FREEPORT-MCMORAN

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

January 5, 2024

Via Electronic &
Certified Mail #70203160000104767934
Return Receipt Requested

Ms. Carmen Rose
Energy, Minerals and Natural Resources Department
Mining and Minerals Division
Mining Act Reclamation Program
1220 South St. Francis Drive
Santa Fe, NM 87505

Dear Ms. Rose:

Re: Request for Modification of Minimal Impact Exploration Permit No. GR083EM

Freeport-McMoRan Tyrone Inc. (Tyrone) received approval for a minimal impact exploration permit, Emma-B, on August 08, 2019, under the permit No. GR083EM. Tyrone applied for three modifications to this permit (Modification 20-1, Modification 21-1, and Modification 22-1) and received approval from the Mining and Minerals Division (MMD). All holes that were required to be closed under the original permit and the modifications, have been plugged and abandoned. Regrading to approximate their original conditions, seeding, and mulching of the most recent drill pads and roads under Modification 22-1, were completed in October of 2023. Tyrone is requesting a new modification to reflect the reclamation completed to date and add an additional twenty-six (26) drill holes and their associated new disturbances.

Please see the attached application for the GPS coordinates of the holes and their associated drill pads depicted on Figure 1. The twenty-six holes will be drilled from a total of twenty-five (25) new drill pads. Nine (9) of the drill pads will be partially constructed on existing roads for a total of 0.25 acres, which was removed from the disturbance total in Section 4.C of the attached application. Drillholes EM_16 and EM_18 will be drilled from the same pad. The associated pads and new roads will generate approximately 4.97 acres of surface disturbance.

Per Permit GR083EM Modification 22-1 (Mod. 22-1), $229,922 of Financial Assurance (FA) is currently in place to reclaim the drill pads, roads, and exploration boreholes. Tyrone has

completed the work associated with Mod. 22-1 and requests that this amount be released (with the exception of plugging and abandoning 5 temporary groundwater monitor wells). Under Modifications 21-1 and 22-1, Tyrone had originally bonded to leave 6 temporary groundwater monitor wells open (two in 2021 & four in 2023), however, only three of the wells were drilled in 2023. Five temporary groundwater monitor wells were constructed in exploration drill holes.

Tyrone has calculated the FA for this modification to be $207,553 (which includes FA for plugging and abandoning the 5 temporary groundwater monitor wells, see Table 1). MMD will be provided with the plugging and abandoning records before Tyrone proceeds to the next series of 6 holes. Tyrone will agree to the same terms and conditions as included on the original Emma-B Application.

Table 1: 2024 Financial Assurance (FA) Cost Estimate for Exploration Drilling

New Emma-B FA

Description	Unit	Quantity	Unit Rate ($/unit)	Total Cost ($)
Surface Reclamation Costs (1st acre)	acre	1.00	$ 8,900	$ 8,900
Drill Road & Pad Reclamation	acre	3.97	$ 4,900	$ 19,453
Plug and Abandon Exploration Drill Holes	ft.	12800	$ 14	$ 179,200
Total FA Required for New Modification				**$ 207,553**

Note. The new amount of financial assurance needed covers the existing 5 temporary monitor wells (maximum depth of each well is 1000 ft), 6 open exploration boreholes (maximum depth is 1300 ft), and the proposed 4.97 ac of surface disturbance. ((5x1000ft)+(6x1300ft))=12,800ft

Tyrone requests that the Emma-B permit expiration date be extended by one (1) year. If this request is granted, the permit will expire one (1) year from the approval of the modified Emma-B permit.

Please contact Raechel Roberts at (575) 956-3290 or rroberts2@fmi.com if you have questions. Enclosed is the minimal impact permit application fee of $500.00.

Sincerely,

For

Thomas L. Shelley
Environmental Services Manager

TLS:rmr
Enclosures
Ck#0001026634 - $500.00
20240105-100

PART 3
MINIMAL IMPACT EXPLORATION OPERATION

PERMIT APPLICATION

Accompanying instructions for this permit application are available from MMD, and on MMD webpage:

http://www.emnrd.state.nm.us/MMD/MARP/MARPApplicationandReportingForms.htm

Send 6 copies of the completed application to:

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
Director
Mining and Minerals Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505
Telephone: (505) 476-3400

Webpage: www.emnrd.state.nm.us/MMD/index.htm

CHECK OFF LIST TO DETERMINE YOUR PROJECT'S STATUS AS A MINIMAL IMPACT EXPLORATION OPERATION:

☐ Yes ☑ No My project **will exceed 1000 cubic yards of excavation**, per permit.

☐ Yes ☑ No Surface disturbances for constructed roads, drill pads and mud pits **will exceed 5 acres** total for my project.

☐ Yes ☑ No My project is located in or is expected to have a direct surface impact on wetlands, springs, perennial or intermittent streams, lakes, rivers reservoirs or riparian areas.

☐ Yes ☑ No My project is located in designated critical habitat areas as determined in accordance with the federal Endangered Species Act of 1973 or in areas determined by the Department of Game and Fish likely to result in an adverse impact on an endangered species designated in accordance with the Wildlife Conservation Act, Sections 17-2-37 through 17-2-46 NMSA 1978 or by the State Forestry Division for the Endangered Plants Act, section 75-6-1 NMSA 1978.

☐ Yes ☑ No My project is located in an area designated as Federal Wilderness Area,

Wilderness Study Area, Area of Critical Environmental Concern, or an area within the National Wild and Scenic River System.

☐ Yes ☑ No My project is located in a known cemetery or other burial ground.

☐ Yes ☑ No My project is located in an area with cultural resources listed on either the National Register of Historic Places or the State Register of Cultural Properties.

☐ Yes ☑ No My project will or is expected to have a direct impact on ground water that has a total dissolved solids concentration of less than 10,000 mg/L, except exploratory drilling intersecting ground water may be performed as a minimal impact operation.

☐ Yes ☑ No My project is expected to use or using cyanide, mercury amalgam, heap leaching or dump leaching in its operations.

☐ Yes ☑ No My project is expected to result in point or non-point source surface or subsurface releases of acid or other toxic substances from the permit area.

☐ Yes ☑ No My project requires a variance from any part of the Mining Act Rules as part of the permit application.

If you answer yes to any of the above questions, your project does not qualify as a minimal impact exploration operation.

Confidential Information

☐ Yes ☑ No Is any of the information submitted in this application considered by the applicant to be confidential in nature? If yes, please provide this information separately and marked as "confidential."

Timeline

- Exploration applications must be provided no less than 45 days prior to the anticipated date of operations desired by the applicant.
- Renewal applications shall be filed at least 30 days preceding expiration of the current permit. Permits are valid for one year.
- Approved permit is valid for one year from the date of approval.

