



Tyrone Operations
P.O. Box 571
Tyrone, NM 88065

January 18, 2022

Certified Mail #9171999991703580006218
Return Receipt Requested

Mr. David Otori
Energy, Minerals and Natural Resources Department
Mining and Minerals Division
Mining Act Reclamation Program
1220 South St. Francis Drive
Santa Fe, NM 87505

Dear Mr. Otori:

Re: Little Rock Update to Closure/Closeout Plan and Permit Application

Freeport-McMoRan Tyrone Inc. (Tyrone) submitted an update to the Little Rock Closure/Closeout Plan (CCP) on June 11, 2020. On February 12, 2021, Tyrone submitted a Reclamation Cost Estimate and other updated CCP documents. In a letter dated November 19, 2021, Mining and Minerals Division (MMD) provided additional comments regarding mining at Little Rock. Tyrone is providing this letter in response to MMD's comments. Tyrone is also submitting a change to the Permit Area and Design Limit map for Little Rock as requested by MMD (see Attached Figure A-1).

Below are MMD comments in italics followed by Tyrone's responses.

1. *MMD has received comments on the Biological Report from the NMDG&F, and comments on the Pedestrian Survey from the NMDCA. Copies of these comments are attached. MMD also received comments from the NMSFD on the Biological Report. A copy of the NMSFD comments is attached. Please review and respond to the agency's comments.*

Tyrone's responses are below in the New Mexico Department of Game and Fish (NMGF) comment section.

2. *MMD has reviewed the information provided in the June 11, 2020 application and Updated Closure/Closeout Plan ("Application and Updated CCP"). §19.10.5.502.D(4) NMAC requires that the site assessment be updated, in part, if the*

site-specific conditions significantly change from the original site assessment. The Application and Updated CCP provides information that partially meets this requirement, however, NMSA 1978, Section 69-36-5, Mining operation site assessment, also requires an analysis of the mining operation's impact on local communities, that was not provided in the Application and Updated CCP. MMD requires this analysis in order to complete the review of the Application and Updated CCP.

Attached is a site assessment summary. Tyrone prepared the summary to demonstrate how existing documents and information submitted to state agencies, including MMD, meets the requirement of Section 69-36-5 of the Mining Act. While additional NEPA review is ongoing by Bureau of Land Management (BLM), in general, Tyrone contends that there are minimal changes in site-specific conditions from the original site assessment. Due to management practices at the site and the distance between local communities and the project, adverse impacts are minimal. The project will continue to positively impact local communities by extending Tyrone's mine life and the associated employment and other financial benefits.

3. *Pursuant to 19.10.9 NMAC, MMD held a public hearing on the Application and Updated CCP for the Little Rock Mine on June 3, 2021. After the public hearing, MMD received written comments from the Gila Resources Information Project ("GRIP") a letter, dated June 17, 2021. A copy of GRIP comment letter may be viewed at:*

<https://www.emnrd.nm.gov/mmd/wp-content/uploads/sites/5/2021-06-Little-Rock-Public-Comments.pdf>

Please provide MMD with a response to the GRIP comments in the June 17, 2021 letter. In particular, on page two, paragraphs one and two of the June 17, 2021 GRIP comment letter, GRIP expresses concern that the community impacts resulting from mining operations for the Little Rock Mine five-year expansion plan are not analyzed in the Updated CCP. GRIP states that Tyrone indicated during the June 3, 2021 public hearing that Tyrone has analyzed the impacts of the proposed Little Rock Mine expansion as part of the federal NEPA process. In conjunction with MMD Comment # 2 above, please provide MMD with an analysis of community impacts of the proposed expansion of the Little Rock Mine for MMD review.

Tyrone's responses are below in the GRIP comment section.

4. *The proposed expansion of the Design Limit includes New Unit areas, located to the north, northwest, and south of the existing Little Rock Mine Design Limit (Figure 2-1, EOY 2024 Little Rock Mine Facilities and Mine Permit Boundaries, Updated*

Closure/Closeout Plan) where the proposed NRW Waste Pile will exceed the currently approved Design Limit during the next 5-years, according to Tyrone. MMD requires that expansion of a mine Design Limit be commensurate with proposed mine units. MMD is concerned that Tyrone proposes to increase the Design Limit into areas where there are no proposed mine units, other than a portion of the proposed NRW Waste Pile, and therefore, at this time MMD cannot approve the proposed Design Limit. MMD has met with Tyrone to discuss this issue and requests a meeting with Tyrone on the proposed Design Limit within 30-days of receipt of this letter.

Tyrone has met with MMD on multiple occasions to understand their concerns with respect to the proposed Design Limit. Tyrone agrees to modify the Design Limit consistent with comments received from MMD and other commenters. Tyrone's revised proposal is attached as Figure A-1. Tyrone will also revise the CCP to include the NRW Waste stockpile life-of-mine configuration. This change should alleviate some of the confusion mentioned by MMD and other commenters as they reviewed the application and CCP. The updated CCP will be sent to MMD within 30 days.

