

State of New Mexico  
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham  
Governor

Sarah Cottrell Propst  
Cabinet Secretary

Todd E. Leahy, JD, PhD  
Deputy Secretary

Jerry Schoeppner, Director  
Mining and Minerals Division



Via ELECTRONIC MAIL

November 4, 2020

Mr. Erich J. Bower, President & General Manager  
Freeport-McMoRan Tyrone Inc.  
P.O. Box 571  
Tyrone, NM 88065

**RE: Updated Closeout Plan Technically Approvable Determination, Tyrone Mine, Freeport-McMoRan Tyrone Inc., Revision 09-1 to Permit No. GR010RE**

Dear Mr. Bower,

The New Mexico Mining and Minerals Division ("MMD") has completed the review of the application submitted by Freeport-McMoRan Tyrone Inc. ("Tyrone"), to update the closeout plan for the Tyrone Mine, that MMD is processing under Revision 09-1 to Permit No. GR010RE.

MMD is hereby notifying you that it has determined that the proposed updated closeout plan for the Tyrone Mine is technically approvable pursuant to 19.10.5.506.G NMAC. The MMD determination of a technically approvable closeout plan triggers Tyrone's responsibility to submit a final closeout plan cost estimate, and a proposal for financial assurance ("FA") in accordance with 19.10.5.506.H NMAC. The current FA for Permit No. GR010RE consists of:

	<u>FA Instrument</u>	<u>Current Amount</u>
1.	Irrevocable Standby Letter of Credit	\$170,874
2.	Surety Bonds	\$31,780,518
3.	Cash Trust	\$48,200,000
4.	Collateral	\$48,549,200
5.	<u>Third Party Guarantee</u>	<u>\$50,804,400</u>
	<b>TOTAL</b>	<b>\$179,504,992</b>

Please respond to this letter within 30 days of receipt by submitting the final closeout plan cost estimate and the FA proposal.

Please contact me at (505) 216-8945 or by e-mail at [david.ohori@state.nm.us](mailto:david.ohori@state.nm.us), if you have any questions.

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Sincerely,

A handwritten signature in black ink, appearing to read "David R. Ohori", with a long horizontal flourish extending to the right.

David R. Ohori, Permit Lead  
Mining Act Reclamation Program ("MARP")

cc: Holland Shepherd, MARP Program Manager  
Jerry Schoepner, Director, MMD  
Anne Maurer, Mining Act Team Leader, NMED GWQB  
Keith Ehlert, NMED GWQB  
Allyson Siwik, Executive Director, Gila Resources Information Project  
Mine File (GR010RE)