

4/7/2021

Jenn Johnson
Reclamation Engineer, EI
Mining Act Reclamation Program / Mining and Minerals Division
1220 S. St. Francis Drive Santa Fe, NM 87505


Ms. Johnson,

St. Cloud would like terminate the exploration permit No. SI036EM-R2. St. Cloud is asking for release of CD #7996948837 April 22, 2016 in the amount of \$51600. St. Cloud has now included the exploration area into the approved Close out plan dated December 15, 2020 SI006RE.

All drill holes have been filled according to the Permit guide lines and the area of disturbance has either been reclaimed or incorporated within Modification 20-1 of SI006RE..

Sincerely

Audie Padilla
Superintendent



CC Joe McEnaney
President

4/22/2021

Ms. Jenn Johnson
Reclamation Engineer, EI
Mining Act Reclamation Program / Mining and Minerals Division
1220 S. St. Francis Drive Santa Fe, NM 87505

Re: Termination Report for Exploration Permit SI036EM-R2

Dear Ms. Johnson,

St. Cloud Mining Company (St. Cloud) has completed all work associated with Exploration Permit No. SI036EM-R2, and is herein submitting the Termination Report as required by §19.10.4.407.

St. Cloud certifies that the exploration operation has been concluded and will not be renewed, and that reclamation of all sites disturbed during these operations, except those that are within the boundary of the new South Side Project, Permit Modification 20-1 to Permit SI006RE. All exploration holes that were drilled are included in the attached Table 1, and those within the boundary of the new South Side Pit are identified, and were therefore not reclaimed.

Drill holes within a portion of the approved Exploration Permit, specifically the Big Hermosa Project component, were Reverse Circulation Drill Holes of six (6) inch diameter, utilizing air and water as circulating media.

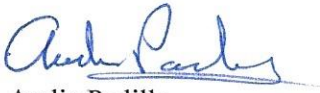
Exploration drill holes located with the boundaries of the South Side Permit Modification area pit, were all three (3) inch diameter holes drill with St. Cloud's blast hole rig utilizing only air for the circulating media.

No groundwater was encountered in any of the exploration holes drilled.

All Reverse Circulation drill holes included in the Big Hermosa Project area were plugged and abandoned by backfilling with a pozzolanic cementitious materials which is inert and sealed the holes (as described in a letter from Daniel T. Eyde, Registered Professional Geologist to Mr. Chris Eustice of NM MMD, dated July 21, 2016) to within 3 (three) feet of the surface, then capped with native soil surrounding the drill hole. All drill sites located outside of the South Side Permit Modification Area pit, specifically the area identified as the Big Hermosa Project area, had all areas disturbed by access of the drilling rig and support vehicles smoothed by hand raking, and the areas were then seeded with the St. Cloud approved reclamation seed mix.

St. Cloud is requesting release of CD #7996948837, dated April 22, 2016 in the amount of \$51,600. St. Cloud has now included the exploration area into the approved updated Close-Out Plan as part of Permit Modification 20-1 to Permit SI006RE.

Sincerely



Audie Padilla
Superintendent

CC Joe McEnaney
President

TABLE 1. EXPLORATION DRILL HOLE LOCATIONS, ELEVATIONS, DIAMETER, DEPTH AND GROUNDWATER

St. Cloud Mining Company Exploration Drilling Program Permit No. SI036EM-R2						
Drill hole locations, Hole Diameter, Depth drilled, and if water was encountered.						
Little Hermosa and Big Hermosa Exploration Project Areas						
DRILL HOLE NO.	Longitude	Latitude	Collar Elevation	Hole Dia. (in.)	Depth (ft.)	Ground Water
LH - 17-16	33°16'58.86"N	107°38'47.28"W	5955.35	6	100	No
LH - 14-16	33°16'59.46"N	107°38'51.24"W	6007.45	6	100	No
LH - 29-16	33°17'0.72"N	107°38'55.62"W	6022.21	6	55	No
BH-13-16	33°16'57.66"N	107°38'40.92"W	5911.36	6	100	No
BH-18-16	33°16'53.82"N	107°38'51.60"W	6025.19	6	100	No
BH-19-16	33°16'54.30"N	107°38'54.00"W	6037.54	6	52	No
BH-20-16	33°16'53.82"N	107°38'49.32"W	6019.09	6	100	No
BH-21-16	33°16'55.32"N	107°38'48.60"W	6016.93	6	120	No
BH-22-16	33°16'55.38"N	107°38'46.44"W	6008.87	6	120	No
BH-23-16	33°16'55.62"N	107°38'44.04"W	5996.67	6	100	No
BH-24-16	33°16'56.82"N	107°38'43.20"W	5978.53	6	100	No
BH-25-16	33°16'52.26"N	107°38'52.38"W	6019.61	6	100	No
12 Holes Plugged and 2 acres Reclaimed drill pads and roads July 21, 2016						