5. *MMD has reviewed the cost estimate in the Updated CCP for the Little Rock Mine and provided comments to Tyrone in the November 3, 2021 comment letter and in an email to Tyrone, dated May 6, 2021. Tyrone provided responses to MMD comments on the cost estimate in letters dated January 4, 2021, February 12, 2021, and in an email dated June 8, 2021. MMD provided comments on the reclamation cost estimate for the proposed Northern Haul Road at the Little Rock Mine (MMD letter dated September 13, 2021, Comment #1) requesting an update to the proposed \$1.90 per gallon diesel fuel unit cost. Tyrone responded in a September 13, 2021, letter to MMD revising the diesel fuel unit cost to \$2.71 per gallon. MMD has accepted this adjustment to the diesel fuel cost for the Northern Haul Road cost estimate. Please revise the cost estimate for the Little Rock Mine Updated CCP to include a \$2.71 per gallon diesel fuel unit cost and submit the revised cost estimate to MMD.*

Tyrone has updated the fuel cost to \$2.71 per gallon. The updated cost estimate (including the life-of-mine NRW Waste stockpile configuration) will be sent within 30 days.

Below is Tyrone's response to the NMGF comment:

To the extent possible, Tyrone will avoid completing ground disturbance and vegetation removal activities in undisturbed habitat between March 1st and September 1st. If completing ground disturbance and vegetation removal activities in undisturbed habitat cannot be avoided between March 1st and September 1st, Tyrone will conduct active nest surveys and follow the requirements of the Migratory Bird Treaty Act.

Below is Tyrone's response to the Department of Cultural Affairs Historic Preservation Division comment:

Tyrone plans to avoid the 5 archaeological sites identified during a Class III Pedestrian survey at Little Rock.

Below are Tyrone's responses to Gila Resources Information Project's (GRIP's) comments.

Fully Evaluate Community Impacts

GRIP claims that in the June 3, 2021 hearing, Tyrone stated that a prior site assessment in 2015 addressed the community site assessment requirements for the 2020 permit application. That is not what Tyrone said or meant.

The original site assessment for the Little Rock Mine titled "Mining Operations Site Assessment Little Rock Mine" was prepared by Dames and Moore dated June 28, 1994. That site assessment was accepted in fulfillment of all requirements of the regulations (including community impacts) of the Mining Act for the mine project envisioned at that time. Furthermore, the Little Rock operations have not deviated significantly in scope from the original mine project since that time. It has also been supplemented by many studies, applications, and reports associated with NEPA permitting with federal agencies, Mining Act permit modifications and revisions (including Little Rock Closure/Closeout Plan updates) and Discharge Permit 1236 activities over the years. That was the main point of Tyrone's comments at the hearing.

In 1997, the MPO and Environmental Impact Statement (EIS) resulted in the first modern mining plan for Little Rock. Since that time, Tyrone has applied to the BLM and USDA Forest Service (USFS) for changes to the plan resulting in additional NEPA review. Some recent activities include:

- The BLM issued a Decision Record and FONSI for the EA for the Little Rock Mine Amendment to Mine Plan of Operations (NMNM091644) in December 2015 (2015 EA) (DOI-BLM-NM-L000-2014-0001) – authorizing expanded open pit activities, waste rock stockpile and pipeline and power line corridors.
- On May 12, 2020, BLM approved Tyrone's request for a minor modification for five geologic exploratory drill holes and the associated access roads within the historic Reclaimed Copper Leach Stockpile.
- On June 30, 2021, BLM approved Tyrone's request for a minor modification for construction of a haul road crossing Deadman's Canyon north of and adjacent to the existing pit limits within the 2014 MPO Amendment disturbance boundary.

The activities above illustrate that while all expansions and changes undergo some level of review at Little Rock, they have often been found to be relatively minor in the context of activities authorized at Little Rock and certainly in the context of associated Tyrone mining. The proposed expansion under current review is not significant and does not require new/updated community impacts assessments in Tyrone's view. Tyrone presented evidence to support this view at the hearing. The proposed expansion to Little Rock is modest and would allow conclusion of mining activities at the site. Tyrone demonstrated that the only activity beyond current design limits is the construction of portions of the NRW Stockpile. The pit does not exceed currently approved design limits (see attached Figure A-1). Any attempts to alarm local residents are unfounded. Tyrone has demonstrated that no negative impacts to neighboring communities will result from allowing us to conclude mining activity at Little Rock.

The NEPA process is advancing for Little Rock. The land management agencies have a thorough NEPA process to follow that assesses whether the expansion merits additional work to evaluate community impacts. Tyrone is not presupposing what may or may not be required under that process.

Tyrone has met with neighboring communities multiple times on the Little Rock expansion project. During these community meetings, Tyrone has had the opportunity to hear and address the neighbors' concerns, answer questions, and present information about the expansion project.

Tyrone has attached a site assessment summary to this letter to clarify what has been done in regard to addressing community impacts. NEPA review is also being concurrently completed by BLM.

Some aspects of GRIP's comments demand that MMD impose permit conditions (related to community impacts assessment) over issues that are regulated by other State agencies – for example – unfounded claims that pumping at Little Rock have negatively affected water levels in community water wells over 3 miles away. This type of claim/assessment is under the jurisdiction of the New Mexico Office of the State Engineer, not MMD, and it would be inappropriate for MMD to impose conditions of that nature in their permit. *See* 19.10.13.1303 NMAC. Tyrone has, however, responded to these comments and questions and spent many hours sharing and presenting actual groundwater data that demonstrate that these claims are not founded on reality or science. Tyrone should not be required to provide mitigation plans for unsubstantiated claims. Neighbors don't have to accept Tyrone's reports or data on these matters, but there is an appropriate State agency with a process for them to engage in if they believe they have been harmed. MMD cannot supersede that process in its Mining Act permitting. Another example of a program that comprehensively addresses community impacts related to air quality, including dust emissions, is the air quality permitting program addressed by the New Mexico Environment Department Air Quality Bureau.

