

## **MT TAYLOR MINE REACTIVATION PLAN**

### **PHASES, TASKS, AND SEQUENCE**

**Draft Rev. B. 6/21/2017**

**SUPPLEMENT to Rev. A, submitted 4/24/2017**

This supplement includes Gantt charts illustrating serial work sequences for each of the four phases (1-4) of reactivation of the Mt Taylor Mine and a Gantt chart summarizing the estimated time lines for each phase and the relationship between the four phases. The phases and tasks will be initiated in their numerical order with exceptions in Phase 3 and Phase 4, in which long lead- time equipment (substation equipment and hoists, respectively) require procurement to start years before expected installation. Phases are organized by work content and the logical sequence of task initiation, so phases overlap in time because of differences in task durations and procurement lead times.

The work sequences and time lines for each phase and task within a phase are *best estimates* based on information available at the time of submittal and are *subject to change* related to variables including, but not limited to:

- Regulatory approvals
- Administrative and legal appeals
- Weather
- Vendor and contractor performance
- Equipment availability and delivery dates
- Existing conditions of underground workings

Mining and Minerals Division (MMD) will be informed of delays resulting from these or other variables.

Task time lines are based on an annual construction season for earthwork, liner deployment and outdoor concrete work of seven months.

#### **Phase 1**

Phase 1 began in June 2016 with the design of surface facility upgrades. The design drawings and specifications (Task 1A) have been submitted previously and reviewed by both MMD and the NM Environment Department (NMED), and all comments by these agencies have been resolved and addressed. The approval by MMD, following reactivation, is on the critical path for Phase 1 construction. After approval by MMD (Task 1B), the construction contract packages for surface drainage upgrades, MWTU ponds 2 and 3, the storm water pond, and the waste pile disposal cell will be prepared and issued for bid (Task 1C). After contract award, construction (Task 1D) will begin when weather permits. Task 1E, abatement well installation, will begin upon approval of the Implementation Plan

and/or proposed interim measures associated with the Abatement Plan SAP submitted to NMED, should reactivation be delayed beyond October 2017.

## **Phase 2**

A second set of regulatory approvals will be required for the designs and subsequent construction of the mine water treatment facilities and the remaining MWTU ponds and ore pad runoff pond. The mine water treatment facilities define the critical path for Phase 2.

Exploration drilling is included for planning purposes but does not impact construction sequence.

