

**REISSUED PERMIT NO. SF002RE**  
**PERMIT REVISION 20-1: UPDATED SITE WIDE CLOSURE/CLOSEOUT PLAN**  
**CUNNINGHAM HILL MINE RECLAMATION PROJECT**  
**EXISTING MINING OPERATION**

**MINING AND MINERALS DIVISION**  
**ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT**

This Permit No. SF002RE is reissued under Permit Revision 20-1 (“Permit” or “Revision 20-1”) by the Director of the Mining and Minerals Division (“MMD”) of the New Mexico Energy, Minerals and Natural Resources Department to:

Homestake Mining Company of California  
whose correct address is: 582 County Road #55  
Cerrillos, NM 87010

(“Permittee” or “Homestake”) for the Cunningham Hill Mine Reclamation Project located in Santa Fe County, New Mexico.

This reissued Permit:

1. Approves and incorporates an updated Closeout Plan and Cost Estimate for the Cunningham Hill Mine, Permit No. SF002RE.
2. Approves the financial assurance (“FA”) in the total amount of \$9,665,161, in the form of a surety bond issued by the Federal Insurance Company and held jointly by MMD and the New Mexico Environment Department (“NMED”).
3. Approves the request for a waiver for the open pit unit from the requirement of achieving a Post-Mining Land Use (“PMLU”) or Self-Sustaining Ecosystem (“SSE”).
4. Supplants and supersedes earlier modifications and revisions related to Permit No. SF002RE. To the extent that the provisions and requirements of this Revision 20-1 conflict with the provisions and requirements of the modifications and revisions identified below, the provisions and requirements of this Revision 20-1 shall govern.
  - a. Revision 96-1, original permit after incorporation of the Closeout Plan.
  - b. Modification 17-1, approval of release of financial assurance required for the reclamation of 204.5 acres and conditionally approved the PMLU of the office buildings from Wildlife/Grazing to Industrial/Commercial.
  - c. Modification 23-1, Transfer of Permit No. SF002RE from LAC Minerals (USA) LLC to Homestake Mining Company of California.

## Definitions and Abbreviations

Whenever any terms defined in the New Mexico Mining Act, NMSA 1978, §69-36-1, *et seq.* (1993, as amended through 2020) (“the Act”) and the New Mexico Mining Act Rules, Title 19, Chapter 10 of the NMAC (“the Rules”) are used in this Permit, including any documents incorporated herein by reference, those definitions shall apply. In addition, whenever the terms listed below are used in this Permit, including any documents incorporated herein by reference, the following definitions shall apply:

AP-27	The Abatement Plan for the Cunningham Hill Mine Facility issued by NMED.
CCP	The <i>Cunningham Hill Mine Reclamation Project Closure/Closeout Plan Update</i> submitted October 8, 2021 as a revision application to Permit No. SF002RE that provides a detailed description of how disturbed areas within the permit area will be reclaimed to meet the requirements of the Act and the Rules, and includes amendments submitted thereafter as part of the Permit Application Package for Revision 20-1 (“PAP 20-1”).
CQA	Construction Quality Assurance
DP-55	The Discharge Permit for the Cunningham Hill Mine issued by NMED.
NPV	Net Present Value (see §19.10.12.1205.C NMAC and MMD’s Guidance for Calculating Reclamation Costs in Net Present Value)
NMAC	New Mexico Administrative Code
NMSA	New Mexico Statutes Annotated
PAP 20-1	Permit Application Package for Revision 20-1
Open Pit Perimeter	The physical edge of the open pit. The interior area of the open pit perimeter, which consists of 19.37 acres and includes the entirety of the surfacing pit water body, is waived from the MMD requirement to meet a SSE or PMLU. The open pit waived areas are depicted on <i>Figure 2: Aerial photograph of Open Pit showing undisturbed, disturbed, and reclaimed areas</i> within the amended Appendix H of the CCP, submitted as a response to comments, dated May 27, 2022, and are also included in this Permit as Appendix C.
PMLU	Post-Mining Land Use. Defined in §19.10.1.7.P(5) NMAC.
RCM	Reclamation Cover Material. The approved RCM at Cunningham Hill is the stockpiled borrow material mined from the reclaimed and released borrow areas within the permit area.

SSE Self-Sustaining Ecosystem. Defined in §19.10.1.7.S(2) NMAC.

**Section 1. STATUTES AND RULES**

- A. This Permit is issued under the authority of the Act and the Rules.
- B. This Permit is subject to the Act, the Rules, and any other applicable regulations, which are now or hereafter in force under the Act; and all such regulations are made a part of this Permit by this reference.

**Section 2. PERMIT REVISION APPLICATION PACKAGE**

The PAP 20-1 is comprised of the following documents:

- A. *Cunningham Hill Mine Reclamation Project Closure/Closeout Plan Update* dated October 9, 2020, and prepared by John Shomaker & Associates, Inc. (“JSAI”) on behalf of Homestake along with the application fee.
- B. Proof of Public Notice #1 dated October 23, 2020, from JSAI on behalf of Homestake regarding the submittal of the *Cunningham Hill Mine Reclamation Project Closure/Closeout Plan Update*.
- C. Proof of Public Notice #2 dated March 3, 2021, from Homestake regarding the submittal of *Cunningham Hill Mine Reclamation Project Closure/Closeout Plan Update*.
- D. Homestake’s response to technical comments, including a commitment to submit an Application Amendment to include a request for a pit waiver, dated May 21, 2021, and prepared by Homestake.
- E. *Revised Open Pit Remediation Plan, Cunningham Hill Mine Reclamation Project Abatement Plan AP-27*, dated August 2011, and prepared by JSAI.
- F. *Status Report for Revised Open Pit Remediation Plan Cunningham Hill Mine Reclamation Project Abatement Plan AP-27*, dated June 2014, and prepared by JSAI.
- G. *Revised Cunningham Hill Mine Reclamation Project Closure/Closeout Plan Update*, dated October 2021, and prepared by JSAI on behalf of Homestake.
- H. Proof of Public Notice #3 dated October 15, 2021, from JSAI on behalf of Homestake regarding the submittal of the *Revised Cunningham Hill Mine Reclamation Project Closure/Closeout Plan Update*, or CCP.
- I. *Responses to Agency Comments for 2021 CCP Update for MMD Permit No. SF002RE, LAC Minerals (USA) LLC Cunningham Hill Mine*, dated May 27, 2022, which incorporated the

*Waste Rock Pile Workplan Design Package* and associated technical drawings prepared by Daniel B. Stephens & Associates, Inc (“DBS&A”) on behalf of Homestake.