Mr. David Ohori
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Page 6

Require 100 years of Post-closure Monitoring

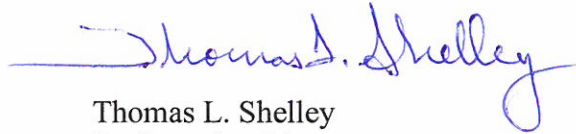
It would be inappropriate for MMD to regulate post-closure groundwater and surface water monitoring or potential impacts to water quality in general. These are topics for the New Mexico Environment Department's consideration and determination and Tyrone has submitted extensive studies and documentation on these topics under that program. See 19.10.13.1303 NMAC.

Third-Party Guarantee

Tyrone has never proposed a Third-Party Guarantee for Little Rock and does not intend to in the future. Again, GRIP's extensive comments on this topic in regard to Little Rock are not founded on reality or any proposal that Tyrone has made at the site.

Please contact Ms. Mandy Lilla at (575) 912-5388 if you have questions.

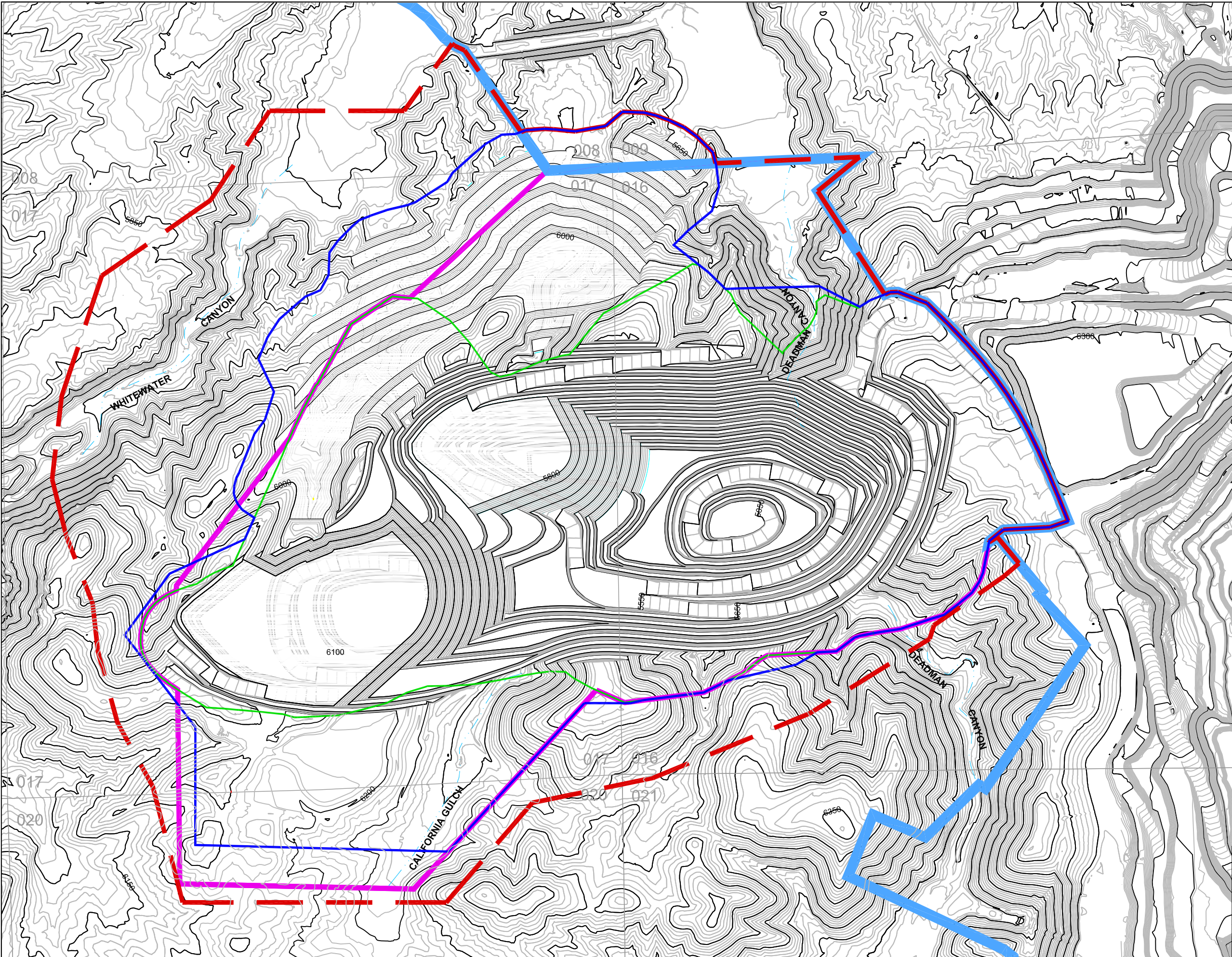
Sincerely,



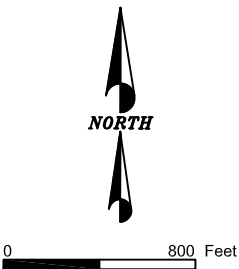
Thomas L. Shelley
Reclamation Manager
Environmental/Sustainable Development

TLS:mjl
20220118-100

c. Holland Shepherd – MMD



- Notes:
1. Source: Operational topographic surface at end of mine life. The CCP configuration represents year 2024.
 2. Coordinate system in Tyrone Local Mine.
 3. Little Rock area in Wind Mountain, NM Quad Map, T19S R15W Sections 8, 9, 16, 17, 20, and 21.
 4. Tyrone Permit Boundary is pending approval of GR010RE Rev. 13-1.