SECTION 1 – OPERATOR INFORMATION (§304.D.1)

Project Name: Emma-B Modification 24-1 to GR083EM

Nearest Town To Project: Tyrone, NM 88065

Applicant Name and Contact Information (entity obligated under the Mining Act):

Name: Freeport McMoRan-Tyrone Mining, LLC

Address: P.O. Box 571 Tyrone, NM 88065

Office Phone: 575-912-5757 Cell Phone: 575-956-3290

Fax Number: _____ Email: rroberts2@fmi.com

Name of On-Site Contact, Representative, or Consultant:

Name: Raechel Roberts

Address: Same as above

Office Phone: same as above Cell Phone: same as above

Fax Number: _____ Email: _____

SECTION 2 – RIGHT TO ENTER INFORMATION (§302.D.1)

A. Describe or attach copies of documents that give the applicant the right to enter the property to conduct the exploration and reclamation, include: lease agreements, access agreements, right of way agreements, surface owner agreements, and claim numbers, if applicable.

Applicants owns all property. See Figure 1.

Attachment A

B. List the names and addresses of surface and mineral ownership within the proposed permit area. If the mineral is federal mineral, indicate as federal mineral, but provide the name of the claim holder or lease holder.

Surface Estate Owner(s):

Name	Address	Phone #
☐ U.S. BLM		
☐ U.S. Forest Service		
☐ State of NM		
☒ Private/Corporate Name: Freeport McMoRan Tyrone Mining, LLC	P.O. Box 571 Tyrone, NM 88065	575-313-0913
☐ Other Name:		

Lease Holder(s) of Surface Estate (if applicable):

Name	Address	Phone #

Mineral Estate Owner(s):

Name	Address	Phone #
☐ Bureau of Land Management		
☐ US Forest Service		
☐ State of NM		
■ Claim/Lease Holder	P.O. Box 571 Tyrone, NM 88065	575-313-0913
Name: Freeport McMoRan Tyrone Mining, LLC		
Claim Numbers:		
☐ Claim/Lease Holder		
Name:		
Claim Numbers:		
☐ Other		
Name:		

C. Has a Cultural Resource Survey been performed on the site? ☒ Yes ☐ No

If yes, please provide the author, title, date and report number, and include a copy of the survey with this application, if possible:

Tyrone contracted Westland Resources to conduct a Class III cultural resource survey of the project area. They did not identify any historic properties eligible for listing on the National Register of Historic Places or State Register of History Places. A copy of the report was sent to MMD on June 22, 2021.

Attachment NA

D. Has a wildlife survey or vegetation survey been performed for the permit area?

☒ Yes ☐ No If yes, please provide the author, title, date and report number, and include a copy of the survey with this application, if possible:

Tyrone contracted Westland Resources to conduct the wildlife and vegetation assessments. The reports were provided to MMD with the Emma expansion project revision application on October 22, 2021.

Attachment NA

SECTION 3 – MAPS AND PROJECT LOCATION (§302.D.2)

A. Project Location:

Township 19S Range 15W Section 25

Township 19S Range 15W Section 36

Township 19S Range 15W Section 36

List the drill hole/exploration name and the GPS coordinates for each site.

I.D. Number	Northing / Latitude	Easting / Longitude
EM24_01	32.61735089	-108.3569473
EM24_02	32.61839486	-108.3569281
EM24_03	32.61825719	-108.3562813
EM24_04	32.61710606	-108.3563024
EM24_05	32.61788322	-108.3556387
EM24_06	32.61846533	-108.3549786
EM24_08	32.61687708	-108.3543585
EM24_10	32.61583333	-108.3536111
EM24_11	32.61725314	-108.3537021
EM24_13	32.6172995	-108.3530519
EM24_15	32.61952306	-108.3549591
EM24_16	32.61686508	-108.3524105
EM24_17	32.61916997	-108.3542318

I.D. Number	Northing / Latitude	Easting / Longitude
EM24_18	32.61685411	-108.3524107
EM24_19	32.61949736	-108.3530114
EM24_21	32.61892042	-108.353022
EM24_22	32.61707631	-108.3517572
EM24_23	32.61723256	-108.3511049
EM24_25	32.61553572	-108.3530844
EM24_28	32.617975	-108.35239
EM24_29	32.61806083	-108.3536873
EM24_30	32.61677575	-108.3550097
EM24_31	32.61628186	-108.3563176
EM24_32	32.61639481	-108.3569649
EM24_33	32.61751086	-108.3582432
EM24_34	32.62055747	-108.3523424

Coordinate system used to collect GPS data points:

- ☐ NAD83 Geographic
- ☐ NAD83 UTM Zone 13 (or 12)
- ■ WGS 1984
- ☐ NAD27 Geographic
- ☐ NAD27 UTM Zone 13 (or 12)
- ☐ Other: _____

Attachment NA (for listing additional boreholes)

B. Maps (see application form instructions for examples of maps to be included):

Are topographic maps included with the application that show the following items:

☒ Yes – The boundary of the proposed exploration project Permit Area

☒ Yes – The proposed exploration locations (i.e., borehole locations)

☒ Yes – Existing roads, new roads and overland travel routes

☒ Yes ☐ N/A – Areas of proposed road improvement

Attachments Figure 1

Are maps or figures included with the application showing the approximate dimensions and locations of drill pads and other disturbances:

☒ Yes – Drill pad dimensions and constructed drill pad locations

Attachments Figure 2

C. Provide detailed driving directions to access the site:

From Silver City, drive 10 miles south on HWY 90S. Turn west onto Tyrone Thompson Canyon country maintained road. Approximately 1 mile west turn onto existing access road. Gate is locked and will require an escort to the area by FMI Tyrone.

SECTION 4 – EXPLORATION DESCRIPTION (§302.D.3 & 4)

A. Anticipated exploration: Start Date: 4/1/2024 End Date: 10/1/2024

B. List the mineral(s)/element(s) to be explored for: Copper

C. Proposed method(s) of exploration:

☐ **Air drilling (air rotary, coring, etc.):**

_____# of holes _____Depth (ft.) _____Diameter (in.)

_____# of drill pads _____Length (ft.) 10 _____Width (ft.)

Will drill pads be graded/bladed or overland: ☐ Graded/bladed ☐ Overland

Will drill pads need some mechanical leveling (grading/blading): ☐ Yes ☐ No

Approx. Weight of Drill Rig (lbs.)_____ Number of Axles: _____

Total length of drill stem that can be carried on the rig:_____

Is a support pipe truck anticipated? ☐ Yes ☐ No _____Weight (lbs.)