- J. *Response to Joint Agency Request for Additional Information, Waste Rock Pile Workplan Design Package and 2021 Cover Performance Review*, dated August 5, 2022, prepared by JSAI and DBS&A on behalf of Homestake.
- K. *Response to Joint Agency Request for Additional Information, Waste Rock Pile Workplan Design Package and 2021 Cover Performance Review*, dated August 26, 2022, and prepared by DBS&A on behalf of Homestake.
- L. *Response to Joint Agency Request for Additional Information, Waste Rock Pile Workplan Design Package and 2021 Cover Performance Review*, dated September 12, 2022, and prepared by DBS&A on behalf of Homestake.
- M. *Waste Rock Pile Maintenance Summary of Work* dated December 12, 2022, and prepared by DBS&A on behalf of Homestake.
- N. Hearing Officer Report in the Matter of Revision 20-1 for the Cunningham Hill Mine Reclamation Project, received by MMD on December 15, 2022, submitted by Ms. Felicia L. Orth, Hearing Officer.
- O. *Responses to Joint Agency Technical Comments on the Amendment to Application for Revision 20-1 and Proposed Cost Estimate, Closure/Closeout Plan Update*, dated February 23, 2023, which includes Homestake’s response to agency comments, NPV calculations for AP-27 and DP-55 cost estimates, and cost estimates for Permit No. SF002RE, AP-27, and DP-55.
- P. *Cunningham Hill Mine Reclamation Project MMD Permit No. SF002RE and NMED DP-55 Response to Joint Agency Conditional Approval of the Waste Rock Pile Workplan Design Package*, dated March 9, 2023.
- Q. *Cunningham Hill Pit Slope Stability Analysis Proposed Work Plan, Requirement for the Amendment to Application for Revision 20-1 and Proposed Cost Estimate, Closure/Closeout Plan Update*, dated April 10, 2023, and prepared by Call & Nicholas, Inc. (“CNI”) on behalf of Homestake.
- R. *Response to Agency Comments on the Amendment to Application for Revision 20-1 and Proposed Cost Estimate, Closure/Closeout Plan Update*, dated July 27, 2023, which includes the 2020 vegetation survey report and open pit pumping summary.
- S. *Response to Agency Comments on the Amendment to Application for Revision 20-1 and Proposed Cost Estimate, Closure/Closeout Plan Update*, dated August 7, 2023, which includes a fill material quote, updated NPV calculations for the AP-27 and DP-55 cost estimates, and final cost estimates for Permit No. SF002RE, DP-55, and AP-27.

- T. *Cunningham Hill Pit Slope Stability Analysis*, dated August 15, 2023, prepared by CNI on behalf of Homestake.
- U. *Cunningham Hill Pit Slope Stability Analysis Revision 01* dated September 8, 2023, and prepared by CNI on behalf of Homestake.
- V. Financial Assurance dated December 21, 2023, and received January 25, 2024, totaling \$9,665,161 in the form of a rider for the jointly held Surety Bond No. 82458927 between MMD and NMED from the Federal Insurance Company.

**Section 3. PERMIT AREA AND DESIGN LIMITS**

- A. The permit area is delineated as the Homestake property boundary in PAP 20-1 in the CCP Figure 3 and is included as Appendix A in this Permit. The permit area is comprised of approximately 1,400 acres in an unsurveyed portion of T13N, R7E and T13N, R8E, in Santa Fe County, New Mexico (New Mexico Principal Meridian).
- B. The approved design limits are delineated/described in Figure 3 in the CCP and are included in this Permit as Appendix A.
- C. The Permittee shall conduct reclamation operations only on those lands designated in the PAP 20-1. All lands currently disturbed shall be addressed under the CCP and shall be secured by adequate FA.

**Section 4. FINDINGS OF FACT**

- A. The PAP 20-1 is complete and contains all the information required, with the conditions outlined in this Permit, as required by §19.10.5.503.F(1), §19.10.5.506.B(1-4), and §19.10.5.506.J(1-6) NMAC.
- B. The Permittee has paid the permit revision fee of \$5,000.00 as required by §19.10.2.201 NMAC.
- C. The PAP 20-1 has been reviewed in accordance with §19.10.5.505 NMAC and has been determined to be a revision in accordance with §19.10.5.505.B and §19.10.5.505.B(1) NMAC.
- D. As required by §19.10.5.505.B NMAC and the requirements for a revision, public notice, and an opportunity for public hearing was performed pursuant to §19.10.9 NMAC.
- E. As required by §19.10.5.505.B(2) NMAC, the PAP 20-1 was accompanied by sufficient information for the Director to determine whether any of the factors listed in §19.10.5.505 NMAC are present.
- F. As required by §19.10.5.505.B(3) and §19.10.5.506.E NMAC, the Director has consulted with the applicable state agencies including State Forestry Division, New Mexico Department of

Game and Fish, Historic Preservation Division, New Mexico Environment Department, and the Office of the State Engineer.