Legend

- Major Contours (50')
- Minor Contours (10')
- Open Pit Design Limit (Permit Rev. 14-1 to Permit GR007RE)
- Existing Permit Boundary (Permit Rev. 14-1 to Permit GR007RE)
- Tyrone Permit Boundary
- Ephemeral Drainage
- Proposed Mining Area Permit Boundary
- Proposed Design Limit



Figure A-1: Proposed Mining Area Design Limit and Changes to Mine Permit Boundary

Scale:	As Noted	Date:	1-14-2022	Notes:
Dept.	Reclamation			
Drawn By:	ML	Checked By:	ML	

Little Rock Mine Expansion Revision 20-1

Site Assessment Summary

The Little Rock Mine is an existing mine. Tyrone submitted a revision application on June 11, 2020 for an expansion of the permit area and design limits beyond limits approved by Revision 14-1 approved on March 7, 2016. New discrete processing, leaching, excavation, storage or stockpile units located within the permit area or expansions to such units beyond the approved design limits are considered new unit areas by the Mining and Minerals Division (MMD). The proposed design limit outlined in Figure A-1 has been modified from the June 11, 2020 permit application as requested by MMD to reduce the design limit to areas closer to the extents of proposed facilities/mine activities at the site. Figure A-1 shows both the approved design limit from Revision 14-1 and the most recent proposed design limit for this application. Areas between these two lines may be new unit areas. However, the only area within this zone that has a new discrete stockpile or excavation is the area on the north side where the proposed NRW Waste Stockpile is located. The area to the south is only adjusted to include the reclaimed Copper Leach Stockpile, which should have been included in the original design limit. Other minor adjustments were made only for consistency between facility boundaries shown in the DP 1236 Application and this application, but do not imply any specific additional mining activity in those small areas.

Tyrone received a letter from the Mining and Minerals Division (MMD) on November 19, 2021 that indicates that they require additional information on community impacts to continue processing the permit (see Agency Comment 2 in the referenced letter).

Tyrone understands from this comment that the additional site assessment information should focus specifically on the development of the proposed NRW Waste Stockpile since that is the only activity that is different from currently permitted Little Rock mine facilities. The NRW Waste Stockpile new unit area is shown with a unique cross hatching in Figure A-2. No other proposed mine units exceed the approved Revision 14-1 limit/boundary.

The original site assessment for the Little Rock Mine titled “Mining Operations Site Assessment Little Rock Mine” was prepared by Dames and Moore dated June 28, 1994. That site assessment was accepted in fulfillment of all requirements of the regulations and the Mining Act (Tyrone understands this to mean that MMD accepted the assessment to contain all the necessary information to approve the permit). It has also been supplemented by many studies, applications, and reports associated with Mining Act permit modifications and revisions (including Little Rock Closure/Closeout Plan updates) and Discharge Permit 1236 activities over the years.

The National Environmental Policy Act (NEPA) review currently being conducted by the Bureau of Land Management (BLM) includes the entirety of the proposed MMD permit area for the Little Rock project. The materials prepared by Tyrone for this application related to the location, quality, and potential project impacts to surface and groundwater are also provided to the BLM for their analysis of the project under NEPA. The type and significance of any identified potential impact will be disclosed and analyzed in the NEPA document prepared for public review.

Figure A-3 shows the project area in relationship to neighboring communities. The closest neighbor to the southwest is at the Burro Mountain Homestead (2 miles away) and the closest neighbor to the northwest is at the Oak Grove Community (over 3 miles away).

Tyrone has an established system in which we welcome and encourage communication with our neighbors. We are very interested in maintaining open communications where neighbors can provide either negative or positive feedback. If a neighbor is comfortable in communicating with us directly, we have been able to meet with them to evaluate the issue and consider a mitigation plan if warranted and have provided feedback when action plans are complete.

The purpose of this Site Assessment Summary is to provide a clear presentation of where the required site assessment information was or will be provided as part of the Little Rock permit submittals.

Site Assessment Rules Under the Mining Act

The applicable regulations as they relate to the site assessment are summarized below.

19.10.5.502 - PERMIT APPLICATION REQUIREMENTS; Site Assessment 19.10.5.502 D (4):

“The site assessment previously submitted pursuant to Section 69-36-5 of the Act shall be considered part of the application. If information in the site assessment requires updates to provide information necessary for evaluation of the permit or if the site-specific conditions at the time of the assessment significantly deviate from conditions at the time of submittal of the permit application, such updated information or deviations must be described in the application.”

Section 69-36-5 of the Mining Act:

“The mining operation site assessment for new and existing mining operations shall describe in detail the mining operation's existing permits and regulatory requirements pursuant to the standards for mining operations pursuant to existing state and federal environmental standards and regulations. To the extent that they are applicable, the permit applicant may incorporate documents on file with state agencies. The mining operation site assessment shall include:

- (1) identification of a proposed permit area for the mining operation;
- (2) a description of the location and quality of surface and ground water at or adjacent to the mining operation and an analysis of the mining operation's impact on that surface and ground water;
- (3) a description of the geologic regime beneath and adjacent to the mining operation;
- (4) a description of the piles and other accumulations of waste, tailings and other materials and an analysis of their impact on the hydrologic balance, drainages and air quality;
- (5) an analysis of the mining operation's impact on local communities
- (6) a description of wildlife and wildlife habitat at and surrounding the mining operation and an analysis of the mining operation's impact on that wildlife and wildlife habitat; and
- (7) for existing mining operations, a description of the design limits for each unit, including waste units, impoundments and stockpiles and leach piles.”

