

October 5, 2020

Jennifer Johnson
Permit Lead
Mining Act Reclamation Program ("MARP")
New Mexico Mining and Minerals Division
Wendell Chino Building
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Sent Via E-Mail to JenniferE.Johnson@state.nm.us

Subject:

Request for Slope Stability Analysis Timeline, Socorro Mine and Mill Revision 19-

1 Application, Permit No. SO001RE, Socorro County, New Mexico

Dear Ms. Johnson:

On May 1, 2020, CDM Smith (on behalf of the Dicaperl Mineral LLC (Dicaperl) responded to the New Mexico Mining and Mineral Division (MMD) April 2, 2020 e-mail comments on the Dicaperl Site Wide Closeout Plan Update Application, Response to Closure Cost Comments, Permit Revision 19-1, Permit No. S0001RE, Socorro Mine and Mill. In that response, we were unable to provide a proposed timeline for completion of the slope stability assessment and the exploratory/geotechnical drilling program due to Covid-19 restrictions. Recently these restrictions have eased, and we are now able to begin scheduling of these activities.

In response to your September 10, 2020 letter requesting an anticipated timeline for additional data acquisition for supplementing and updating the slope stability analysis and evaluation provided in 2018, we have prepared the schedule shown below. We are currently contacting qualified drillers for availability and anticipate scheduling the drilling concurrently with the slope stability assessment site visit. Once we have a date, we will provide MMD with advance notice so that MMD will have the opportunity to be present during the upcoming site visit.

Step	Activity	Additional Information	Initiating Party	Supporting Party	Duration	Schedule ³
		The primary purpose of the				
		exploratory borings per location plan				
		is to determine the overburden				
		thickness above the perlite rock for				
		planning future mining operations.				
		Per work plan (CDM Smith, December			Coordination by	
	Prepare borehole location plan and	30, 2019) these borings will also be			Dicaperl, support	
	submit to MMD; Correspondence with	utilized trying to obtain cores from			by CDM Smith as	
1	MMD	the perlite rock for laboratory testing.	Dicaperl	CDM Smith	needed	OCT 2020
		The drilling method needs to be				
		suitable to collect rock cores (HQ,			Coordination by	
		diameter 63.5 mm (2.5 inches).			Dicaperl;	
		Preferably triple tube core method			Establishing	
		(HQ3) is used to maximize the			drilling schedule	
	Select, contract, and schedule a	probability of achieving core quality			depends on driller	
2	qualified drilling contractor	as needed for testing.	Dicaperl	CDM Smith	availablility	NOV/DEC 2020
					DicaperI to	
		The CDM Smith Geotechnical			approve use of	
	Identify laboratory for testing of rock	Laboratory in Chelmsford, Mass. has			recommended	
3	cores as per schedule	the capacity to perform rock testing.	CDM Smith	Dicaperl	laboratory	NOV/DEC 2020
		Drilling of exploratory borings will be				
		directed and supervised by Dicaperl.				
		CDM Smith will provide technical			Progress estimate:	
		support (core selection, packaging			1 to 2 borings per	
4	Conduct exploratory borings	and shipping means and methods) 2.	Dicaperl	CDM Smith	day	DEC 2020/JAN 2021
_		Work plan considers joint				
	¥2	measurements every 1 to 2 years as				
		the mine pit slopes are being set back.				
5	Site visit by CDM Smith geologist 1	Last visit was May 2018.	CDM Smith	Dicaperl	2 days on site	DEC 2020/JAN 2021
_		Unconfined Compressive Strength				
6	Rock core testing	(UCS) per ASTM D7012.	CDM Smith	-	1 to 2 weeks	JAN/FEB 2021
		Report will include kinematic				
		analyses of joint orientation				
		measurements, laboratory test				
		results, and responses to the				
		questions by MMD				
7	Data analysis and report	(MMD, July 24, 2019).	CDM Smith	Dicaperl	4 weeks	FEB 2021

NOTES:

We look forward to working together to get the slope stability assessment completed. If you have any questions regarding the above timeline, please do not hesitate to contact me at (530) 335-5451x102.

Sincerely,

Rocky Torgrimson

Dicalite Management Group, Inc

¹ Dicaperl will coordinate the site visit and will provide MMD with advance notice so that MMD will have the opportunity to be present.

² Attempts will be made to coordinate the schedules of exploratory borings and CDM Smith site visit. Otherwise technical support will be provided remotely.

³ This schedule estimate might need to be adjusted due to factors not known at this time such as driller availability, weather conditions, Covid-19 restrictions.

Attachment: Socorro Mine Site Plan (Figure No. C-1)

cc. Brian Antonioli, CDM Smith Ulf Gwildis, CDM Smith