- G. As required by §19.10.5.505.B(3) and §19.10.5.506.E NMAC and the Tribal State Collaboration Act, the Director has consulted with the following tribal entities: Comanche Nation of Oklahoma, Hopi Tribe, Jicarilla Apache Nation, Kiowa Tribe of Oklahoma, Navajo Nation, Pueblo of Cochiti, Pueblo of Isleta, Pueblo of Nambe, Pueblo of San Ildefonso, Pueblo of Sandia, Pueblo of Santa Clara, Pueblo of Santo Domingo, Pueblo of Tesuque, and Ohkay Owingeh.
- H. As required by §19.10.5.505.C NMAC, the PAP 20-1 was in a format acceptable to the Director.
- I. As required by §19.10.5.505.D NMAC, the permit revision meets the requirements of §19.10.5.507 (“Existing Unit Standards”) and the requirements of paragraphs 1, 2, 4, 5, and 6 of subsection H of Section 69-36-7 of the Act.
- J. As required by Section 69-36-7(H)(4) of the Act, the disturbed areas within the permit area and affected areas outside of the permit area will be reclaimed to achieve a SSE appropriate for the life zone of the surrounding areas following closure, except those areas designated as industrial PMLU or granted a waiver pursuant to §19.10.5.507.B NMAC.
- K. Pursuant to §19.10.5.506.C NMAC the Permittee has demonstrated that achieving a PMLU or SSE within the Pit Perimeter is not economically feasible nor environmentally sound, and qualifies for a waiver pursuant to §19.10.5.507.B NMAC.
- L. Requests for a public hearing on the PAP 20-1 were received, pursuant to §19.10.9 NMAC. A public hearing was conducted on November 2, 2022, starting at 5pm MT as a hybrid virtual/in-person event at the Runnels Auditorium, 1190 S. St. Francis Dr., NM 87505.
- M. The Permittee has described the reclamation and closeout measures completed, and the PAP 20-1 contains an estimate of the cost of reclamation that has not been completed, pursuant to §19.10.12.1205 NMAC.
- N. As required by §19.10.5.506.J(5) NMAC, NMED has provided a Written Determination, dated March 19, 2024, and signed by the NMED Cabinet Secretary James Kenney, stating that Homestake has demonstrated that the activities proposed or authorized for the Cunningham Hill Mine are expected to achieve compliance with all applicable air, water quality and other environmental standards if carried out as described in the CCP, this Permit, and associated state and federal environmental permits.
- O. The Permittee has provided satisfactory financial assurance to complete the CCP in the aggregate amount of \$9,665,161; as required by §19.10.5.506.J(2) NMAC. The financial assurance for reclamation of the Cunningham Hill Mine is in the form of a jointly held Surety Bond No. 82458927 between MMD and NMED issued by the Federal Insurance Company.

## **Section 5. COMPLIANCE REQUIREMENTS**

- A. The Permittee shall conduct reclamation operations only as described in the approved PAP 20-1, this Permit, or any revisions or modifications approved by the Director, as required by §19.10.5.505 NMAC.
- B. This Permit is issued pursuant to NMSA 1978, Section 69-36-1 et. Seq. and Title 19, Chapter 10 NMAC. The Permittee may be required to comply with other federal, state, county, or local laws or ordinances before or while undertaking the activity that is the subject of this Revision 20-1. MMD does not, by issuing this Revision 20-1 or otherwise, make any comment on the Permittee's compliance with such other laws. It is the Permittee's sole responsibility to investigate and comply with the requirements of such other laws.
- C. The Permittee shall obtain and maintain all environmental permits required for the permit area, including, but not limited to, AP-27 and DP-55 issued by NMED, and water rights granted by the New Mexico Office of the State Engineer. Revocation or termination of such a permit or the forfeiture of financial assurance related to such a permit is adequate grounds for the Director to issue a cessation order under authority of §19.10.5 and §19.10.11 NMAC.

## **Section 6. AGENCY RIGHT OF ENTRY**

The Permittee shall allow the authorized representatives of the Director, without advanced notice, upon presentation of appropriate credentials, and without delay:

- 1. To enter upon, or through, any mining or reclamation operation at any time, as provided for in §19.10.11.1101.E(1) NMAC for the purpose of conducting inspections and to determine if the Permittee is in compliance with the Permit requirements and conditions; and
- 2. At reasonable times, and without delay, have access to and copies of any records associated with permitting and compliance required by the Act, §19.10 NMAC or the Permit, as provided for in §19.10.11.1101.E(2) NMAC.

## **Section 7. PERMIT COVERAGE / ENVIRONMENTAL COVERAGE**

- A. This Permit shall be binding on any person(s) and/or corporate or business entities conducting mining and reclamation operations under this Permit.
- B. The Permittee shall take all necessary steps to minimize any adverse impact to the environment or public health and safety resulting from non-compliance with any term or condition of the Permit, the Rules or the Act.
- C. The Permittee shall maintain this Permit until reclamation is complete at the site.
- D. All applicable federal and state environmental laws, regulations, and standards shall be met in the permit area and all affected areas, as required by NMED pursuant to DP-55 and AP-27.

This includes the areas waived from achieving a SSE or PMLU pursuant to §19.1.5.507.B(1).

#### *Water Rights*

- E. This Permit does not grant or create any water rights. Nor does MMD, by approving this Permit or otherwise, make any comment on the water rights that the Permittee may or may not have available for use in the area covered by the Permit. The Permittee is solely responsible and obligated to comply with all state and federal laws related to water rights sufficient to support the activities contemplated by the Permit.

#### *Surface and Mineral Rights*

- F. The Permit does not grant or create any property rights. Nor does MMD, by issuing this Permit or otherwise, make any comment on the surface or mineral rights that the Permittee may or may not have in the area covered by the Permit; only that the Permittee has provided a statement of basis on which the Permittee has a right-to-enter the property to conduct mining and reclamation. The Permittee is solely responsible for taking whatever steps are necessary to ensure that Permittee has property rights sufficient to support the activities contemplated by the Permit.

#### *Cultural Resources*

- G. The Permittee shall comply with all other state and federal requirements and standards as applicable, including without limitation any applicable requirements of the Cultural Properties Act, NMSA 1978, Section 18-6-1 to 27 and the regulations promulgated pursuant thereto.

### **Section 8. GENERAL OBLIGATIONS AND CONDITIONS**

In accordance with §19.10.5.506.I NMAC, the Director may approve a closeout plan subject to conditions necessary to meet the requirements of the Act and §19.10 NMAC. The conditions outlined in this section are required for the Permittee to meet certain requirements of the Rules.

- A. The Permittee shall notify MMD at least 30 days prior to performing any permanent closeout/reclamation activities at the mine site.
- B. The conditions specified in this Permit are required to mitigate the disturbance within the permit area and to ensure stabilization of the permit area and minimize future impacts to the environment and protect air and water resources. The conditions specified in this Permit are necessary to reclaim the permit area to the conditions that allow for establishment of a SSE and the designated PMLUs of wildlife habitat, livestock grazing, and industrial uses.
- C. Any changes, modifications, or revisions to the Permit must be approved, in writing, prior to implementation.
- D. Modifications or revisions to a portion, or portions, of the Permit may be required if changes at the mine warrant such action as determined by the MMD Director.