Site Assessment Components

The following paragraphs describe specifically where the information required by the site assessment rules above was provided or will be provided in the permit submittals.

- (1) Proposed Permit Area –
 - June 11, 2020 Permit Application Figure 3

- Revised by Figure A-1 with this Submittal based on discussions with MMD
- (2) Analysis of location, quality and impacts to surface and groundwater –
- This information has been supplemented many times since the 1994 site assessment primarily in studies required under DP 1236
 - For the Little Rock Mine overall, the most recent supplemental studies submitted are:
 - July 2, 2014 report titled “Groundwater Flow and Geochemical Modeling, Little Rock Mine” that was prepared by Daniel B. Stephens & Associates, Inc. (DBS&A)
 - July 29, 2020 DBS&A report titled “Geochemical Modeling Update, Little Rock Mine”
- (3) Geologic regime –
- Several reports have been prepared that presented information regarding the geologic regime at Little Rock. The permitting document titled “Application Requirements for Discharge Permits at a Copper Mine Facility” (20.6.7.11 NMAC) (a.k.a., Tyrone Master Document) provides general information needed for a discharge permit, including a description of the geology at the Tyrone and Little Rock mines. Generalized geologic maps and cross sections are presented in Figures 8a, 8b, 9, and 10. DBS&A prepared the Tyrone Master Document, which was last updated and submitted to NMED on June 9, 2017. The Tyrone Master Document is referenced in the DP 1236 Application.
 - The geologic regime at Little Rock is further described in the Updated Closure/Closeout Plan, Little Rock Mine (Golder, 2020) and in DBS&A (2014). These documents provide site-specific descriptions of the geology at Little Rock, including geologic maps and cross sections. The NMED approved Revised Waste Rock Characterization and Handling Plan for the 9A and 9AX Stockpiles (Handling Plan) dated June 6, 2016 (Golder, 2016) also includes a description of the geology at Little Rock. The Handling Plan was included as an enclosure to the DP-1236 Application.

(4) Description of waste stockpiles and their impact on the hydrologic balance, drainages, and air quality:

All existing and proposed waste rock stockpiles at Little Rock were described in the June 11, 2020 application and are shown on Figures 2 and 3 of the June 11, 2020 permit application and in the June 11, 2020 Updated Closure/Closeout Plan (Figure 1-3) for the Little Rock Mine.

Of particular interest to this Site Assessment is the NRW Waste Stockpile on the north side of the mine, but all the stockpiles are described below.

Tyrone is proposing to construct the NRW Waste and East In-Pit Waste stockpiles and to expand the existing North In-Pit Waste and West In-Pit Waste Stockpiles. Only the NRW Waste Stockpile is partially outside of the approved Revision 14-1 design limit. The proposed NRW Waste Stockpile is projected to occupy a maximum footprint of approximately 107 acres. The location of this stockpile is shown on Figure A-1. Like all of the in-pit stockpiles, the NRW Waste Stockpile will be constructed as a non-discharging unit in accordance with the materials characterization and handling protocols outlined in the Handling Plan referenced above.

Construction of the NRW Waste Stockpile will not impact surface water quality and will have minimal impact on the hydrologic balance. The stockpile will be constructed of non-acid generating rock and is therefore considered a non-discharging unit under the water quality regulations. The NRW Waste Stockpile will be placed immediately north of the Little Rock open pit and outside of the Deadman Canyon and Whitewater Canyon drainages, as shown in Figure A-1. The stockpile adjoins to the historical North Stockpile. Construction of the stockpile will have minimum impact on stormwater flows within Deadman

Canyon and Whitewater Canyon, given the small size of the stockpile relative to the large catchment areas of the two canyons.

As described above, the NEPA process also considers the potential for impacts to surface and groundwater quality and quantity from the Little Rock project. The description of the existing environment in the NEPA document includes the identification of drainage features in the project footprint and the NEPA process will include analysis of any potential impacts to those features.

Tyrone's Title V and NSR air quality permits contain requirements that ensure fugitive dust and other air pollutants do not violate State air quality standards. All mining activities at Little Rock, including blasting, construction of the waste stockpiles above and more have been included in the rigorous analyses and considerations to issue the recent air quality permit. These air quality limits are designed to protect the most sensitive members of the public, including the very young and the elderly. As shown by compliance with the requirements, limits, and restrictions of Tyrone's air permits, the public has not been exposed to any incidents of air quality limits being exceeded from Tyrone mining operations, and the same will be true for Little Rock and the NRW Waste Stockpile activities. Air quality is an aspect of the environment considered under NEPA and conformance with all existing air quality permits will be documented in the NEPA review process.

(5) Analysis of the Mining Operation's Impact on Local Communities:

The 1994 Site Assessment (which was accepted as fully compliant with the requirements of the mining act) focused on economic impacts for this portion of the assessment. Appendix A to this Site Assessment Summary includes an update to the significant economic impact on local communities from both the Chino and Tyrone Mines. Over the last 3 years, Tyrone's production has yielded 22 to 33 % of the overall copper production of the Grant County mines that create these economic impacts. The Little Rock project is a critical part of Tyrone's 10-year production plan.