SOUTH SIDE Pit Exploration Project Area (Permit Modification 20-1)						
DRILL HOLE NO.	Longitude	Latitude	Collar Elevation	Hole Dia. (in.)	Depth (ft.)	Ground Water
6-J 25'SE	33°16'38.64"N	107°38'39.72"W	6161	3	60	No
I-8	33°16'41.52"N	107°38'35.88"W	6079.6	3	60	No
I-7 100'SW	33°16'39.96"N	107°38'38.10"W	6108	3	60	No
I-8 100'SE	33°16'41.40"N	107°38'34.92"W	6189	3	60	No
I-8 100'NE	33°16'42.30"N	107°38'36.00"W	6187	3	60	No
J-8 100'SE	33°16'41.90"N	107°38'37.05"W	6130	3	60	No
7-J	33°16'40.44"N	107°38'38.94"W	6146	3	60	No
J-9 100'SW	33°16'42.72"N	107°38'37.56"W	6124	3	60	No
J-9 25' SW	33°16'43.68"N	107°38'37.20"W	6099	3	60	No
J 10-75 SE	33°16'46.56"N	107°38'35.76"W	6019	3	60	No
J-10	33°16'46.38"N	107°38'36.60"W	6024	3	60	No
K-10 100 SE 10	33°16'47.46"N	107°38'37.32"W	6015	3	60	No
K 10 100N	33°16'47.64"N	107°38'38.58"W	6025	3	60	No
K-10 100'SE 25	33°16'46.32"N	107°38'38.10"W	6054.7	3	60	No
K -10	33°16'46.62"N	107°38'38.82"W	6054.1	3	60	No
L10-100'SE	33°16'46.80"N	107°38'39.60"W	6057.5	3	60	No
L-10	33°16'47.16"N	107°38'40.98"W	6048.1	3	60	No
K 10-100SE 100	33°16'45.42"N	107°38'38.64"W	6042	3	60	No
K-10-100 S	33°16'45.72"N	107°38'39.18"W	6059	3	60	No
K-9 50'NW	33°16'44.82"N	107°38'39.42"W	6079.6	3	60	No
L-9	33°16'45.67"N	107°38'41.50"W	6087.9	3	60	No
L-8 120'SE	33°16'43.24"N	107°38'41.16"W	6110	3	60	No
L-8	33°16'43.62"N	107°38'42.48"W	6119.4	3	60	No
M-8 100'N 100	33°16'44.52"N	107°38'43.08"W	6075	3	60	No
M-8 120'N	33°16'45.36"N	107°38'43.98"W	6060	3	60	No
M-8 100'SE	33°16'43.44"N	107°38'43.38"W	6100	3	60	No
L-7 100'SW 100	33°16'43.08"N	107°38'43.56"W	6098	3	60	No
L-7 100' SE	33°16'41.58"N	107°38'42.60"W	6139	3	60	No
J-8	33°16'42.30"N	107°38'38.10"W	6125.6	3	60	No

Little Hermosa Project

Permit No. S1039EM Closure Affidavit. Drill Hole Plugging and Reclamation of Drill Pads and Road Completed July 21, 2016

Legend

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BH-25-16

BH-19-16

BH-18-16

BH-20-16

BH-21-16

BH-22-16

BH-23-16

BH-24-16

BH-13-16

LH-14-16

LH-17-16

LH-29-16



4th Side #1

South Side #1