### *Construction Quality Assurance Plan*

- E. The Permittee shall submit a CQA plan to MMD for approval not less than 180 days, or an acceptable time agreeable to MMD, before commencement of any reclamation activities that require engineering designs and shall implement the CQA plan only after MMD approval. The design shall include detailed engineering designs addressing slopes, surface erosion controls and stormwater management structures for MMD approval. The CQA plan shall include: a description of work to be conducted and identification of borrow areas. Design specifications may be modified during the final engineering design with MMD approval.
- F. The CQA shall be supplemented to include a final report to be submitted to MMD not more than 180 days after construction completion. The report shall include a summary of work conducted, as-built drawings and final design specifications for slopes, covers and for stormwater management structures. The CQA final report shall describe, at minimum, as-built drawings, a final topographic map with no greater than two-foot contour intervals for the top surfaces and no greater than ten-foot contour intervals for the out slopes, and construction photographs.

### *Pit Waiver*

- G. The area within the Open Pit Perimeter is granted a conditional waiver from the requirement of achieving a SSE or PMLU as required by §19.10.5.507.B NMAC. Appendix C depicts the area that is waived from achieving a SSE or PMLU. Closure/closeout activities within the waiver area shall focus on safety measures, wildlife and public access restrictions, and short-term and long-term water management as described in this Permit and all other required environmental permits. The interior of the waiver area shall meet the following requirements:

- 1. Environmental Standards

All applicable federal and state environmental laws, regulations, and standards shall be met through short-term and long-term management and treatment of process water as required by NMED, DP-55, and AP-27.

- 2. Public Health and Safety

The Permittee shall ensure that the open pit does not pose a current or future hazard to public health or safety and shall implement the following measures at closeout:

- a. The Permittee shall install and maintain a ten (10) foot tall (minimum) chain-link fence buried two (2) feet below the surface where possible around the Open Pit Perimeter to prevent potential hazards to human and wildlife health and safety. Signs shall be posted at reasonable intervals to warn of potential hazards. A permanent solid or scored plastic or metal barrier along the bottom two feet of the fencing is recommended to exclude smaller animals.

- b. To allow pit access for maintenance activities by authorized personnel, locked gates shall be placed in appropriate locations in association with the berm/fence combination.
- c. Visual inspections to monitor stability of the pit walls shall be done on a quarterly basis to identify potential failure areas, which may adversely impact the environment and public health or safety. If failure areas are identified through monitoring, the Permittee shall propose measures to mitigate the hazard within 30-days of identification for MMD approval.
- d. All constructed safety measures shall be maintained throughout the post-closure period.

3. Wildlife

- a. The Permittee shall provide a clean alternative water source in the permit area in order to discourage wildlife from accessing the pit lake as a water source.

*Post-Mining Land Use*

- H. Development of a SSE comparable to the surrounding region is the goal of the CCP at the mine site, except those areas designated as industrial PMLU or granted a waiver pursuant to §19.10.5.507.B NMAC. The approved PMLUs of the permit area are wildlife habitat and livestock grazing for all units except for the shop/office building and area inside the Pit Perimeter.
- I. The PMLU of the shop/office building is commercial/industrial. To meet criteria for future release of the shop/office building from the Permit, the Permittee:
  - 1. Shall demonstrate that the area is stable with no excessive signs of erosion; if pertinent, maintain documentation that the area comprising the industrial PMLU meets NPDES requirements.
  - 2. Shall provide to MMD a building inspection certification stating that the buildings are in good condition, meet all applicable codes, are structurally sound, meet all zoning requirements, meet all local ordinances, and all utilities are operable. This certification shall be provided to MMD by November 10, 2028, and once every five years thereafter.
  - 3. Shall demonstrate that any required remediation has been completed for any area where soil contamination exists in and around all buildings and facilities for industrial use.
  - 4. Shall demonstrate that they have either entered into long term contractual commitments for the sale, lease or occupancy of a substantial portion of the areas approved for industrial PMLU with commercial businesses or can demonstrate to a reasonable certainty that such contractual commitments shall be executed either in conjunction with the release of the corresponding permit area from the Mining Act or shortly thereafter. MMD shall determine whether the Permittee has complied with those requirements.

*Erosion Control and Site Stabilization*

- J. The conditions for the reclaimed areas are required to mitigate the disturbances within the permit area and to the extent practicable provide for stabilization of the permit area that will minimize future impact to the environment and protect air and water resources in accordance with §19.10.1.7.R(1) NMAC. The conditions are also required to reclaim the permit area to a condition that allows for re-establishment of a SSE or PMLU as required by §19.10.5.507.A NMAC and to meet applicable environmental standards as required by §69-36-11.B(4) of the Act and §19.10.5.506 J(5) NMAC.
- K. The Permittee shall inspect reclaimed lands for signs of excessive erosion and shall mitigate significant erosion features to prevent further degradation of the site. Drainage channels, diversion structures, retention ponds, and auxiliary erosion control measures shall be inspected in accordance with professionally recognized standards. Inspections shall continue until the specific units are released under the Act. Reclaimed areas shall additionally be inspected for evidence of erosion after storm events of one inch or greater in any one-day period. Inspections shall continue until the specific units are released under the Act.
- L. Where significant erosion has occurred, the Permittee shall provide MMD with a report that describes the nature and extent of erosion and any corrective action taken to mitigate erosion, according to the following schedule.
  - 1. The Permittee shall report, in writing, evidence of significant rill, gully, or sheet erosion on any reclaimed area within 24 hours of discovery.
  - 2. Corrective action to mitigate the excessive erosion areas shall take place as soon as practicable after discovery.
  - 3. The Permittee shall provide a written report within 30 days of discovery. The report shall describe the corrective action efforts undertaken.
- M. Damaged erosion control applications shall be reinstalled, repaired, or re-designed as necessary. The Permittee shall commit to using a variety of erosion control measures, as needed, if erosion control problems develop. Long-term erosion control measures may include the installation of berms, designed channels, and sediment containment structures, as necessary, and shall be designed at a minimum for a 100-year, 24-hour storm event. Short-term erosion control measures will include silt fences, hay bales, water bars, and mulching.