## **Phase 3**

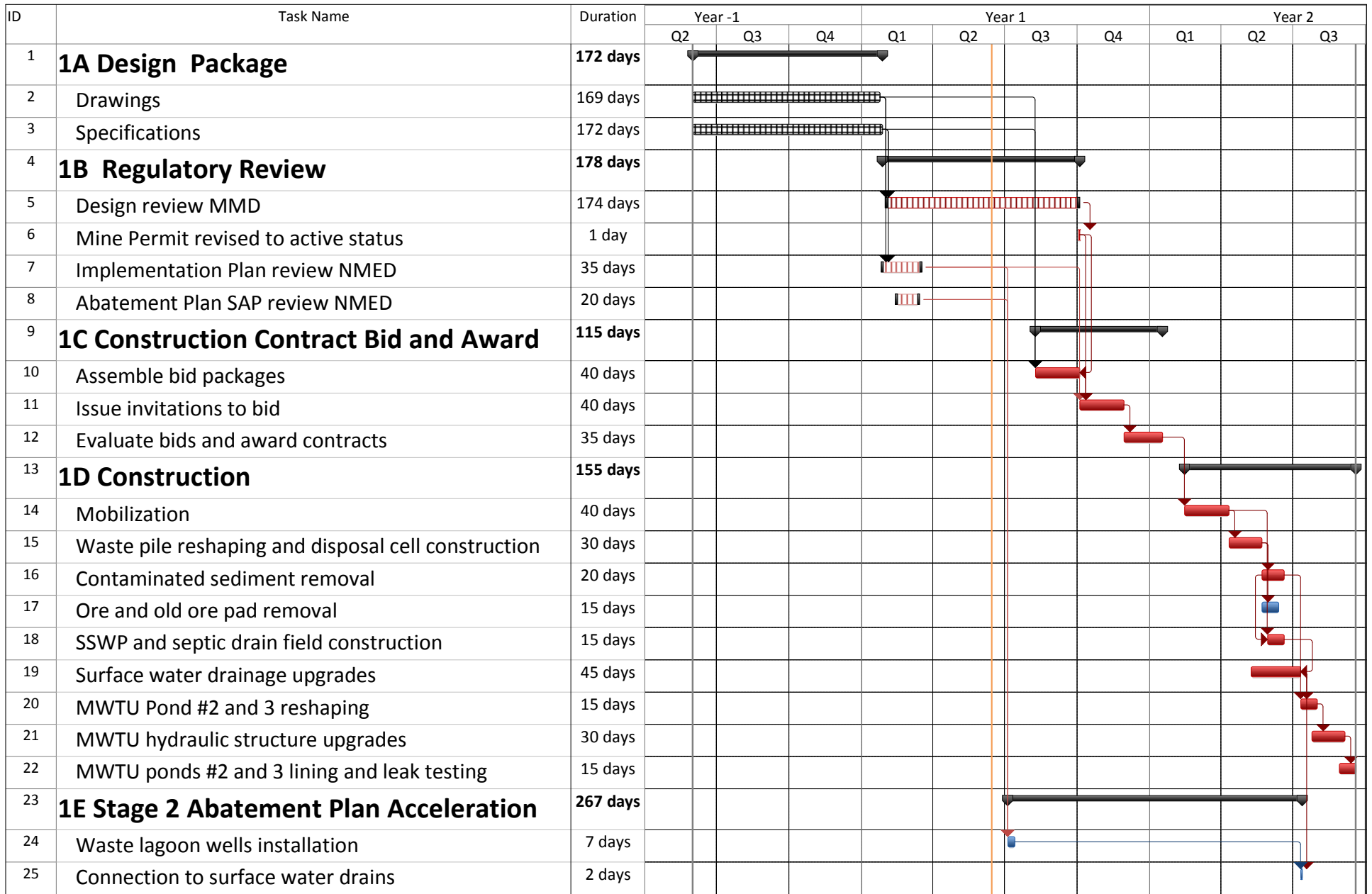
Upgrading electrical power service at the mine defines the critical path for Phase 3, and negotiations with Continental Divide Electrical Coop have started. However, re-establishing operating-level service to the mine requires replacement and upgrading of equipment with long lead times and the cooperation of third parties with little experience in providing the level of support required for full mine operations. Consequently, substantial uncertainty in this task remains and can impact both MWTU and dewatering operations and Phase 4, as well.

Exploration drilling is included for planning purposes but does not impact construction sequence.

## **Phase 4**

Hoists needed for the depth of the Mt Taylor Mine are not readily available; a world-wide search has already been initiated. The entire sequence of work to re-enter the shafts and the mine workings depends on timely hoist acquisition, making this task and those tasks that follow the critical path in Phase 4.

