

Bonaventure Nevada Inc.  
5560 Rue St Tropez  
Reno, NV 89511  
Phone: 775-746-4471

24 April 2026

**Samantha Rynas**  
Reclamation Specialist  
Mining and Minerals Division  
Mining Act Reclamation Program  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

**RE: Termination report for Sugarloaf Exploration Permit No. GR092EM  
Minimal Impact Exploration Project in Grant County, New Mexico**

Dear Ms. Rynas,

In February and March of 2026, Bonaventure Nevada Inc. constructed, and then reclaimed 8 of the proposed 11 drill sites at the Sugarloaf Project in Grant County, New Mexico. One site was bladed but not drilled. Existing roads were maintained, while all newly constructed road segments were reclaimed. Two cultural studies and two tours to state and federal personnel were conducted prior to drilling, and all drilling activities took place outside of active nesting seasons and monsoon season.

The eight holes drilled by American Drilling Corp. were all HQ3 size and utilized a closed loop circulation system to remove the need for large sumps to be constructed. Figure 1 below shows the hole names and locations which correspond to the hole abandonment logs which are also attached. The state engineer's office in Deming advised both the drillers and Bonaventure Nevada that no form WD-08 or WR-08 were required for the program as no ground water was expected to be encountered, and none was encountered during the drilling program. All holes were plugged with a high density bentonite to TD with a 10 foot cement cap and two feet of native backfill atop, with drill hole markers placed, as per state regulations.

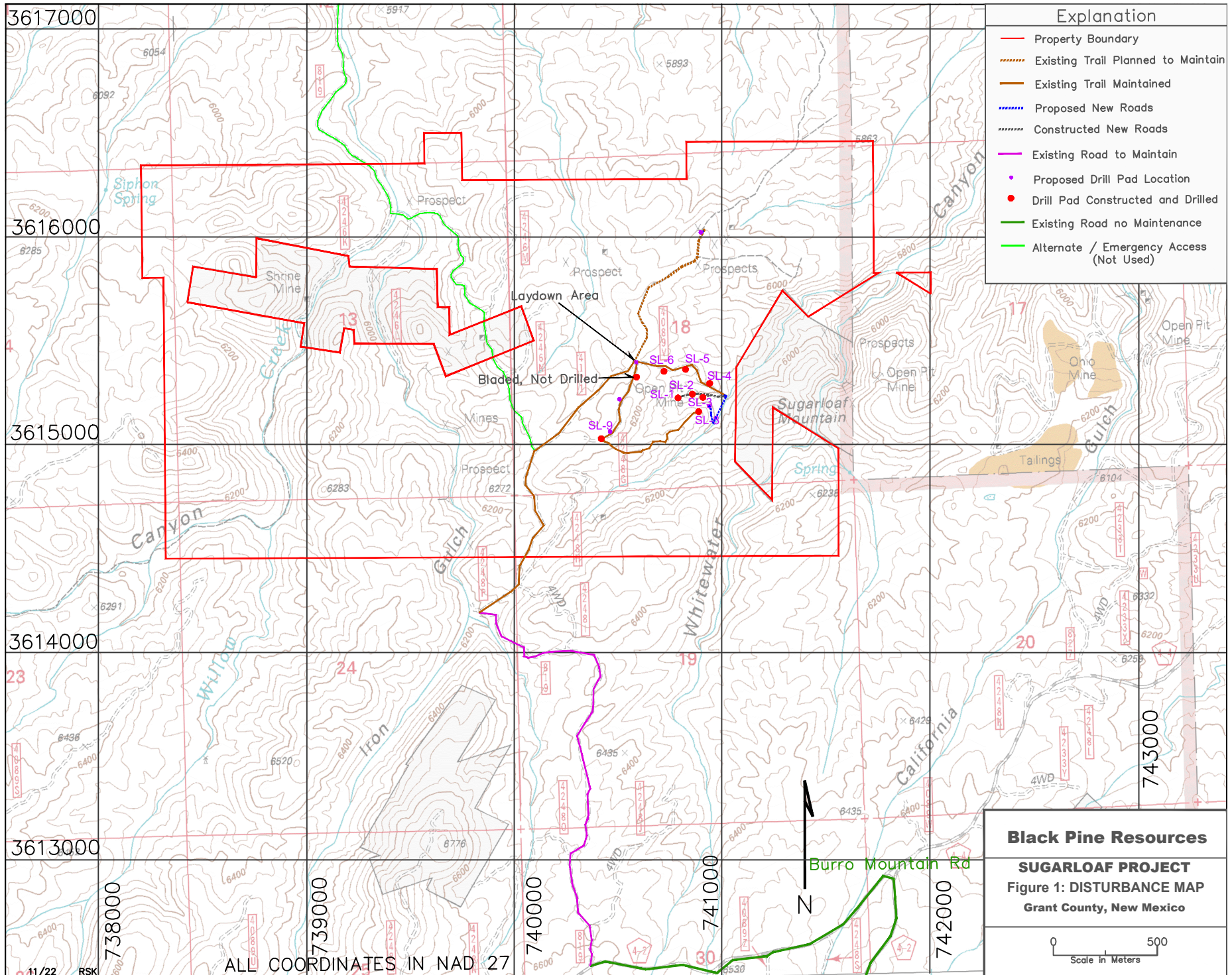
Reclamation of sites and roads occurred concurrent to drilling activities and included revegetation via weed free seed mix via Herd broadcast spreader supplemented with hand spreading, regrading of road surfaces, use of BMPs to stabilize soils, and brushing of surfaces to stabilize soils and seed beds. The full reclamation summary report is attached below.