*North Slope of the Waste Rock Pile*

- N. The Permittee is currently working with the MMD and NMED to address erosional issues on the north slope of the waste rock pile through a corrective action work plan conditionally approved by MMD and NMED on October 14, 2022, with a revised conditional approval on May 16, 2023. MMD remains concerned about the effectiveness of the north slope reclamation of the waste rock pile. The following conditions relate to site stability of the north slope of the waste rock pile:

1. The Permittee shall submit a combined cover performance evaluation and interceptor wall effectiveness report (“Effectiveness Report”) to MMD and NMED for review and approval by July 1, 2025, that evaluates the waste rock pile reclamation holistically. The waste rock pile design and cover system shall effectively direct and convey stormwater off the waste rock pile, without significant erosion of the cover and conveyance system, while allowing the cover system to operate as an evapotranspiration cover to limit infiltration of meteoric water through the cover and into the underlying waste material. The Effectiveness Report shall include the Permittee’s proposal for rectifying any identified deficiencies with the waste rock pile cover system and bench design. The Effectiveness Report shall also include a feasibility study for reapplying clean cover and regrading the entire north slope of the waste rock pile to ensure long term site stability and adequate storm water drainage.
2. The Permittee shall maintain financial assurance for a minimum of eight (8) acres of cover placement and revegetation costs for the north slope of the waste rock pile. Pending the results of the report described in Condition 8.N.1 of this Permit, MMD will re-evaluate financial assurance requirements.

#### *Revegetation Requirements*

- O. Following any revegetation and restoration activities, periodic site monitoring shall be conducted by the Permittee to ensure the successful establishment of vegetation and stabilization of the site. Revegetated areas that do not exhibit satisfactory vegetative growth by the end of the third growing season shall be mitigated by reseeding, mulching, grading, and/or application of best management practices (“BMPs”) to prevent erosion and site degradation.
- P. The waste rock pile (including the ARD sludge disposal cells 1 & 2), open pit outside the pit perimeter, reverse osmosis ponds, residue pile remediation ponds, ARD collection ponds (2), ARD treatment system ponds (2), ARD evaporation treatment ponds (2), and lime treatment system shall be reclaimed and revegetated to meet the standards of §19.10.5.507 NMAC and in accordance with the reclamation and revegetation standards set forth in Appendix B, *Seeding Methods and Revegetation Standards*, of this Permit.
- Q. Fencing is recommended around reclaimed areas to protect from grazing until plants are well-established or until revegetated areas can tolerate managed grazing pressure.
- R. The Permittee shall provide reports of the results of revegetation monitoring to MMD. Monitoring is to be conducted every third year. Revegetation monitoring shall include measurements of plant diversity, density, cover, shrub and tree survival, and shrub and tree growth.
- S. If at any time during or after monitoring year five (5) for a revegetated unit, monitoring indicates significant potential for failure to meet any of the foregoing revegetation performance standards, the Permittee shall document such findings in a report to MMD within 60 days of problem identification. The report shall describe the area of concern, the perceived

problem, and the probable causes. Within 45 days of submission of the report, the Permittee shall submit a corrective action plan, with an implementation schedule, to MMD for review and approval. Following MMD approval, the corrective action plan shall be implemented.

#### *Human and Wildlife Health and Safety*

- T. A protective barrier (i.e. bird netting, bird balls, etc.) shall be maintained over ARD collection ponds A and B to prevent birds from accessing these facilities.
- U. The Permittee shall install and maintain a ten (10) foot tall (minimum) chain-link fence buried two (2) feet below the surface where possible around the ARD collection ponds A and B to prevent potential hazards to human and wildlife health and safety. A permanent solid or scored plastic or metal barrier along the bottom two feet of the fencing is recommended to exclude smaller animals.
- V. Berms, signs, protective barriers over ARD collection ponds A and B, and fencing will be inspected each quarter for signs of deterioration, and any repairs to these items should be completed within 30 days of discovery.

#### *Water Treatment Facilities*

- W. Portions of the site shall be maintained as water treatment systems for the site. These areas include roads, buildings, wells, impoundments, and drainage conveyance systems necessary for water treatment. The water treatment systems will be operated and maintained in accordance with DP-55 and AP-27.
- X. Upon compliance with AP-27, DP-55, and other NMED requirements for the RO Ponds, Residue Pile Remediation Ponds, ARD Collection Ponds (2), ARD Treatment System Ponds (2), ARD Evaporation Treatment Ponds (2), and lime treatment system, the Permittee shall regrade and revegetate any disturbed areas associated with these facilities that will no longer be used in accordance with the reclamation and revegetation standards set forth in Appendix B, *Seeding Methods and Revegetation Standards*, of this Permit. The Permittee shall plug and abandon all monitoring wells upon compliance with AP-27, DP-55, and other NMED requirements.

#### *Reclamation Schedule*

- Y. The reclamation of units at Cunningham Hill shall be in accordance with the schedule identified in *Table 1. Reclamation Schedule* of this Permit (below) unless earlier reclamation is required by other agencies.
- Z. During reclamation, measures shall be taken to provide for the stabilization of the disturbances that will minimize future impact to the environment and protect air and water resources.
- AA. The Permittee may submit to MMD for approval a request to modify or revise the Reclamation Schedule pursuant to §19.10.5.505 NMAC.

BB. The Permittee's performance of reclamation shall not be construed to modify or limit the Permittee's existing obligations or requirements set forth in other state or federal permits.

**Table 1. Reclamation Schedule**

<b>Unit OR Reclamation Activity</b>	<b>Anticipated Start Date for Reclamation to Begin<sup>1, 2</sup></b>	<b>Anticipated Duration (Months)</b>
RO Ponds	180 days after the requirements have been met under DP-55 and AP-27	1
ARD Collection Ponds (2)	180 days after the requirements have been met under DP-55 and AP-27	1
Lime Treatment System	On or before December 31, 2025	1
Lime Treatment Ponds (2)	On or before December 31, 2025	1
Treated ARD Evaporation Ponds (2)	On or before December 31, 2025	1
Residue Pile Remediation Ponds	180 days after the requirements have been met under DP-55 and AP-27	1
Open Pit Fence Installation	180 days following Permit Issuance	3

<sup>1</sup>"Start date" is defined as the date that work plans or engineering designs describing how the unit is to be closed or reclaimed have been submitted.