Weight of support compressor (lbs.):_____Trailer mounted?_____

Anticipated Drilling Contractor:_____ License No._____

■ **Mud/fluid drilling:**

26 # of holes 800-1300 Depth (ft.) 5.5" Diameter (in.)

25 # of drill pads 100 Length (ft.) 75 Width (ft.)

Will drill pads be graded/bladed or overland: ■ Graded/bladed ☐ Overland

Will drill pads need some mechanical leveling (grading/blading): ■ Yes ☐ No

Will a closed loop system be used or will mud/fluid pits be used? Pits will be used

If mud/fluid pits are proposed:

25 # of pits 20 Length (ft.) 10 Width (ft.) 8 Depth (ft.)

Anticipated excavating equipment: Backhoe

How will excavating equipment be transported to the site (i.e., driven, low-boy, etc.):

Driven

Will mud pits be lined?: ☐ Yes ☒ No

If yes, proposed material to line the mud pits:_____

Approx. Weight of Drill Rig (lbs.)_____ Number of Axles: _____

Anticipated Drilling Contractor:_____ License No._____

☐ **Test pits / exploratory trenches:**

_____# of pits _____Length (ft.) 75 Width (ft.) _____Depth (ft.)

Anticipated excavating equipment:_____

How will excavating equipment be transported to the site (i.e., driven, low-boy, etc.):

☐ **Other methods of exploration** (i.e., cuts, shafts, tunnels, adits, declines, blasting, etc.). Indicate method and details:

TOTAL ACREAGE TO BE DISTURBED DUE TO DRILL PADS = 4.05 **acres**
(to convert to acres, multiply total square footage of drill pads by 0.0000229)

D. Disposal of drill cuttings

If this exploration project is for uranium or other radioactive elements/minerals, applicant agrees to perform a gamma radiation survey at each drill site prior to, and after, exploration activities. Applicant/Owner/Operator agrees to restore gamma radiation levels at each drill site to pre-exploration levels. ☐ Yes ☐ No ☒ N/A

Will excess drill cuttings be buried at each drill site location or within a single disposal pit?
☒ At each drill pad location ☐ Within a single disposal pit

If a single disposal pit is proposed, please provide the following:

Description or GPS coordinates of the proposed cuttings disposal pit location:

Dimensions of the single proposed cuttings disposal pit (length, width, and depth):

_____Length (ft.) _____Width (ft.) _____Depth (ft.)

TOTAL ACREAGE TO BE DISTURBED DUE TO DISPOSAL PIT = 0 **acres**
(to convert to acres, multiply total square footage of disposal pit by 0.0000229)

E. Other Supporting Equipment (check all that apply):

☒	4x4 Trucks/Vehicles	Quantity:	4 @ 10,000 lbs each
☒	Water Truck	Weight (lbs.):	46,000 lbs (3 axle, 4000 gal.)
☐	Geophysical Truck	Weight (lbs.):	
☒	Pipe Truck (rig support)	Weight (lbs.):	2 (3 axle) @ 35,000 lbs each
☒	Bulldozer	Type:	Cat D6
☒	Backhoe	Type:	Cat 420
☐	Trackhoe	Type:	
☐	Scaper/Grader	Type:	
☒	Trailers	Quantity/Type:	6,000 lbs (2 axle, flatbed)
☒	Portable Toilet	Quantity:	1
☐	Other	List:	

F. Roads and Overland Travel:

List of <u>new</u> roads to be constructed for this exploration project:

Description of *NEW* Roads	Length (ft.)	Width (ft.)	Total Acres (length x width x 0.0000229)
Emma-B Amendment Roads	2,666	15	0.92
TOTAL ACRES DISTURBED BY NEW ROAD CONSTRUCTION :			0.92

Describe how new roads will be constructed:

Dozer

List for <u>extension or widening of existing</u> roads:

Description of Modification to *EXISTING* Roads	Length (ft.)	Width (ft.)	Total Acres (length x width x 0.0000229)
TOTAL ACRES DISTURBED BY ROAD IMPROVEMENTS :			0

Describe how existing roads will be extended or widened:

Existing roads will be bladed for rocks and debris for safe passage.

List for routes of overland travel:

Description of *OVERLAND TRAVEL* Routes	Length (ft.)	Width (ft.)	Total Acres (length x width x 0.0000229)
TOTAL ACRES DISTURBED BY OVERLAND TRAVEL :			0

G. Support Facilities

Describe (location and size) any support facility disturbances (equipment staging, equipment and material storage and/or lay down areas, vehicle parking, temporary housing and/or trailers) to be created or situated on the site during exploration operations.

H. **TOTAL ACREAGE TO BE DISTURBED BY PROJECT =** 4.97 **acres**
(include all disturbed acreage from drill pads, cuttings disposal pit, new roads, improved roads and overland travel routes)

SECTION 5 – CHEMICAL USE (§302.D.4)

A. Check any and all chemicals that will be used for this project.

■	Drilling Mud (i.e., EZ Mud)	Type/Quantity:	EZ Mud Gold 35 gallon buckets
■	Diesel Fuel	Quantity:	6,000 gallons
☐	Down-hole Lubricants	Type/Quantity:	
☐	Lost Circulation Materials	Type/Quantity:	
■	Oils/Grease	Quantity:	15 tubes of grease/20 gal 15/40
☐	Gasoline	Quantity:	
■	Hydraulic Fluid	Quantity:	10 gallons
☐	Ethylene Glycol	Quantity:	
■	Cement	Type/Quantity:	Portland II/ ~600 bags
■	Water	Source:	Tyrone Mine
■	Bentonite	Quantity:	Quick Gel/ 70 50lb bags
☐	Fertilizer	Type/Quantity:	
■	Other	Type/Quantity:	Soda Ash/ 5 50lb bags

B. Describe, in detail, a plan for the containment, use and disposal of all chemicals listed above:

Drilling products are used down-hole with excess going into sump with water. Portland II cement is used to abandon/lug holes. Petroleum products will be used for equipment and all disposal will be off site.

C. Describe where equipment fueling/refueling will occur:

Drill rig refueling will be done on-site via pickup with fuel tank. Spills will be cleaned up and contaminated soil will be disposed of at Tyrone Mine until final disposal.

D. Describe how hazardous material spills/leaks will be handled:

Any spills/leaks will be reported, cleaned up, and removed from site and sent to appropriate disposal areas.