Bonaventure Nevada Inc. would like to request a final review of the reclamation work for the Malone project from the New Mexico Mining and Minerals Division along with the Gila National Forest in order to finalize the termination of the Sugarloaf Project under permit GR092EM.

Bonaventure Nevada Inc.  
5560 Rue St Tropez  
Reno, NV 89511  
Phone: 775-746-4471

Upon final review, it is requested that the financial assurance reclamation bond for the Sugarloaf project be released.

Sincerely,  
Richard Kern  
President  
Bonaventure Nevada Inc.  
Office: 775-746-4471  
Cell: 775-287-5822



## **Appendix 1: Hole Abandonment and Plugging Forms**



**Hole Abandonment Form**

Hole Number: SL-01. Project: Sugar Loaf

Depth: 150' (Feet) Diameter: 3.830" (Inches)

Exploratory Hole:  Or Monitor Well:

Date Hole Completed: 3-03-2026

Date Hole Abandoned: 3-03-2026

Plugged by: Russ Nielson and Nick Davis (Day Shift)

Drill hole pluggin material (s). Check method used.

Bentonite Slurry

Cement Slurry

Chipped coarse Bentonite

Other: \_\_\_\_\_

Surface Seal: 2' native backfill to grade Feet of cement: 10' cement cap

Drill hole marker placed

Comments: 20% solids bentonite slurry. Full circulation, dry hole no water encountered.

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Certified by: Tyson Yazzie (Project Manager)

Company: American Drilling Corp



**Hole Abandonment Form**

Hole Number: SL-02                      Project: Sugar Loaf

Depth: 197.5'                      (Feet)      Diameter: 3.830"      (Inches)

Exploratory Hole:                       Or                      Monitor Well:

Date Hole Completed: 3-05-2026

Date Hole Abandoned: 3-05-2026

Plugged by: Russ Nielson and Nick Davis (Day Shift)

Drill hole pluggin material (s). Check method used.

Bentonite Slurry

Cement Slurry

Chipped coarse Bentonite

Other: \_\_\_\_\_

Surface Seal: 2' native backfill to grade                      Feet of cement: 10' cement cap

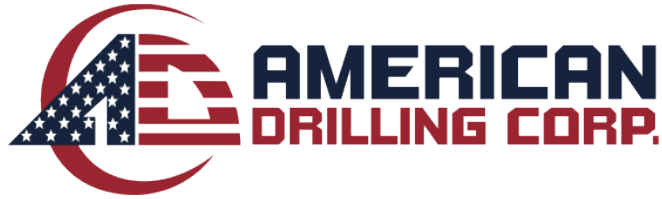
Drill hole marker placed

Comments: 20% solids bentonite slurry. Full circulation, dry hole no water encountered

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Certified by: Tyson Yazzie (Project Manager)

Company: American Drilling Corp



### **Hole Abandonment Form**

Hole Number: *SL-03*                      Project: *Sugar Loaf*

Depth: *193'*                      (Feet)      Diameter: *3.830"*      (Inches)

Exploratory Hole: *X*                      Or                      Monitor Well:

Date Hole Completed: *3-06-2026*

Date Hole Abandoned: *3-06-2026*

Plugged by: *Russ Nielson and Nick Davis (Day Shift)*

Drill hole pluggin material (s). Check method used.