<sup>2</sup>"Anticipated duration" for facility reclamation does not include regulatory design review and approval processes.

#### *Financial Assurance*

CC. The Permittee shall not be released from final financial assurance requirements until the approved PMLUs are achieved and the performance standards have been met for areas designated as wildlife habitat and livestock grazing release criteria must be in accordance with the revegetation success and site stability (erosion) standards of this Permit.

DD. Pursuant to §19.10.12.1210 NMAC and §19.10.5.507.A NMAC, the Permittee must show that the reclamation described in the CCP has been accomplished in accordance with the requirement to ensure that the permit area will be reclaimed to a condition that allows for the re-establishment of a SSE, prior to complete or partial release of financial assurance.

EE. In the event of forfeiture, expenditure of funds on specific reclamation activities shall be at the discretion of the MMD and NMED.

#### *Closure/Closeout Plan Renewal*

FF. The Permittee shall submit an application for a revision of this Permit including an updated Closure/Closeout Plan pursuant to §19.10.5 NMAC every five (5) years, from the date of this Permit issuance.

### *Annual Reports & Fees*

GG. The Permittee shall submit annual reports as required by §19.10.5.510 NMAC, annual fees as required by §19.10.2.202 NMAC, and any other required fees pursuant to §19.10.2 NMAC. The Permittee shall include in the annual reports, required by §19.10.5.510 NMAC of the Rules, the following information:

1. Status of the operation, including but not limited to, the status of closure activities for each unit;
2. any maintenance and repair work conducted for any closure component;
3. the location of the disturbed areas on maps and, if reclaimed, the date the work was done;
4. the number of disturbed acres, the number of acres reclaimed, and the number of acres yet to be reclaimed;
5. vegetative monitoring data collected on re-vegetated areas;
6. meteorological data collected for the Cunningham Hill Mine;
7. the current market value of any collateral posted as financial assurance in accordance with Part 12 of the Rules;
8. the compliance status for all existing state and federal environmental permits held by the Permittee for the operation, and
9. observations of wildlife impact or use of reclaimed areas.

### **Section 9. CONCLUSIONS OF LAW**

- A. The Director has jurisdiction over the Permittee and the subject matter of this proceeding.
- B. PAP 20-1 is complete, accurate, and complies with the requirements of the Act and §19.10.5.502 NMAC and §19.10.5.503 NMAC and with conditions described in this Permit.
- C. PAP 20-1 is complete, accurate, and complies with the requirements of §19.10.5.505 NMAC and §19.10.5.506 NMAC. The Permittee is permitted, under authority of the New Mexico Mining Act, to conduct reclamation operations at the Cunningham Hill Mine in Santa Fe County, New Mexico, upon the condition that the Permittee complies with the requirements of this Order, the Act, the Rules, and Permit No. SF002RE and all revisions thereof and modifications thereto.

### CERTIFICATION

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 certify that I have read, understand, and will comply with the requirements of this Permit Revision 20-1. I also agree to comply with the performance and reclamation standards and requirements of this Permit, the Rules, and the Act, and allow the Director to enter the permit area without delay for the purpose of conducting inspections.



Authorized Representative of the Permittee

PROJECT MANAGER

Title

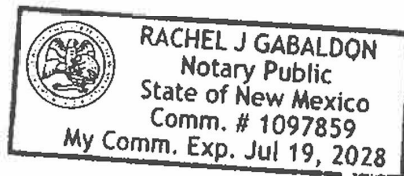
HOMESTAGE MINING Co. of CALIFORNIA  
Company

Subscribed and sworn to before me this 17 day of December, 2024

  
Notary Public

My Commission Expires

7/19, 2028





**ORDER**

NOW THEREFORE, IT IS HEREBY ORDERED that reissued Permit No. SF002RE, approving a conditional pit waiver area of 19.37 acres as depicted in Appendix C of this Permit, incorporating the Closeout Plan, and allowing Homestake to conduct closeout and reclamation operations, is approved. The Permit may not be transferred without approval by the Director. The Permit is subject to all conditions set out in the Director's Findings of Fact, General Obligations and Conditions, Conclusions of Law, and Order.

By Order of the Director, Mining and Minerals Division, Energy, Minerals and Natural Resources Department, of the State of New Mexico.

By:



Albert Chang, Director

Mining and Minerals Division

New Mexico Energy, Minerals and Natural Resources Department

Date:

12/26/2024

## Appendix A

Figure 3 of the CCP: Map of Cunningham Hill Permit Area and Design Limits

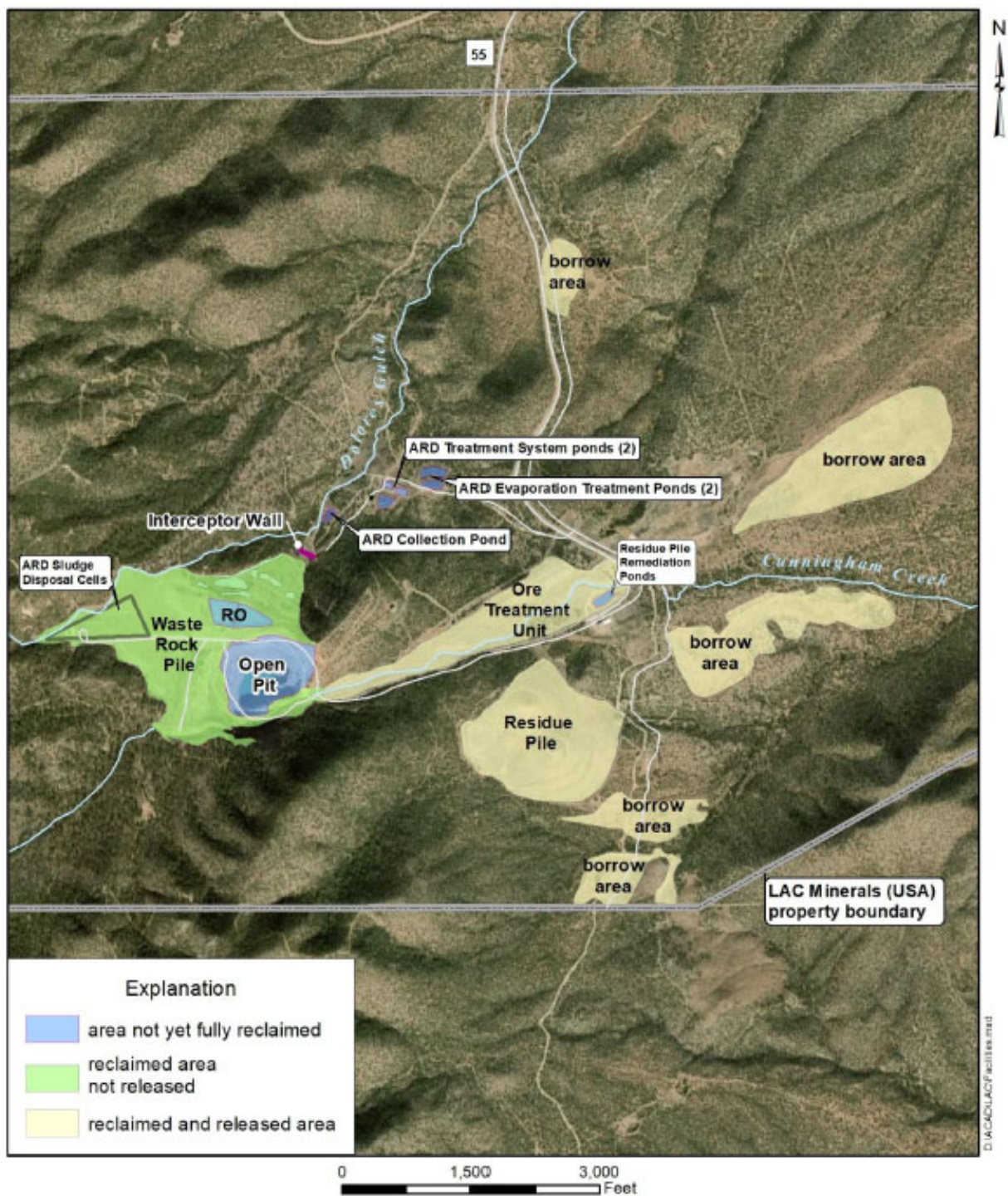


Figure 3. Aerial photograph showing locations of Gold Fields operation mining and processing units, and borrow areas used for reclamation.

## **Appendix B**

### **Seeding Methods and Revegetation Standards**

#### Seeding Methods

After placement of RCM, the Permittee shall leave the seedbed in a roughened condition to reduce overland flow and promote the infiltration of water. Steep slopes may preclude the use of a drill seeder, which is the preferred methodology for reseeding. If drill seeding is not feasible, seed shall be broadcast and covered using a chain- or tire-drag. Certified weed-free straw or native grass mulch shall be applied at a rate of at least two tons/acre and stabilized using a tackifier emulsion or by crimping. Long-stem mulch is preferred over shorter materials. The mulch shall be certified weed-free and contain a minimum of viable seeds associated with the mulch source (e.g., barley or wheat seeds). The Permittee shall design, construct and maintain best management practices for erosion control according to nationally recognized standards of the U.S. National Resources Conservation Service or alternative equivalent standards.

#### Seed Mix

The two reclamation seed mixes approved for the Cunningham Hill Mine consist of a Seed Mix 1 for warmer and drier site and a Seed Mix 2 for wetter and cooler sites. Both seed mixes include a mixture of warm and cool season grasses and forbs. The seed mix was selected to provide early establishment of ground cover, erosion control, and diversity in grown forms. The seed mix is designed for application prior to the summer rains and the seeding should be completed by the end of June.

#### Supplemental Plantings

In areas where appropriate, excluding the RO Evaporation ponds and the Waste Rock Pile, supplemental woody species plantings/seedings will occur using the approved seed/seedling mix.

A list of species for the seed mix is included in *Table 7: Cunningham Hill Mine Reclamation Project Seed Mix 1 for warmer and drier site conditions*, *Table 8. Cunningham Hill Mine Reclamation Project Seed Mix 2 for wetter and cooler site conditions*, and *Table 9. Woody species to be used for reclamation of the Update CCP*:

**Table 7. Cunningham Hill Mine Reclamation Project Seed Mix 1  
 for warmer and drier site conditions**

species	drill seed rate pure live seed (lbs/acre)	species characteristics
blue grama; <i>Bouteloua gracilis</i>	2.0	warm season
indian ricegrass; <i>Oryzopsis hymenoides</i>	1.0	warm season
sideoats grama; <i>Bouteloua curtipendula</i>	1.0	warm season
galleta; <i>Hilaria jamesii</i>	1.0	warm season
sand dropseed; <i>Sporobolus cryptandrus</i>	0.25	warm season
Great Basin wildrye; <i>Elymus cinereus</i>	2.0	cool season
purple prairie clover; <i>Petalostemum purpureum</i>	0.2	Forb
palmer penstemon; <i>Penstemon palmeri</i>	0.1	Forb
lewis flax; <i>Linum lewisii</i>	0.5	Forb
scarlet globemallow; <i>Sphaeralcea coccinea</i>	0.1	Forb
<b>TOTAL</b>	<b>8.15</b>	

**Table 8. Cunningham Hill Mine Reclamation Project Seed Mix 2  
 for wetter and cooler site conditions**

species	drill seed rate pure live seed (lbs/acre)	species characteristics
spike muhly; <i>Muhlenbergia wrightii</i>	0.5	warm season
blue grama; <i>Bouteloua gracilis</i>	2.0	warm season
indian ricegrass; <i>Oryzopsis hymenoides</i>	2.0	cool season
lewis flax; <i>Linum lewisii</i>	0.5	Forb
purple prairie clover; <i>Pentalostemum purpureum</i>	0.5	Forb
Rocky Mountain penstemon; <i>Penstemon strictus</i>	0.5	Forb
prairie coneflower; <i>Ratibida columnifera</i>	0.25	Forb
<b>TOTAL</b>	<b>6.25</b>	