E. Identify spill cleanup materials that will be kept on-site (check all that apply):

- ☒ Bentonite clay or cat litter
- ☒ Adsorbent pads, rolls, mats, socks, pillows, dikes, etc.
- ☒ Drum or barrel for containing contaminated soil/adsorbent materials
- ☐ Other/list: _____
- ☐ Other/list: _____
- ☐ Other/list: _____

F. Applicant/owner/representative agrees to immediately notify the State of New Mexico immediately of any spills of hazardous materials (see page 1 of this application for phone numbers to notify): ☒ Yes ☐ No

SECTION 6 – GROUNDWATER/SURFACE WATER INFORMATION (§302.D.5)

A. Provide an estimate of depth to ground water and the total dissolved solids (TDS) concentration.

Depth to groundwater (ft.): 500 TDS concentration (mg/L): ≤1753mg/L

Describe the source of this information:

Groundwater quality monitoring data collected by Freeport McMoRan Tyrone.

B. Will dewatering activities be conducted: ☐ Yes ☒ No

If yes, please describe:

C. Is groundwater anticipated to be encountered during exploration: ☒ Yes ☐ No

If YES:

Have you completed Form WR-07 (Application for permit to drill a well with no consumptive use of water) and mailed it to the District Office of the State Engineer? ☒ Yes

Have you completed Form WD-08 (Well plugging plan of operations) and mailed it to the District Office of the State Engineer? ☒ Yes

Attachment A (copies of the completed WR-07 and WD-08 forms)

D. Exploration Borehole Abandonment

Dry Boreholes

☐ Dry hole abandonment (option 1): 100% bentonite pellets/chips (i.e. HOLEPLUG® manufactured by Baroid Industrial Products), dropped from surface then hydrated in place according to the manufacturer's recommendations, emplaced from total depth to within 12 feet of the original ground surface, followed by 10 feet of neat cement, followed by 2 feet of topsoil/topdressing.

■ Dry hole abandonment (option 2): Neat cement slurry, mixed according to the manufacturer's recommendations, emplaced with a tremie pipe from total depth to within 2 feet of the original ground surface, followed by 2 feet of topsoil/topdressing.

☐ Dry hole abandonment (option 3): Cement + 6% bentonite slurry, mixed according to the manufacturer's recommendations, emplaced with a tremie pipe from total depth to within 2 feet of the original ground surface, followed by 2 feet of topsoil/topdressing.

☐ Dry hole abandonment (option 4): High-density bentonite clay (≥ 20% active solids; i.e. QUIK-GROUT® manufactured by Baroid Industrial Products), mixed according to the manufacturer's recommendations, emplaced with a tremie pipe from total depth to within 12 feet of the original ground surface, followed by 10 feet of neat cement, followed by 2 feet of topsoil/topdressing.

☐ Dry hole abandonment (option 5): Other materials / describe and justify use:

Wet Boreholes

■ Wet hole abandonment (option 1): Neat cement slurry, mixed according to the manufacturer's recommendations, emplaced with a tremie pipe from total depth to within 2 feet of the original ground surface, followed by 2 feet of topsoil/topdressing.

☐ Wet hole abandonment (option 2): High-density bentonite clay (≥ 20% active solids; i.e. QUIK-GROUT® manufactured by Baroid Industrial Products), mixed according to the manufacturer's recommendations, emplaced with a tremie pipe from total depth to within 12 feet of the original ground surface, followed by 10 feet of neat cement, followed by 2 feet of topsoil/topdressing.

☐ Wet hole abandonment (option 3): Other sealing material approved by the Office of the State Engineer. Describe and include well plugging plan approval by the State Engineer:

D. Applicant agrees to contain any water produced from the exploration borehole at the drill site and acknowledges that discharge of this water to a watercourse may be a violation of the Federal Clean Water Act: ■ Yes ☐ No

E. Is any drilling proposed to occur within the channel of any perennial, intermittent, or ephemeral streams? ☐ Yes ☒ No

F. Is any drilling anticipated to occur within 100 feet of any perennial, intermittent, or ephemeral streams? ☐ Yes ☒ No

SECTION 7 – RECLAMATION & OPERATION PLAN (§302.D.6 AND 302.I.K)

A. Salvage/Preservation of Topsoil

Before any grading/blading or similar activities occur in relation to this project, operator agrees to salvage and preserve all topsoil and topdressing for use in future reclamation of this project ☒ Yes ☐ No

Describe how topsoil will be salvaged prior to initiation of exploration activities (check all that apply):

☐ N/A – no construction work will occur, therefore no soil salvage is needed.
☒ Excavated from drill pads and stored at each drill pad
☒ Excavated from road improvements/construction and stored adjacent to road
☒ Excavated from mud/fluid pits and storage at each pit
☐ Other, describe:

B. Erosion Control

Describe the best management practices that will be implemented to control erosion:

☐ Silt fencing Location: _____

☒ Straw waddles Location: To be determined in the field

☒ Straw bales Location: To be determined in the field

☒ Ditches/swales Location: To be determined in the field

☒ Berms/dikes/dams Location: Drill pads, roads, and mud pits

☐ Sediment basins Location: _____

☐ Other or N/A Type/Location: _____

C. Wildlife Protection / Noxious Weed Prevention

Will the perimeter of drill pits be fenced to prevent wildlife entrapment? ☒ Yes ☐ No

Proposed pit perimeter fence material:

Temporary plastic tarps over mud pits unless in use. Pits will be backfilled upon completion of drilling.

Describe how the pit perimeter fencing will be installed and secured (i.e., T-posts, wooden stakes, etc.):

Metal panels stand upright by design and stakes will be used to secure tarps.

Will at least one side of the interior of the drill pits be sloped at 3:1 as a ramp for wildlife escape? ☒ Yes ☐ No

If No, will another type of constructed escape ramp be installed? Describe:

Applicant/Owner/Operator commits to pressure-washing or steam-clean all equipment prior to entering the permit area: ☒ Yes ☐ No

D. Reclamation Details

Describe in general how re-contouring or re-establishment of the surface topography will be restored:

Backfill, regrade drill sites, and rip if necessary. Roads will be regraded and ripped to prevent erosion. All sites will be re-seeded.

Describe how the reclamation of portals, adits, drilling fluid/mud and/or waste pits, shafts, ponds, roads and other disturbances will be performed:

N/A

Is seeding of the reclaimed areas proposed: ☒ Yes ☐ No

If no, provide a justification as to why no revegetation is needed:

Plant mix to be used in the re-establishment of vegetation:

☐ US Forest Service specified mix applied through broadcast at their recommended rate
☐ BLM specified mix applied through broadcast at their recommended rate
☒ Other:

Plant Name	Seeding Rate (lbs./acre)
Blue Grama	1
Sideoats Grama	2
Sand Dropseed	0.25
Indian Ricegrass	2
Purple Prairie Clover	2
Scarlet Globemallow	1

Broadcast applied or drill-seeded: ☒ Broadcast ☒ Drill-seeded

Scarification Methods (check all that apply):

- ☐ Primary tillage to greater than 6-inches depth of all constructed drill pads and roads
- ☐ Secondary tillage of all constructed drill pads and roads, and/or overland travel routes
- ■ Chain drag or tire drag over seeds in areas used for overland travel
- ☐ Light raking of soil over seeds in areas used for overland travel
- ☐ None
- ■ Other/describe:

Rip with blade 4-6 inches prior to seeding.