*X*      *Bentonite Slurry*

\_\_\_\_\_ *Cement Slurry*

\_\_\_\_\_ *Chipped coarse Bentonite*

\_\_\_\_\_ *Other:* \_\_\_\_\_

Surface Seal: *2' native backfill to grade*                      Feet of cement: *10' cement cap*

*Yes*      *Drill hole marker placed*

Comments: *20% solids bentonite slurry. Full circulation, dry hole no water encountered*

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Certified by: *Tyson Yazzie (Project Manager)*

Company: *American Drilling Corp*



### Hole Abandonment Form

Hole Number: SL-04                      Project: Sugar Loaf

Depth: 283 '                      (Feet)      Diameter: 3.830"      (Inches)

Exploratory Hole:                       Or                      Monitor Well:

Date Hole Completed: 3-11-2026

Date Hole Abandoned: 3-11-2026

Plugged by: Russ Nielson / Nick Davis / Tyson Yazzie / Timothy Peake

Drill hole pluggin material (s). Check method used.

Bentonite Slurry

Cement Slurry

Chipped coarse Bentonite

Other: \_\_\_\_\_

Surface Seal: 2' native backfill to grade                      Feet of cement: 10' cement cap

Drill hole marker placed

Comments: 20% solids bentonite slurry. Full circulation, dry hole no water encountered

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Certified by: Tyson Yazzie (Project Manager)

Company: American Drilling Corp



**Hole Abandonment Form**

Hole Number: SL-05                      Project: Sugar Loaf

Depth: 206'                      (Feet)      Diameter: 3.830"      (Inches)

Exploratory Hole:                       Or                      Monitor Well:

Date Hole Completed: 3-13-2026

Date Hole Abandoned: 3-13-2026

Plugged by: Russ Nielson / Nick Davis (Day Shift)

Drill hole pluggin material (s). Check method used.

Bentonite Slurry

Cement Slurry

Chipped coarse Bentonite

Other: \_\_\_\_\_

Surface Seal: 2' native backfill to grade                      Feet of cement: 10' cement cap

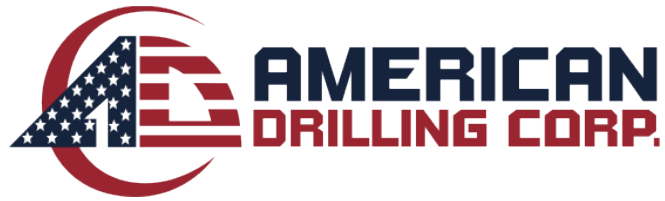
Drill hole marker placed

Comments: 20% solids bentonite slurry. Full circulation, dry hole no water encountered

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Certified by: Tyson Yazzie (Project Manager)

Company: American Drilling Corp



### **Hole Abandonment Form**

Hole Number: SL-06                      Project: Sugar Loaf

Depth: 229'                      (Feet)      Diameter: 3.830"      (Inches)

Exploratory Hole:                       Or                      Monitor Well:

Date Hole Completed: 3-15-2026

Date Hole Abandoned: 3-15-2026

Plugged by: Bobby Navarro / Timothy Peake (Night Shift)

Drill hole pluggin material (s). Check method used.

Bentonite Slurry

Cement Slurry

Chipped coarse Bentonite

Other: \_\_\_\_\_

Surface Seal: 2' native backfill to grade                      Feet of cement: 10' cement cap

Drill hole marker placed

Comments: 20% solids bentonite slurry. Full circulation, dry hole no water encountered

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Certified by: Russ Nielson (Project Manager)

Company: American Drilling Corp



**Hole Abandonment Form**

Hole Number: SL-07                      Project: Sugar Loaf

Depth: 300'                      (Feet)      Diameter: 3.830"      (Inches)

Exploratory Hole:                       Or                      Monitor Well:

Date Hole Completed: 3-20-2026

Date Hole Abandoned: 3-20-2026

Plugged by: Bobby Navarro / Timothy Peake (Night Shift)

Drill hole pluggin material (s). Check method used.

