

Closure Activity Update: May 2020

RGR continued its planning phase of the Closeout/Closure activities. RGR completed and submitted the DP-61 renewal application. RGR submitted a modification request to MMD that included an updated Closeout/Closure schedule, conceptual plans for an expanded disposal cell and adjustments to its PMLU plans. General planning activities focused on project contracting for demolition of surface facilities, capping and placing cover soil (growth media) on the disposal cell and performing site characterization surveys.

The presence of the Corona virus in the region continued to impact RGR's work during the month of May. One of RGR's contracted employees was thought to be infected with the virus. Upon testing, it was found that he was not COVID-positive. However, that event heightened the fears of everyone around the site. RGR continued to operate with a significantly reduced work crew. RGR's contractors have faced an acute labor shortage because of current monetary incentives for potential new-hires to remain on unemployment. RGR's contractors have not been able to hire additional work crew members.

Activities

1) MWTU Pond No. 2

- RGR's leak detection contractor performed the leak location survey of the primary liner in Pond 2.
 - Three potential leak zones were identified.
 - RGR monitored the sump for changes in water level; no significant changes were observed.
 - RGR began preparations to repair the potential leaks.
 - Aerators were placed in Pond 2 to increase evaporation.

2) MWTU Ponds 1, 4, 5, 6, 7, and 8

- Analytical results of previous radiological surveys were received from the reporting laboratory.
 - Only Pond 5 required additional cleanup. A small zone of contaminated material was identified in the floor and removed.
 - A radiological re-survey was performed on Pond 5
 - The analytical results for Pond 1 were not yet available.

3) Ore Pile Removal

- Removal and transportation of the ore pile material continued. An average of 4 trucks per day operated 4 days per week. This reduced schedule continued for the month in response to COVID virus concerns.
- The ore pile area was maintained; fresh gravel was spread on the working drive path and a dozer maintained the pile for improved dig efficiency.
- Approximately 1,800 tons of ore were shipped offsite in May.
- Ore shipments to date total nearly 21,000 tons.

4) Disposal Cell Liner and Waste Rock Pile (existing WRP)

- RGR's engineering consultant continued work on formulating a bid package for capping the recently completed portions of the disposal cell and covering the waste rock pile with growth media cover soil.
 - A survey crew was hired to perform an as-built of the disposal cell for the bid.
 - A contractor visited the site to prepare for bidding.

5) WP5 Well, MW6 Well and North and South Force Mains

- The WP5 well continued to pump on a fully automatic cycle.
- The MW6 well continued to be pumped on a fully automatic cycle.
- The integrity test of the HDPE section of the North Force Main was re-run.
 - The HDPE section of the North Force Main still failed the permit -specified steel-pipe integrity test.
 - RGR is preparing to submit an alternate standard to NMED specifically designed for HDPE pipe integrity testing.

6) Diesel Release Investigation

- RGR attended several meetings with its diesel investigation consultant regarding the proposed electrical conductivity study. Preparations were made to mobilize the geophysical team. The geophysical team will arrive on site and conduct the electrical conductivity study beginning the week of June 8.
- Brush was cleared from the diesel investigation area to facilitate the geophysical study and to prepare the area for upcoming drilling.

7) Closeout/Closure Activities

- RGR submitted the renewal application to NMED for DP-61 on May 15, 2020
 - RGR hosted several phone and on-line meetings with NMED regarding the renewal application.
- RGR submitted the modification request to MMD for an updated Closeout/Closure schedule, proposed plans for an expanded disposal cell and changes to the PMLU plan.
 - RGR hosted several phone and internet meetings with MMD pertaining to the modification request along with other topics related to Closeout/Closure activities.
 - MMD performed a site inspection.
- Borrow area B was graded in preparation to create a cattle stock pond
 - All slopes of Borrow area B were graded to be flatter than 3H:1V.
- RGR's vegetation consultant finalized a characterization report on the reference area study.
- RGR continued to perform radiological surveys of site debris for disposal.
 - Continued sorting debris piles for disposal.
 - Completed crushing a pile of tubing and prepared it for recycling.
 - Continued to clean and scan site metal scrap for recycling.
 - Off-site recycling or disposal has been delayed due to a shortage of haulers.
- RGR completed a draft version of the radiation work plan required under section 9.L.3 of the mine permit.
- RGR completed plans for identifying and inventorying potentially hazardous materials.

- RGR completed installation of berms in the WTP area.
- Additional erosion control blankets were installed around the site.
- Sediment control waddles were placed around all stormwater drains.
- RGR continued planning work on the deep well monitoring program.
 - Prepared well 7 for sampling, including laying a discharge pipeline to pond 3.
 - NMED gave approval to pump the well 7 purge water into pond 3 in order to acquire a water sample.
 - Tested and ran well 7 pump to obtain the water sample.
 - Approximately 3,000 gallons of water were pumped before the motor failed; well sampling is on hold until the pump can be pulled and evaluated for future use.
- RGR continued work to finalize the PMLU plan.
- RGR conducted site tours with vendors for facility piping rehabilitation and demolition or sealing.
- The Cibola County Road Maintenance foreman arrived on site to discuss Closeout/Closure activities associated with County Road 334.
- RGR held internal planning discussions to begin Closeout/Closure work on:
 - i. Mine electrical conduit plugging,
 - ii. Building demolition,
 - iii. Scrap tank removal in the WTP laydown area,
 - iv. Characterization studies of the discharge pipeline, WTP and Support/Service areas,
 - v. Headframe and evase demolition.
- General facility upkeep involved pumping of abatement wells, cleaning storm drains and water control structures, performing dust control and maintaining access roads.

Forecasted Activities

- 1) MWTU Pond No. 2.
 - Pumping water from Pond 2 to perform the primary liner repairs: Anticipated for June.
- 2) Final Status Surveys (FSS) of MWTU Ponds 1, 4, 5, 6, 7, and 8.
 - Anticipate completing the FSS reports in late June or early July once all analytical results are available.
- 3) Disposal Cell.
 - Anticipate starting construction of the clay cap and growth media cover in August.
- 4) Ore Pile Removal.
 - Anticipating 10 to 12 months to complete.
- 5) Diesel Release Investigation
 - Anticipate starting the geophysical study in early June.
 - Awaiting approval of the additional groundwater sampling list by NMED.

Critical Path Items

- 1) Approval of eastward expansion of the disposal cell.
 - Anticipating late 2020