In addition to MMD review, the NEPA review process currently being conducted by the BLM considers impacts to the 'human environment' including community resources, the built environment, and disadvantaged populations. The Little Rock project impact on socioeconomics and environmental justice is included in the NEPA review of the proposed project.

MMD has stated (in voice communications) that Tyrone needs to provide information on the following aspects of community impacts: dust (addressed in the preceding section), noise, lighting, viewshed, impacts to local community wells, and recreation. Tyrone notes that some of these are subjects that are regulated by other regulatory programs and that the mining act has no specific regulation or standards associated with any of these issues. However, these are topics of importance to Tyrone and its neighbors. Tyrone notes that the distance between the Little Rock project and local communities suggests that the potential for adverse impacts of this nature are minimal.

All of these topics were reviewed in detail under the NEPA processes cited above at Little Rock and will continue to be reviewed under NEPA (including noise, lighting, viewshed and recreation). Additional information is forthcoming from the current NEPA process being conducted by the BLM.

In 1997, the MPO and Environmental Impact Statement (EIS) resulted in the first modern mining plan for Little Rock. Since that time, Tyrone has applied to the Bureau of Land Management (BLM) and USDA Forest Service (USFS) for changes to the plan resulting in additional NEPA review. Some recent activities include:

- The BLM issued a Decision Record and FONSI for the EA for the Little Rock Mine Amendment to Mine Plan of Operations (NMNM091644) in December 2015 (2015 EA) (DOI-BLM-NM-L000-2014-0001) – authorizing expanded open pit activities, waste rock stockpile and pipeline and power line corridors..
- On May 12, 2020, BLM approved Tyrone’s request for a minor modification for five geologic exploratory drill holes and the associated access roads within the historic Reclaimed Copper Leach Stockpile.
- On June 30, 2021, BLM approved Tyrone’s request for a minor modification for construction of a haul road crossing of Deadman’s Canyon north of and adjacent to the existing pit limits within the 2014 MPO Amendment disturbance boundary.

The activities above illustrate that while all expansions and changes undergo some level of review, that at Little Rock they have often been found to be relatively minor in the context of activities authorized at Little Rock. Tyrone presented evidence to support this view at the hearing. The proposed expansion to Little Rock is modest and would allow conclusion of mining activities at the site. Tyrone demonstrated that the only activity beyond current design limits is the construction of portions of the NRW Waste Stockpile. The pit does not exceed currently approved design limits (see attached Figure A-1.)

The NEPA process is advancing for Little Rock. The land management agencies have a thorough NEPA process to follow that assesses whether the expansion merits additional work to evaluate community impacts. Tyrone is not presupposing what may or may not be required under that process, but it has been found in previous assessments like that completed in 2015, that the expanded mine activities did not significantly alter the findings of previous impacts assessments. That certainly could be the outcome of the current assessment.

Tyrone will summarize information here regarding neighboring community wells.

Impacts to Neighboring Community Wells –

Tyrone has conducted studies, provided data and met with individuals and neighboring community groups for many years concerning questions they have about whether the Little Rock Mine impacts their water supply wells. Over the past two years, Tyrone has hosted meetings on this topic on the following dates and has also met individually with neighbors as they have requested: July 2, 2020, July 23, 2020, September 24, 2020, and October 18, 2021.

The matter of water rights is solely regulated by the New Mexico of the Office of the State Engineer (NMOSE). Tyrone has a permit to pump water at the Little Rock Mine from the NMOSE which was recently renewed. NMOSE ensures that other valid water rights are not impaired when they issue a water right permit. The issuance of this permit indicates that NMOSE has determined that Little Rock pumping will not impair neighboring water supply wells.

The Oak Grove Subdivision and Burro Mountain Homestead are two communities located in the vicinity of Little Rock. The Oak Grove Subdivision is located approximately 4 miles to the north, and Burro Mountain Homestead is located approximately 3 miles to the south. Tyrone has met with representatives of both the Oak Grove Subdivision and Burro Mountain Homestead regarding mining at Little Rock and this modest expansion. The purpose of the meetings was to listen to community concerns and inform them on the mine plan. Environmental issues were discussed during the meetings, including mine dewatering and associated drawdown, water quality, and groundwater flow directions.

Expansion of the Little Rock Mine is not expected to cause a decline in groundwater levels at the domestic wells in Oak Grove Subdivision, located approximately 4 miles to the north of Little Rock. The reasons the mine is not expected cause a decline in groundwater levels are (1) the great distance from the mine to the subdivision and (2) the presence of faults just north of Little Rock (e.g., Southern Star Fault). Faults are planar fractures where rocks on opposite sides of the fractures have been significantly displaced due to movement of the rocks along the fractures. The faults north of Little Rock exhibit hundreds of feet of offset, juxtapose Gila Conglomerate to the north against Precambrian granite to the south, and are impediments to groundwater flow. Groundwater tends to flow parallel to them rather than across them. Drawdown from groundwater extraction at the Little Rock dewatering sump is not expected to propagate across the faults and to the north. The faults limit drawdown to the area of the Little Rock Mine.