**Table 9. Woody species to be used for reclamation**

species	drill seed rate pure live seed (lbs/acre)	value
piñon pine; <i>Pinus edulis</i>	sapling	seeds, cover
New Mexico Locust; <i>robinia neomexicana</i>	4.0	seeds, cover
ponderosa pine; <i>Pinus ponderosa</i>	sapling	seeds
Gambel oak; <i>Quercus gambelii</i>	3.0	cover, browse
mountain mahogany; <i>Cercocarpus montanus</i>	4.0	cover, browse
fourwing saltbush; <i>Atriplex canescens</i>	5.0	cover, browse, seeds
skunkbush sumac; <i>Rhus trilobata</i>	4.0	browse, berries, cover
chamisa; <i>Chrysothamnus nauseosus</i>	1.5	cover, seeds, browse
apache plume; <i>Fallugia paradoxa</i>	0.5	shrub
<b>TOTAL</b>	<b>22.0</b>	

## **Vegetation Success Standards and Success Monitoring**

### Canopy Cover

Vegetative ground cover must meet at least one of the following two tests:

- a. the total vegetative ground cover (exclusive of noxious, invasive, or annual species) in the revegetated unit equals or exceeds 75 percent of the approved reference area's total vegetative ground cover (exclusive of noxious, invasive, or annual species), with 90 percent statistical confidence; or
- b. the total vegetative ground cover (exclusive of noxious, invasive, or annual species) in the revegetated unit equals or exceeds 50 percent of the approved reference area's total vegetative cover (exclusive of noxious, invasive, or annual species) with 90 percent statistical confidence, and predicted values of soil loss using the Revised Universal Soil Loss Equation (RUSLE) are equal to or less than the comparison "T" value, which essentially is the soil genesis rate in tons per acre per year.
- c. Noxious and invasive weed species within the reclaimed area does not exceed 5% of the live vegetative cover.

### Shrub Density

The standard for shrub density shall be a minimum of 220 live woody plants per acre.

### Plant Diversity

Important species on revegetation units must be greater than 50% of the reference area's important species. Important species means all non-annual (perennial and biennial) species that contribute at least 2% relative cover (composition) or at least 1% absolute cover.

### Revegetation Success Monitoring

The reclaimed and reference areas shall be monitored periodically after any revegetation efforts in the permit area. Regular inspections will be made to determine the initial success of the seeding. Thereafter, vegetation monitoring shall be conducted periodically starting three years after initial establishment of vegetation on the reclaimed lands. Vegetation shall be monitored more frequently in the years prior to financial assurance release determination than in the mid-term period.



## Appendix C Pit Waiver Area

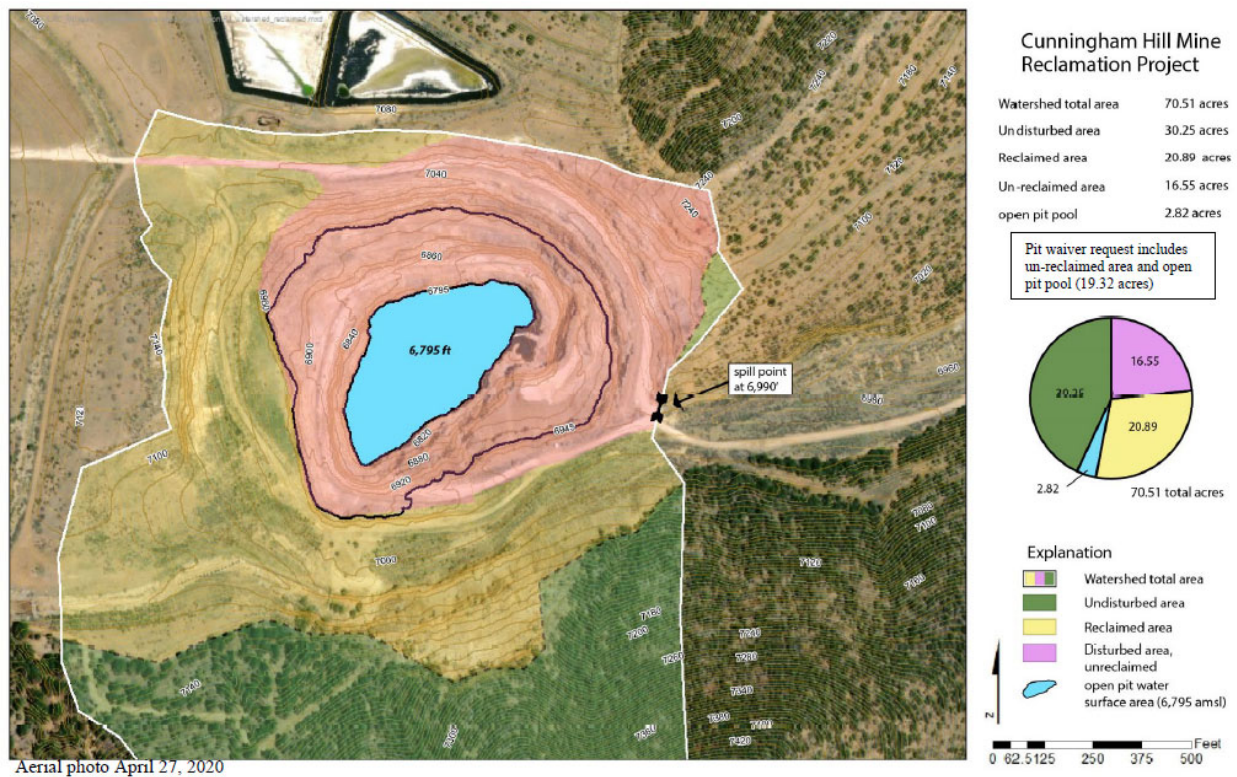


Figure 2. Aerial photograph of Open Pit showing undisturbed, disturbed, and reclaimed areas, Cunningham Hill Mine Reclamation Project.