Mulch Use:

- ■ Certified weed-free straw mulch will be placed over areas that have been tilled/disced or ripped at a rate of 2 tons per acre, and will be crimped in place
- ☐ No mulch is proposed

E. Reclamation Timeline

Applicant/Owner/Operator commits to reclamation of the disturbed area as soon as possible following the completion or abandonment of the exploration operation, unless the disturbed area is included within a complete permit application for a new mining permit:

■ Yes ☐ No

Anticipated Start of Reclamation:

- ☐ 0-30 days after completion of drilling
- ☐ 31-60 days after completion of drilling
- ■ Other/specify: Earthwork will commence asap and seeding in May-October to coincide with precipitation and project completion

SECTION 8 – PERMIT FEES AND FINANCIAL ASSURANCE (§302.I.2 AND 5)

A. Financial assurance must be posted with Mining and Minerals Division prior to approval of this application. The acceptable forms of financial assurance are surety bonds, letters of credit, and certificates of deposit. Provide an estimate of, and an instrument for, the proposed financial assurance required by Subpart 3.

☐ Surety Bond
☒ Letter of Credit
☐ Cash Account / Certificate of Deposit

☐ Estimated amount of financial assurance: Current amount held: $229,922

Or

☐ Applicant will provide the amount of financial assurance calculated by MMD.

B. Attach the permit fees as determined pursuant to Subpart 2. The application fee for a minimal impact exploration permit is $500.00.

☐ Money Order/Cashier's Check
☒ Check

Check Number : 0001026634

Financial Institution: Bank of America N.A.

SECTION 9 – CERTIFICATION REQUIREMENT (§302.I.3 & 4)

I certify that I have personally examined and am familiar with the information submitted herein, and based on my inquiry of those individuals responsible for obtaining the information; I believe the submitted information is true, accurate, and complete. I agree to comply with the reclamation requirements set forth in this permit application and related correspondence, the New Mexico Mining Act and the Rules. Further, I certify that I am not in violation of any other obligation under the New Mexico Mining Act or the Rules adopted pursuant to that Act and I allow the Director to enter the permit area, without delay, for the purposes of conducting inspections during exploration and reclamation.

Signature of Permittee or Authorized Agent: _____

Name (type or print): Raechel Roberts

Title/Position: Environmental Scientist II

Date: 01/05/2024

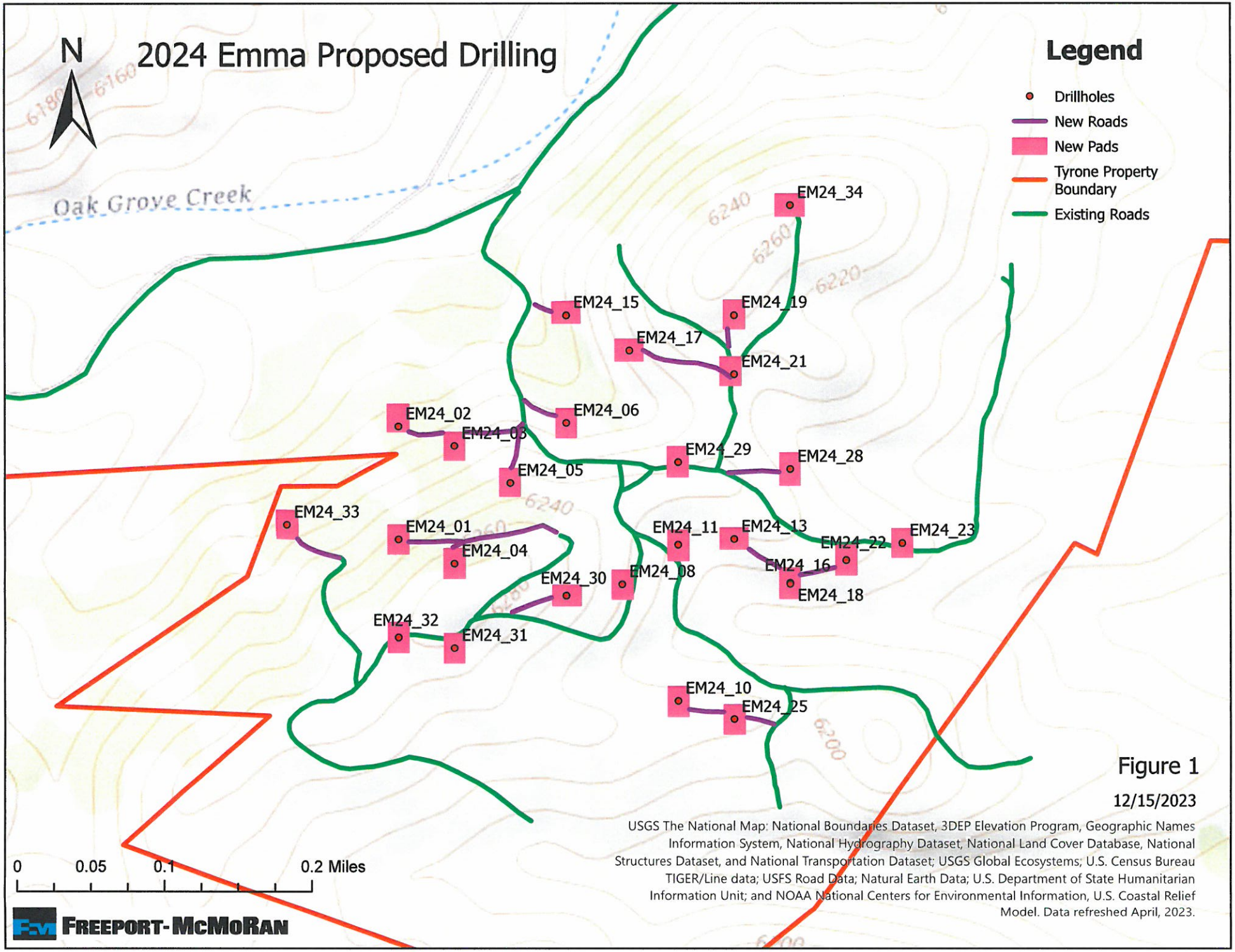

Figure 1

12/15/2023

USGS The National Map: National Boundaries Dataset, 3DEP Elevation Program, Geographic Names Information System, National Hydrography Dataset, National Land Cover Database, National Structures Dataset, and National Transportation Dataset; USGS Global Ecosystems; U.S. Census Bureau TIGER/Line data; USFS Road Data; Natural Earth Data; U.S. Department of State Humanitarian Information Unit; and NOAA National Centers for Environmental Information, U.S. Coastal Relief Model. Data refreshed April, 2023.