Bentonite Slurry

Cement Slurry

Chipped coarse Bentonite

Other: \_\_\_\_\_

Surface Seal: 2' native backfill to grade                      Feet of cement: 10' cement cap

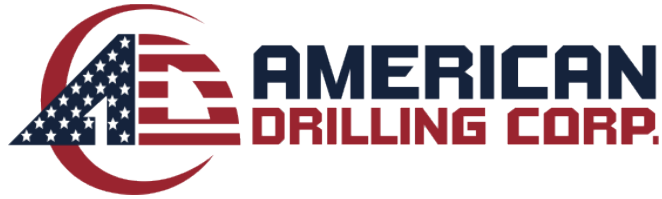
Drill hole marker placed

Comments: 20% solids bentonite slurry. Full circulation, dry hole no water encountered

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Certified by: Russ Nielson (Project Manager)

Company: American Drilling Corp



**Hole Abandonment Form**

Hole Number: SL-08                      Project: Sugar Loaf

Depth: 258'                      (Feet)      Diameter: 3.830"      (Inches)

Exploratory Hole:                       Or                      Monitor Well:

Date Hole Completed: 3-23-2026

Date Hole Abandoned: 3-23-2026

Plugged by: Russ Nielson / Morgan Berlin (Day Shift)

Drill hole pluggin material (s). Check method used.

Bentonite Slurry

Cement Slurry

Chipped coarse Bentonite

Other: \_\_\_\_\_

Surface Seal: 2' native backfill to grade                      Feet of cement: 10' cement cap

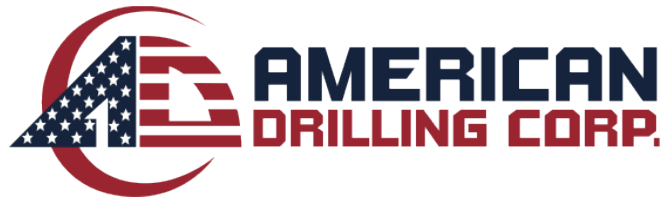
Drill hole marker placed

Comments: 20% solids bentonite slurry. Full circulation, dry hole no water encountered

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Certified by: Russ Nielson (Project Manager)

Company: American Drilling Corp



Pursuant to 19.10.3.302(L) NMAC, each dry borehole shall be plugged from total depth with a column of high-density bentonite clay of sufficient composition, density, weight and viscosity to form an impermeable plug, unless another material is approved by the New Mexico Office of the State Engineer (NMOSE). The high-density bentonite shall be hydrated according to the manufacturer's requirements, and emplaced from the bottom upwards, to approximately 12 feet of the original ground surface. A 10-foot column of cement shall then be added to within approximately 2 feet of the ground surface. The cement shall be hydrated according to the manufacturer's requirements. The remaining hole shall be backfilled with topdressing from above the cement plug to the original ground surface. The hole shall be permanently plugged and abandoned as soon as is practical after drilling is complete. If a water-bearing stratum is encountered, the borehole shall be plugged before the drill rig is removed from the site and must satisfy the requirements of the NMOSE and the NMED for proper plugging of such holes.

If groundwater is encountered, the boreholes shall be considered wells and shall be permitted and sealed pursuant to the NMOSE's *Rules and Regulations Governing Well Driller Licensing, Construction, Repair, and Plugging of Wells*, 19.27.4 NMAC (see 19.27.4.36, *Requirements for Mine Drill Holes that Encounter Water*). An NMOSE-approved *Well Plugging Plan of Operations* shall be provided to MMD following the approval of this Permit or within 30 days after groundwater was inadvertently or unexpectedly encountered during drilling activities. The approved sealant shall comply with all applicable specifications of *ASTM D5299-99*. Because of the anticipated hard water conditions concerning the permit area, the permittee is required to use the proper plugging material appropriate for the hardness of water encountered. The Permittee shall ensure that the correct ratio of solids to water is used during the preparation of the approved sealant. Well plugging records shall be sufficiently detailed to document plugging methodology, the proper constitution of approved sealant, and an adequate volume of sealant was used to meet theoretical volumes of plugged intervals shall be provided to NMOSE and copied to MMD. Additionally, the Permittee is required to consult with OSE personnel prior to plugging wet boreholes.

## **Appendix 2: Reclamation Information**

# **Bonaventure Nevada Inc. Permit NO. GR092EM. Sugarloaf Exploration Project Minimal Impact Exploration Operation**

## **Reclamation Summary Report**

All disturbed areas associated with the permit were reclaimed in accordance with the “*Reclamation and Revegetation Requirements*” utilizing Best Management Practices as set forth in the above permit to restore site stability, minimize erosion and promote successful revegetation. A Reclamation completion inspection was conducted on March 26<sup>th</sup>, 2026 with Tony Ybarra (Silver City, New Mexico USFS) and Sean McCormick (Bonaventure NV Inc.).