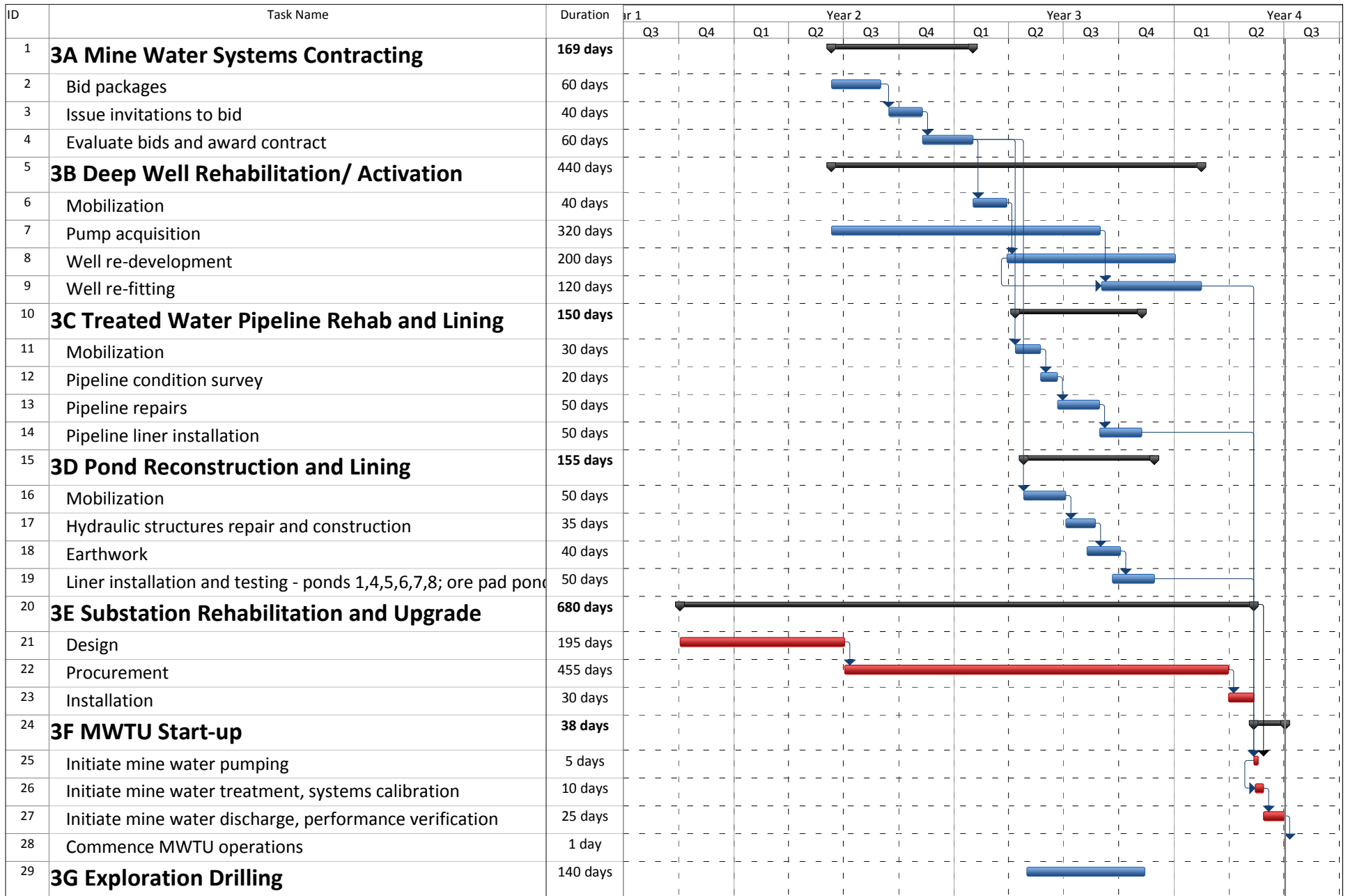
Due to the years since underground mining in the Grants District, the local pool of experienced miners and related trades is essentially non-existent. Recruiting and training the necessary work forces is likely to take several years; some recruitment will start upon approval of the mine permit revision to operating (active) status.