Typical Drill Site Layout

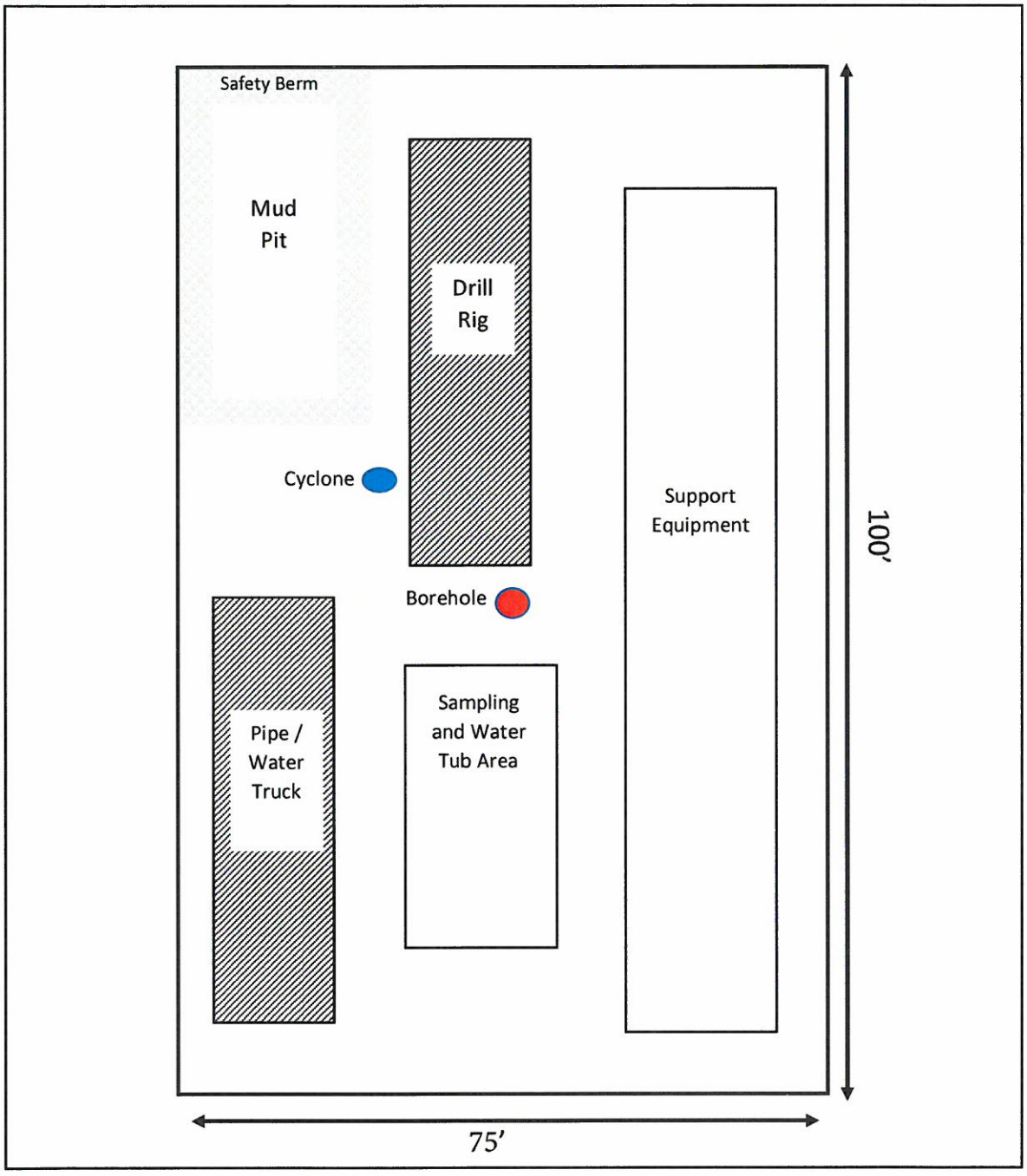

Figure 2

FREEPORT-McMoRan

Freeport-McMoRan Inc.
Attention: Accounts Payable
333 N Central Ave, Room 23.306
Phoenix, AZ. 85004

RETURN SERVICE REQUESTED

Check No.	0001026634
Check Date	10/19/2023
Check Amount	$500.00
Vendor No.	0000805500
Payment Reference No.	20608267531899

OD-000007 0001 0001 000017

STATE OF NEW MEXICO
NM ENRGY MNRLS & NAT RES DPT
1220 S SAINT FRANCIS DR
SANTA FE, NM 87505-4225

PLEASE DIRECT ANY INQUIRIES
TO THE AP HELP DESK:
AP@FMI.COM

Invoice Date	Invoice Number	PO#/Freeport Site/ Description	Invoice Amount	Discount Amount	Net Amount
10/16/2023	10162023SL1	FM Tyrone Mining LLC EMMA EXPLORE PERMIT GR083E MOD	$500.00		$500.00
		TOTAL			$500.00

PLEASE FOLD ON PERFORATION AND DETACH HERE

VERIFY THE AUTHENTICITY OF THIS MULTI-TONE SECURITY DOCUMENT. CHECK BACKGROUND AREA CHANGES COLOR GRADUALLY FROM TOP TO BOTTOM.

FREEPORT MINERALS CORPORATION
333 NORTH CENTRAL AVE
PHOENIX, AZ 85004-2121

FREEPORT-McMoRan

0001026634
October 19, 2023
64-1278/611
VOID AFTER 180 DAYS
PAY IN US DOLLARS

Amount: **Five Hundred dollars and 00 cents**

$500.00

Pay to the order of STATE OF NEW MEXICO
NM ENRGY MNRLS & NAT RES DPT

Bank of America N.A.
Atlanta, Dekalb County, Georgia

AUTHORIZED SIGNATURE

⑈0001026634⑈ ⑆061112788⑆ 329999845⑈

Attachment A
OSE Documentation

File No.