## **Notification of Reclamation**

Per section AA of the above permit Bonaventure Nevada Inc. was in constant contact with both MMD and USFS for notification of the timing of reclamation. On site inspection with MMD conducted on March 12<sup>th</sup>, 2026 at which time notification and scheduling of a pre reclamation inspection was scheduled. Pre reclamation inspection was conducted on March 19<sup>th</sup>, with Tony Ybarra (Silver City, New Mexico USFS).

## **Site Preparation and Soil Treatment**

Disturbed surfaces were properly scarified to alleviate compaction and promote seed-to-soil contact. Final grading was completed to re-establish natural contours and ensure proper drainage patterns consistent with surrounding terrain.

## **Seeding and Vegetation Establishment**

Revegetation was completed using a certified weed-free seed mix (*see attached receipt*) approved by the U.S. Forest Service for the project region on March 18<sup>th</sup>, 2026 via text communication with Elizabeth Toney (Silver City, New Mexico USFS). Application was performed utilizing a **Herd** broadcast spreader, supplemented with hand spreading to ensure even distribution across all disturbed areas in accordance with the outlined seed density of “*30 seeds per square foot*”. As described in section IV A of the plan of operations. Seeded areas were harrowed via chain harrow utilizing Best Management Practices. Seed quantities utilized provide a surplus of 25% seed requirement to accommodate any requirements of higher density areas.

## **Erosion Control Measures**

Erosion control features were installed utilizing Best Management Practices as directed and approved by the U.S. Forest Service, including:

- Installation of water bars to divert surface runoff to prevent erosion and site degradation.
- Regrading of road surfaces to improve drainage and reduce channelization.
- Brushing of exposed areas to stabilize soils and stabilize seed beds.
- Implementation of BMPs to stabilize soils and protect against sediment transport.

## **Access Control Measures**

To limit future disturbance and control vehicle access, two sections of the road were narrowed (“*gauntleted*”) and physically closed where not permitted for future travel. The remaining roads were left accessible to 4-wheel drive travel as directed by the USFS representative.

## **Compliance Statement**

All reclamation work was performed in compliance with U.S. Forest Service guidance Utilizing Best Management Practices to fulfill the requirements of the above permit and Plan of Operations. The completed work is intended to ensure long-term site stability, prevent erosion, and support the re-establishment of native vegetation.

## **NMOSE Compliance.**

### Compliance Consultation Summary

A compliance consultation was conducted on February 26, 2026 prior to commencement. The following individuals participated in the discussion:

- Justin Broomfield, State Officer
- Jake Vega, State Officer
- Javier Diaz, Licensed Well Driller.
- Kris Brown, Director of Operations.

Although not present at the meeting, Lloyd Valentine, District Manager, provided guidance through discussions with Justin Broomfield.

The primary point of contact for this consultation is Justin Broomfield, who can be reached at 575-546-2851 ext. 41009.

### Regulatory Determination

Based on the consultation, it was determined that Statute 19.27.4.2 does not require permitting through the New Mexico Office of the State Engineer (NMOSE), nor does it require Well Driller Licensing, due to the dry nature of the boreholes.

### Abandonment Compliance

All boreholes associated with the project were confirmed to be dry and have been abandoned in accordance with “*Section CC – Borehole and/or Well Abandonment requirements.*”

Supporting borehole abandonment documentation, including all pertinent details, has been attached for reference.

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# Curtis & Curtis Seed

4500 North Prince St.  
Clovis, New Mexico 88101  
Phone: (575) 762-4759  
Email: seed@curtisseed.com  
www.curtisseed.com

## Invoice

Page 1

Date: 19-Mar-26

Inv #: 70695

Acct #: Cash

**SHIP TO** Russ Nielson  
710 Silver Heights Blvd  
Silver City, NM 88061

**BILL TO** Cash Customer  
., NM

Sale # 70695	Ordered: 18-Mar-26	Terms: Cash	
Sold By: Brady Logan	Shipped: 19-Mar-26	Due: 19-Mar-26	
Cust PO #: 1010-25331 <i>Sugarloaf</i>	Via: Customer Pick-Up	FOB: FOB Clovis	
DESCRIPTION LOT CODE	QUANTITY	NET PRICE	EXTENSION Taxes/Royalties