Tyrone has installed a series of monitor wells around the perimeter of the Little Rock Mine to monitor groundwater levels and quality. The wells are monitored semiannually, providing continued observation of groundwater conditions at Little Rock. The data are reported to NMED semiannually. Drawdown from groundwater extraction at the Little Rock dewatering sump would be seen at one of these monitor wells long before it is observed at Oak Grove Subdivision, Burro Mountain Homestead, or other domestic wells. While there has been approximately 300 feet of drawdown at the dewatering sump since mining at the Little Rock Mine began, groundwater levels at nearby monitor wells have been steady, fluctuating by only a few feet. These data show that drawdown has not propagated beyond the area of the Little Rock Mine. These monitor wells will continue to be monitored during the expansion of the Little Rock Mine.

Expansion of the Little Rock Mine is also not expected to cause a decline in groundwater levels at Burro Mountain Homestead domestic wells due to the distance of the subdivision from the mine. Tyrone installed monitor well BMH-MW-1 in December 2011. The well is located between the Little Rock and Burro Mountain Homestead, approximately 2 miles south of Little Rock. The well was constructed in consultation with Burro Mountain Homestead representatives. It is used to assess whether dewatering at the Little Rock Mine is causing drawdown near the subdivision. The groundwater level at the monitor well has been steady since the well was installed, fluctuating by approximately 5 feet due to climate.

The New Mexico Environment Department (NMED) is responsible to review the discharge permit for Little Rock (DP 1236). The discharge permit has been approved in the past and is currently being reviewed to ensure that ground and surface water standards are met and that Little Rock operations will not affect the water supply of neighboring communities.

Most of the rocks mined and exposed at the Little Rock Mine are non-acid generating. They have little potential to impact surface water and groundwater quality. Existing water quality impacts at Little Rock are historical and due to the previous operator. Tyrone's mining at the Little Rock Mine has helped to abate some of the historical impacts. For instance, groundwater extraction from the dewatering sump is removing historically impacted groundwater from the area of the open pit, improving water quality conditions.

The general direction of groundwater flow at Little Rock is to the east, toward the Tyrone Mine. Historically impacted groundwater at the site, is captured at the Little Rock dewatering sump. Any water not captured there, flows toward the Tyrone Mine and not toward any of the surrounding communities.

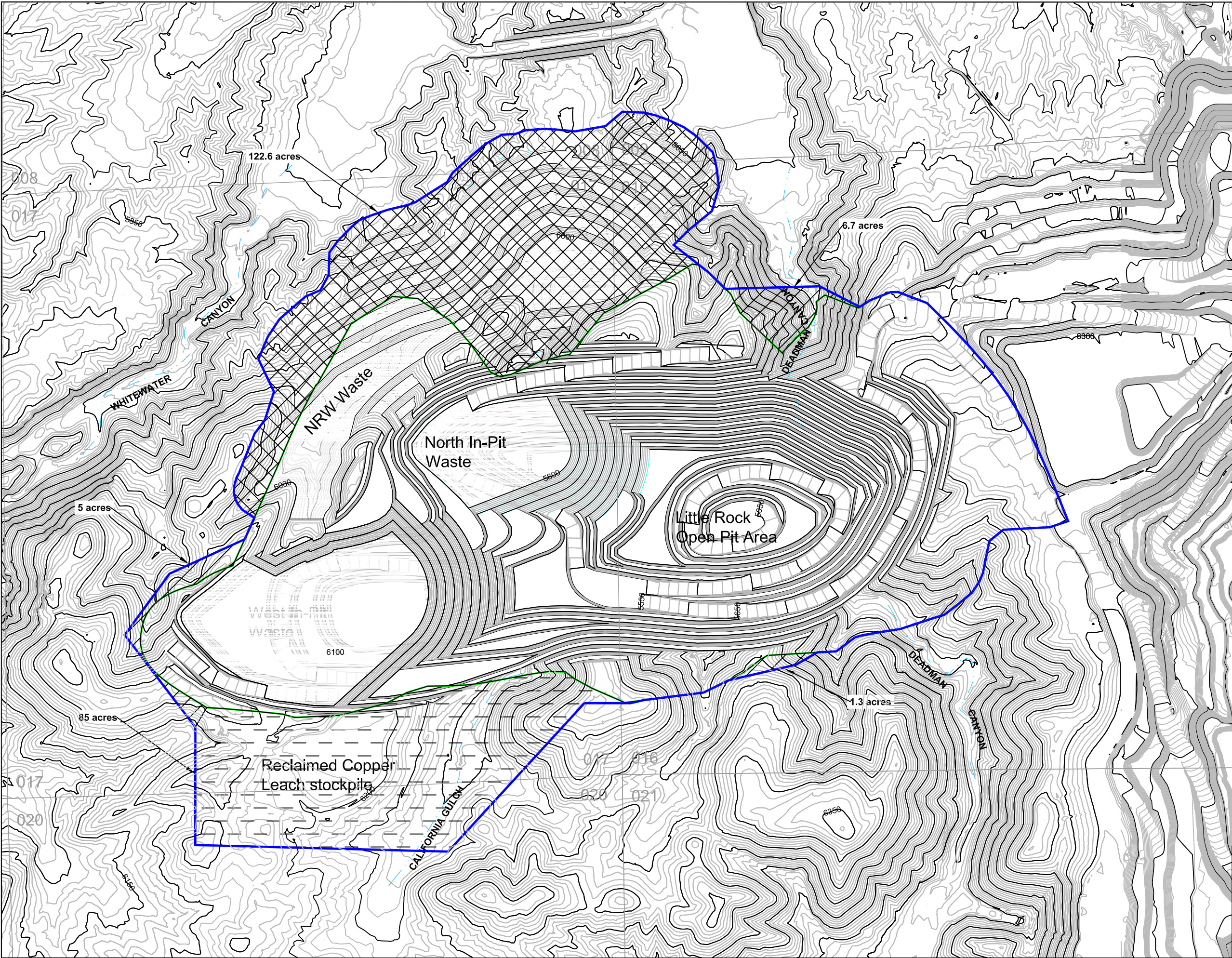
Details of Tyrone's most recent studies and findings and the NMED's review are public information submitted in correspondence on Discharge Permit 1236.