NEW MEXICO OFFICE OF THE STATE ENGINEER

WR-07 APPLICATION FOR PERMIT TO DRILL

A WELL WITH NO WATER RIGHT

(check applicable box):

For fees, see State Engineer website: http://www.ose.state.nm.us/

Purpose:	☐	Pollution Control And/Or Recovery	☐	Ground Source Heat Pump
☐ Exploratory Well*(Pump test)	☐	Construction Site/Public Works Dewatering	☒	Other(Describe): Exploration for minerals
☐ Monitoring Well	☐	Mine Dewatering		

A separate permit will be required to apply water to beneficial use **regardless if use is consumptive or nonconsumptive.**

*New Mexico Environment Department-Drinking Water Bureau (NMED-DWB) will be notified if a proposed exploratory well is used for public water supply.

☐ Temporary Request - Requested Start Date: Requested End Date:

Plugging Plan of Operations Submitted? ☒ Yes ☐ No

1. APPLICANT(S)

Name: Tyrone Mining, LLC	Name:
Contact or Agent: Ty Bays — check here if Agent ☐	Contact or Agent: — check here if Agent ☐
Mailing Address: P. O. Box 571	Mailing Address:
City: Tyrone	City:
State: NM — Zip Code: 88065	State: — Zip Code:
Phone: 575-912-5757 — ☐ Home ☐ Cell Phone (Work):	Phone: — ☐ Home ☐ Cell Phone (Work):
E-mail (optional): tbays@fmi.com	E-mail (optional):

FOR OSE INTERNAL USE — Application for Permit, Form WR-07, Rev 07/12/22

File No.:	Trn. No.:	Receipt No.:
Trans Description (optional):		
Sub-Basin:	PCW/LOG Due Date:	

2. WELL(S) Describe the well(s) applicable to this application.

Location Required: Coordinate location must be reported in NM State Plane (NAD 83), UTM (NAD 83), or Latitude/Longitude (Lat/Long - WGS84).
District II (Roswell) and District VII (Cimarron) customers, provide a PLSS location in addition to above.

☐ NM State Plane (NAD83) (Feet)
☐ NM West Zone
☐ NM East Zone
☐ NM Central Zone

☐ UTM (NAD83) (Meters)
☐ Zone 12N
☐ Zone 13N

☐ Lat/Long (WGS84) (to the nearest 1/10th of second)

Well Number (if known):	X or Easting or Longitude:	Y or Northing or Latitude:	Provide if known: -Public Land Survey System (PLSS) (*Quarters or Halves , Section, Township, Range*) OR - Hydrographic Survey Map & Tract; OR - Lot, Block & Subdivision; OR - Land Grant Name
EM24-01	-108° 21' 25.0092"	32° 37' 2.463"	
EM24-02	-108° 21' 24.9402"	32° 37' 6.2214"	
EM24-03	-108° 21' 22.611"	32° 37' 5.7246"	
EM24-04	-108° 21' 22.6866"	32° 37' 1.581"	
EM24-05	-108° 21' 20.2962"	32° 37' 4.3782"	

NOTE: If more well locations need to be described, complete form WR-08 (Attachment 1 – POD Descriptions)
Additional well descriptions are attached: ☒ **Yes** ☐ **No** **If yes, how many** 21

Other description relating well to common landmarks, streets, or other:

Emma Pit which is located south of Tyrone Mine.

Well is on land owned by: TYrone Mining, LLC

Well Information: NOTE: If more than one (1) well needs to be described, provide attachment. Attached? ☐ **Yes** ☐ **No**
If yes, how many_____

Approximate depth of well (feet): 900	Outside diameter of well casing (inches): 5 1/2 inches
Driller Name: Layne	Driller License Number: WD-1728

3. ADDITIONAL STATEMENTS OR EXPLANATIONS

Mineral exploration at Emma Pit.

FOR OSE INTERNAL USE Application for Permit, Form WR-07 Version 07/12/22

File No.:	Trn No.:

4. SPECIFIC REQUIREMENTS: The applicant must include the following, as applicable to each well type. Please check the appropriate boxes, to indicate the information has been included and/or attached to this application:

Exploratory:	**Pollution Control and/or Recovery:**	**Construction De-Watering:**	**Mine De-Watering:**
Is proposed well a future public water supply well? ☐ Yes ☐ NO If Yes, an application must be filed with NMED-DWB, concurrently. ☐ Include a description of the requested pump test if applicable.	☐ Include a plan for pollution control/recovery, that includes the following: ☐ A description of the need for the pollution control or recovery operation. ☐ The estimated maximum period of time for completion of the operation. ☐ The annual diversion amount. ☐ The annual consumptive use amount. ☐ The maximum amount of water to be diverted and injected for the duration of the operation. ☐ The method and place of discharge. ☐ The method of measurement of water produced and discharged. ☐ The source of water to be injected. ☐ The method of measurement of water injected. ☐ The characteristics of the aquifer. ☐ The method of determining the resulting annual consumptive use of water and depletion from any related stream system. ☐ Proof of any permit required from the New Mexico Environment Department. ☐ An access agreement if the applicant is not the owner of the land on which the pollution plume control or recovery well is to be located.	☐ Include a description of the proposed dewatering operation, ☐ The estimated duration of the operation, ☐ The maximum amount of water to be diverted, ☐ A description of the need for the dewatering operation, and, ☐ A description of how the diverted water will be disposed of.	☐ Include a plan for pollution control/recovery, that includes the following: ☐ A description of the need for mine dewatering. ☐ The estimated maximum period of time for completion of the operation. ☐ The source(s) of the water to be diverted. ☐ The geohydrologic characteristics of the aquifer(s). ☐ The maximum amount of water to be diverted per annum. ☐ The maximum amount of water to be diverted for the duration of the operation. ☐ The quality of the water. ☐ The method of measurement of water diverted. ☐ The recharge of water to the aquifer. ☐ Description of the estimated area of hydrologic effect of the project. ☐ The method and place of discharge. ☐ An estimation of the effects on surface water rights and underground water rights from the mine dewatering project. ☐ A description of the methods employed to estimate effects on surface water rights and underground water rights. ☐ Information on existing wells, rivers, springs, and wetlands within the area of hydrologic effect.
Monitoring ☐ The reason and duration of the monitoring is required.		**Ground Source Heat Pump:** ☐ Include a description of the geothermal heat exchange project, ☐ The number of boreholes for the completed project and required depths. ☐ The time frame for constructing the geothermal heat exchange project, and, ☐ The duration of the project. ☐ Preliminary surveys, design data, and additional information shall be included to provide all essential facts relating to the request.	

ACKNOWLEDGEMENT

I, We (name of applicant(s)), Tyrone Mining LLC
Print Name(s)

affirm that the foregoing statements are true to the best of (my, our) knowledge and belief.