**Phase 1 Construction Sequence**  
**Mt Taylor Mine Reactivation**  
**Date: Thu 6/15/17**

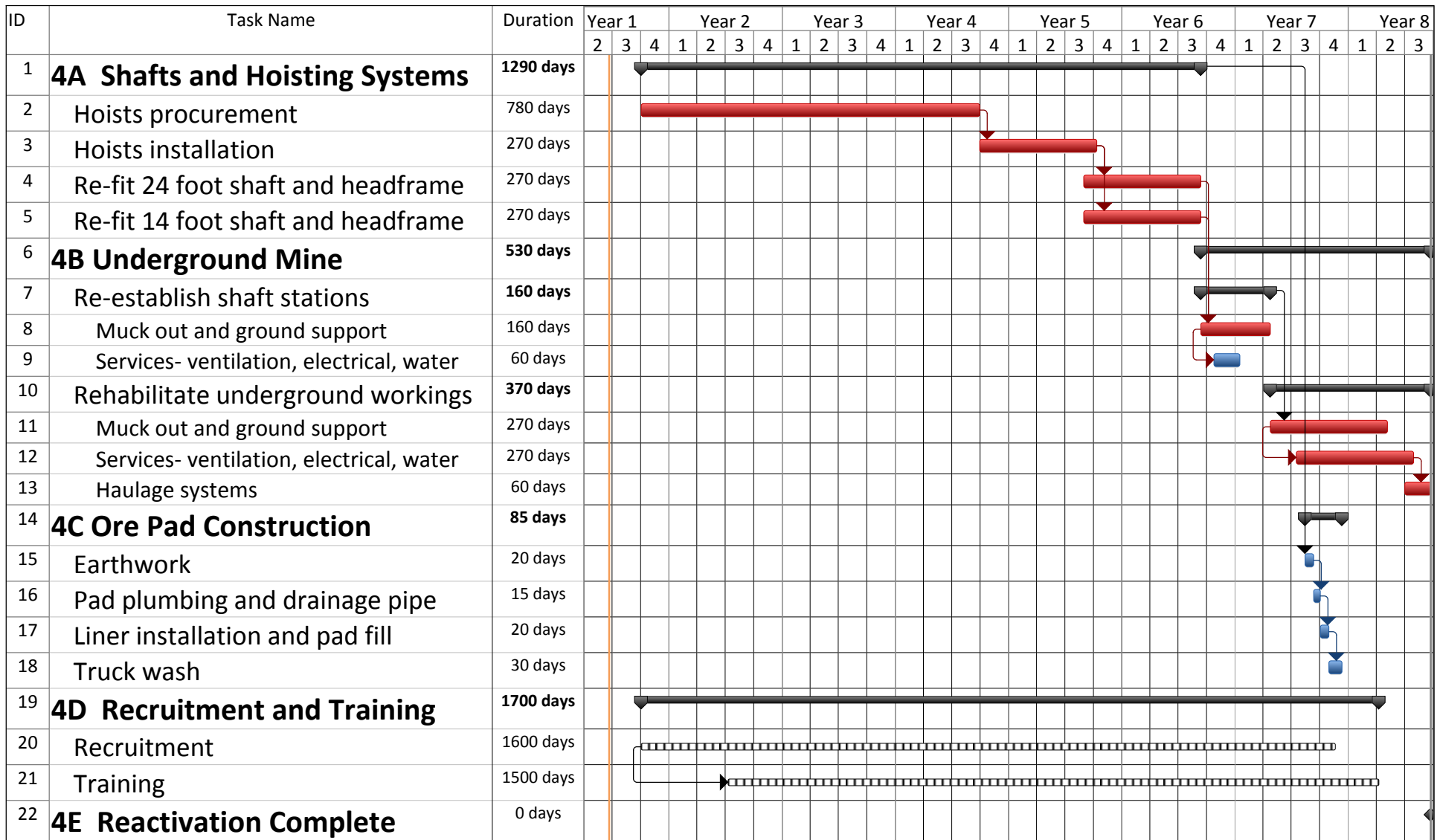






**Phase 3 Construction Sequence**  
**Mt Taylor Mine Reactivation**  
**Date: Thu 6/15/17**

Task Milestone Summary Critical



**Phase 4 Construction Sequence**  
**Mt Taylor Mine Reactivation**  
**Date: Thu 6/22/17**

