

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

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Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Fernando Martinez, Director
Mining and Minerals Division



March 15, 2019

Mr. Frank Bain
2425 Chof Trail
Flagstaff, AZ 86005

RE: Pending Denial of Exploration Application, Lordsburg Playa Lithium Exploration Project, Hidalgo County, New Mexico, Permit Tracking No. HI018EM

Dear Mr. Bain,

On October 17, 2018, the Mining and Minerals Division ("MMD") provided, at your request, a template Certificate of Deposit form to provide financial assurance to the State of New Mexico and BLM for the Lordsburg Playa Lithium Exploration Project in Hidalgo County, New Mexico, Permit Tracking No. HI018EM. MMD has not had a response from you since this time regarding the Financial Assurance for this exploration project. MMD policy is to suspend an application for a maximum of six months in order to allow the operator time to respond to any deficiencies and secure funding for the financial assurance. Six months has passed without response on this application, and MMD hereby requests the required financial assurance within 30 days; otherwise MMD will have to deny the exploration application. Alternatively, you can respond to MMD, in writing, that you wish to withdraw the application.

If you have any questions, please contact me at (505) 476-3413 or by email at clinton.chisler@state.nm.us.

Sincerely,

Clinton M. Chisler
Permit Lead

cc: Holland Shepherd, Program Manager
Leighandra Keeven, BLM
Mine File (HI018EM)