Applicant Signature

Applicant Signature

ACTION OF THE STATE ENGINEER

This application is:

☐ approved ☐ partially approved ☐ denied

provided it is not exercised to the detriment of any others having existing rights, and is not contrary to the conservation of water in New Mexico nor detrimental to the public welfare and further subject to the attached conditions of approval.

Witness my hand and seal this _____ day of _____ 20 _____ , for the State Engineer,

_____, State Engineer

By: _____ _____
Signature Print

Title: _____
Print

FOR OSE INTERNAL USE Application for Permit, Form WR-07 Version 07/12/22

File No.:	Trn No.:

NEW MEXICO OFFICE OF THE STATE ENGINEER

ATTACHMENT 1
POINT OF DIVERSION DESCRIPTIONS

This Attachment is to be completed if more than one (1) point of diversion is described on an Application or Declaration.

a. Is this a:	**b. Information on Attachment(s):**
☐ Move-From Point of Diversion(s) ☐ Move-To Point of Diversion(s)	Number of points of diversion involved in the application: 26 Total number of pages attached to the application: 4

☐ **Surface Point of Diversion** **OR**	☒ **Well**
Name of ditch, acequia, or spring:	
Stream or water course:	
Tributary of:	Mimbres

c. Location (Required):
Required: Move to POD location coordinate must be either New Mexico State Plane (NAD 83), UTM (NAD 83), **or** Lat/Long (WGS84)

NM State Plane (NAD83) (feet) NM West Zone ☐ NM Central Zone ☐ NM East Zone ☐	UTM (NAD83) (meters) Zone 13N ☐ Zone 12N ☐	☐ Lat/Long–(WGS84) 1/10th of second	OTHER (allowable only for move-from descriptions - see application form for format) ☐ PLSS (quarters, section, township, range) ☐ Hydrographic Survey, Map & Tract ☐ Lot, Block & Subdivision ☐ Grant
POD Number: EM24-06	X or Longitude -108° 21' 17.9208"	Y or Latitude 32° 37' 6.474"	Other Location Description:
POD Number: EM24-08	X or Longitude -108° 21' 15.6888"	Y or Latitude 32° 37' 0.7572"	Other Location Description:
POD Number: EM24-10	X or Longitude 108° 21' 12.9996"	Y or Latitude 32° 36' 56.9988"	Other Location Description:
POD Number: EM24-11	X or Longitude 108° 21' 13.3266"	Y or Latitude 32° 37' 2.1102"	Other Location Description:
POD Number: EM24-13	X or Longitude --108° 21' 10.983"	Y or Latitude 32° 37' 2.28"	Other Location Description:
POD Number: EM24-15	X or Longitude -108° 21' 17.8518"	Y or Latitude 32° 37' 10.2828"	Other Location Description:
POD Number: EM24-16	X or Longitude -108° 21' 8.676"	Y or Latitude 32° 37' 0.7134"	Other Location Description:
POD Number: EM24-17	X or Longitude -108° 21' 15.231"	Y or Latitude 32° 37' 9.0114"	Other Location Description:
POD Number: Em24-18	X or Longitude -108° 21' 8.676"	Y or Latitude 32° 37' 0.6738"	Other Location Description:

FOR OSE INTERNAL USE

Form wr-08
POD DESCRIPTIONS - ATTACHMENT 1

File Number:	Trn Number:
Trans Description (optional):	

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NM State Plane (NAD83) (feet) NM West Zone ☐ NM Central Zone ☐ NM East Zone ☐	UTM (NAD83) (meters) Zone 13N ☐ Zone 12N ☐	☐ Lat/Long–(WGS84) 1/10th of second	OTHER (allowable only for move-from descriptions - see application form for format) ☐ PLSS (quarters, section, township, range) ☐ Hydrographic Survey, Map & Tract ☐ Lot, Block & Subdivision ☐ Grant
POD Number: EM24-19	X or Longitude -108° 21' 10.839"	Y or Latitude 32° 37' 10.1892"	Other Location Description:
POD Number: EM24-21	X or Longitude -108° 21' 10.8786"	Y or Latitude 32° 37' 8.112"	Other Location Description:
POD Number: EM24-22	X or Longitude -108° 21' 6.3252"	Y or Latitude 32° 37' 1.473"	Other Location Description:
POD Number: EM24-23	X or Longitude -108° 21' 3.9744"	Y or Latitude 32° 37' 2.0382"	Other Location Description:
POD Number: EM24-25	X or Longitude -108° 21' 11.1018"	Y or Latitude 32° 36' 55.929"	Other Location Description:
POD Number: EM24-28	X or Longitude -108° 21' 8.6034"	Y or Latitude 32° 37' 4.71"	Other Location Description:
POD Number: EM24-29	X or Longitude -108° 21' 13.2726"	Y or Latitude 32° 37' 5.019"	Other Location Description:
POD Number: EM24-30	X or Longitude -108° 21' 18.0318"	Y or Latitude 32° 37' 0.3936"	Other Location Description:
POD Number: EM24-31	X or Longitude -108° 21' 22.7412"	Y or Latitude 32° 36' 58.6146"	Other Location Description:

FOR OSE INTERNAL USE

Form wr-08
POD DESCRIPTIONS - ATTACHMENT 1

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NEW MEXICO OFFICE OF THE STATE ENGINEER

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NM State Plane (NAD83) (feet) NM West Zone ☐ NM Central Zone ☐ NM East Zone ☐	UTM (NAD83) (meters) Zone 13N ☐ Zone 12N ☐	☐ Lat/Long–(WGS84) 1/10th of second	OTHER (allowable only for move-from descriptions - see application form for format) ☐ PLSS (quarters, section, township, range) ☐ Hydrographic Survey, Map & Tract ☐ Lot, Block & Subdivision ☐ Grant
POD Number: EM24-32	X or Longitude -108° 21' 25.0704	Y or Latitude 32° 36' 59.0214"	Other Location Description:
POD Number: EM24-33	X or Longitude -108° 21' 29.6748"	Y or Latitude 32° 37' 3.0396"	Other Location Description:
POD Number: EM24-33	X or Longitude -108° 21' 8.4306"	Y or Latitude 32° 37' 14.0046"	Other Location Description:
POD Number:	X or Longitude	Y or Latitude	Other Location Description:
POD Number:	X or Longitude	Y or Latitude	Other Location Description:
POD Number:	X or Longitude	Y or Latitude	Other Location Description:
POD Number:	X or Longitude	Y or Latitude	Other Location Description:
POD Number:	X or Longitude	Y or Latitude	Other Location Description:
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