DH35	433814	3954513	50 x 30	removed July 16, 2019		
DH36	433834	3954463	50 x 30	high certainty of use	0	0 trees
DH37	433907	3954506	50 x 30	removed July 16, 2019		
DH38	434011	3954562	50 x 30	removed August 6, 2019		
DH39	434075	3954552	50 x 30	removed July 16, 2019		
DH40	434043	3954499	50 x 30	removed July 16, 2019		
DH41	434103	3954486	50 x 30	removed July 16, 2019		

DH42	434118	3954466	50 x 30	removed July 16, 2019		
DH43	434072	3954413	50 x 30	removed July 16, 2019		
DH44	434064	3954403	50 x 30	removed July 16, 2019		
DH45	433919	3954425	50 x 30	high certainty of use	13	13 conifers , sapling to 3" DBH
DH46	433895	3954421	50 x 30	high certainty of use	34	34 conifers, sapling to 3" DBH
DH47	433875	3954397	50 x 30	removed July 16, 2019		
DH48	433891	3954377	50 x 30	removed July 16, 2019		
DH49	433742	3954296	50 x 30	removed July 16, 2019		
DH50	433840	3954282	50 x 30	removed July 16, 2019		
DH51	433836	3954195	50 x 30	removed July 16, 2019		
DH52	433877	3954225	50 x 30	removed July 16, 2019		
DH53	433909	3954263	50 x 30	removed July 16, 2019		
DH54	434013	3954365	50 x 30	high certainty of use	7	7 conifers, up to 2" DBH
DH55	434078	3954361	50 x 30	removed July 16, 2019		
DH56	434084	3954358	50 x 30	removed July 16, 2019		
DH57	434095	3954344	50 x 30	removed July 16, 2019		
DH58	434134	3954373	50 x 30	removed July 16, 2019		
DH59	434135	3954358	50 x 30	removed July 16, 2019		
DH60	434135	3954340	50 x 30	removed July 16, 2019		
DH61	434137	3954322	50 x 30	removed July 16, 2019		
DH62	434152	3954363	50 x 30	removed July 16, 2019		
DH63	434310	3954462	50 x 30	removed July 16, 2019		
DH64	434319	3954457	50 x 30	removed July 16, 2019		
DH65	434377	3954424	50 x 30	retained	5	5 conifers, saplings up to 1"
DH66	434291	3954355	50 x 30	removed July 16, 2019		
DH67	434303	3954355	50 x 30	removed July 16, 2019		
DH68	434371	3954156	50 x 30	retained	3	3 conifers, 2-3" DBH
DH69	434155	3954047	50 x 30	retained	0	0 trees
DH70	434078	3953930	50 x 30	removed July 16, 2019		
DH71	434107	3953851	50 x 30	removed July 16, 2019		
DH72	434022	3953887	50 x 30	removed July 16, 2019		
DH73	433953	3953971	50 x 30	removed July 16, 2019		
DH74	433889	3954101	50 x 30	removed July 16, 2019		
DH75	433899	3954102	50 x 30	removed July 16, 2019		
DH76	433777	3954641	50 x 30	removed July 16, 2019		
DH77	433943	3954201	50 x 30	high certainty of use	0	0 trees
DH78	434002	3954193	50 x 30	high certainty of use	25	25 conifers, sapling to 2" DBH
DH79	434118	3954140	50 x 30	retained	25	25 conifers, 2-3" DBH
DH80	434127	3954102	50 x 30	removed July 16, 2019		
DH81	434158	3954084	50 x 30	removed July 16, 2019		
DH82	434016	3954067	50 x 30	retained	6	6 conifers, 2"
DH83	434063	3954036	50 x 30	retained	60	57 conifers, 2-3" DBH, 3 at up to 4-5" DBH
DH84	434207	3954283	60 x 40	removed July 16, 2019		