(6) Wildlife and wildlife habitat and analysis of the mining operation's impact on that wildlife and wildlife habitat:

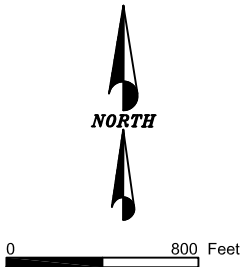
The 1994 site assessment provided a detailed assessment of wildlife and their habitat. Tyrone has updated components of this wildlife and habitat assessment for the Little Rock Project for review by MMD and the BLM. The 2021 Little Rock Biological Evaluation (WestLand Engineering & Environmental Services, Inc. 2021) and 2021 Rare Plant survey (GeoSystems Analysis, Inc., 2021) were submitted to MMD on August 5, 2021. The BLM will include analysis of the mining operation's impact on that wildlife and wildlife habitat in the NEPA document for public review..

(7) Design limits for each unit:

The Little Rock design limit was provided on Figure 3 of the June 11, 2021 permit application. MMD requested that Tyrone revise the design limit. Tyrone has submitted a modified map for the application shown on Figure A-1 for Little Rock.



- Notes:
1. Source: Operational topographic surface at end of mine life. The CCP configuration represents year 2024.
 2. Coordinate system in Tyrone Local Mine.
 3. Little Rock area in Wind Mountain, NM Quad Map, T19S R15W Sections 8, 9, 16, 17, 20, and 21.
 4. Tyrone Permit Boundary is pending approval of GR010RE Rev. 13-1.



Legend

- Major Contours (50')
- Minor Contours (10')
- Open Pit Design Limit (Permit Rev. 14-1 to Permit GR007RE)
- Ephemeral Drainage
- Proposed Design Limit
- Design Limit Adjustment for Permit Consistency
- New Unit Assessment Area - NRW Waste stockpile
- Design Limit Adjustment - Reclaimed Copper Leach stockpile



Figure A-2: New Unit Assessment Area

Scale:	As Noted	Date:	1-14-2022	Notes:
Dept.	Reclamation			
Drawn By:	ML	Checked By:	ML	



Figure A-3

APPENDIX A

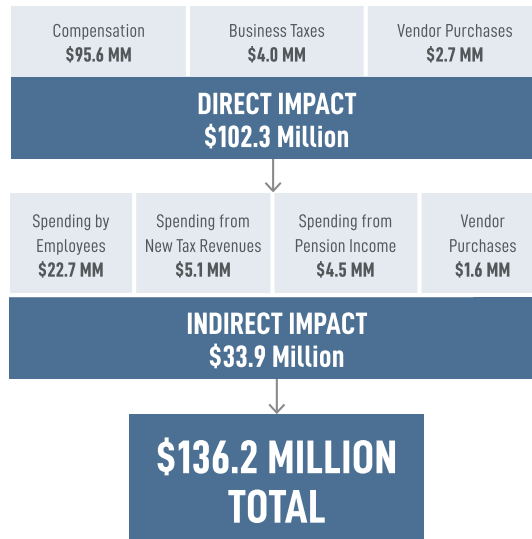
ECONOMIC IMPACTS ASSESSMENT



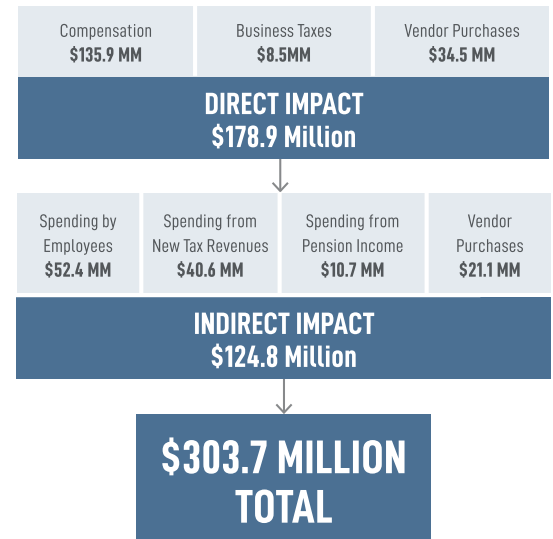
2020 NEW MEXICO OPERATIONS ECONOMIC IMPACT

Freeport-McMoRan's New Mexico operations generated nearly **\$304 million** in economic benefits for New Mexico in 2020, which includes more than **\$136 million** for Grant County.

GRANT COUNTY



NEW MEXICO



»»» ECONOMIC BENEFITS

The New Mexico operations **employed 1,443** – and the ripple effect of wages and taxes plus services we purchase created a total of **3,290 jobs** in the state, generating additional economic benefits.

All economic impact numbers were produced by the L. William Seidman Research Institute, Arizona State University.

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