1 Sale	Blue Grama, Alma 3633	3.24 PLS-lb	\$30.00 /PLS-lb	\$97.20
2 Sale	Sideoats Grama, Niner 3596	12.43 PLS-lb	\$24.00 /PLS-lb	\$298.32
3 Sale	Sand Dropseed, Variety Not Stated 3698	0.44 PLS-lb	\$13.50 /PLS-lb	\$5.94
4 Sale	Freight & Packaging	0.000	\$185.48000 /	\$185.48
5 Sale	Credit Card Surcharge - 4%	594 .	\$0.04 /.	\$23.76

Total Weight: 38.59

Total Lines: \$610.70  
Taxes/Royalties: \$31.87

*American Drilling Corp, ahernandez@amgl.com*

Invoice Total: \$642.57

Payments:

**BALANCE DUE:** \$642.57

*Next Day Air*

*Bag into 1) 5.5 Acre Bag @ 38.587 lbs.*

*Thank you for your business!*

*A finance charge of 2.5% per month will be charged for accounts not paid within terms.*

Merchant: CURTIS AND CURTIS SEED

4500 N. PRINCE STREET  
CLOVIS, NM 88101  
US

(575) 762-4757

Description:

Order Number:

Customer ID:

P.O. Number:

Invoice Number: 70695

**Billing Information**

**Shipping Information**

Shipping: 0.00  
Tax: 0.00  
Total: USD 642.57

Date/Time: 19-Mar-2026 11:44:17 PDT

Transaction ID: 81520410457

Transaction Type: Authorization w/ Auto Capture

Transaction Status: Captured/Pending Settlement

Authorization Code: 529157

Payment Method: Visa XXXX2788

IRRIGATED PASTURE GRASSES  
MOUNTAIN PASTURE GRASSES  
NATIVE PASTURE GRASSES  
SORGHUMS



# Curtis *and* Curtis Seed

4500 N. PRINCE ST.

PHONE (575) 762-4759 FAX (575) 763-4213

[SEED@CURTISSEED.COM](mailto:SEED@CURTISSEED.COM)

[WWW.CURTISSEED.COM](http://WWW.CURTISSEED.COM)

CLOVIS, NEW MEXICO, 88101

## SOW GENEROUSLY



YARD AND PLAYGROUND GRASSES  
GOLF COURSE GRASSES  
ALFALFA/CLOVER  
FORAGES

### CERTIFICATION

April 22, 2026

American Drilling Corp.

Russ Nelson Mix

To Whom It May Concern:

Curtis & Curtis Seed LLC certifies that each container of seed is mixed and labeled in accordance with the Federal Seed Act and is at least equal to the requirements indicated below. This is a weed free seed mix.

#### Russ Nielson

Lot #: 70695

Pounds: 38.59

Item	% Pure Mix	Origin	Purity	Germ	Dormant	Total Germ:	Test Date
Sideoats Grama, Niner	35.40%	Texas	48.30%	34.00%	57.00%	91.00%	10/2025
Blue Grama, Alma	14.21%	Texas	55.77%	97.00%	0.00%	97.00%	12/2025
Sand Dropseed, Variety Not Stated	1.19%	OK	96.75%	92.00%	4.00%	96.00%	1/2026
<b>Seed Total</b>	<b>50.80%</b>						
Inert Matter:	49.14%						
Other Crop:	0.06%						
Weed Seed:	0.00%						

Noxious Weed: NONE

Texas Permit: 2772

Sincerely,

Sydney Anderson

## **Appendix 3: Example Reclamation Photos**



Permitted hole #10, Sugarloaf drilled hole SL-1. Pad dimension of 16' x 90' - 72% of permitted disturbance.



Permitted hole #8, Sugarloaf drilled hole SL-2. Pad dimension of 14' x 52' - 36% of permitted disturbance. The remainder of the pad utilized the road as passability was not an issue.



Permitted hole #12, Sugarloaf drilled hole SL-3. Pad dimension of 30' x 50' - 75% of permitted disturbance.



Permitted hole #7, Sugarloaf drilled hole SL-4. Pad dimension of 20 x 78' - 78% of permitted disturbance.



Permitted hole #6, Sugarloaf drilled hole SL-5. Pad dimension of 21' x 50' - 51% of permitted disturbance.