Toltec Mesa Resources LLC

7823 Quintana Dr. NE, Albuquerque, New Mexico (505)238-4770 | newcomer.b.tmr@gmail.com

March 15, 2023

David J. Ennis

Reclamation Specialist

Mining Act Reclamation Program

Mining and Minerals Division - Energy, Minerals and Natural Resources Department

Wendell Chino Building
1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

RE: TRANSMITTAL OF AMENDED APPLICATION FOR MINIMAL IMPACT EXPLORATION PERMIT FOR CEBOLLETA PROJECT, CIBOLA COUNTY, NEW MEXICO

Dear DJ:

This transmittal includes an amended application to one originally submitted in September of last year. With this amendment, the following changes are included:

- the applicant is now a local entity, Cibola Resources, LLC, which has held the lease to the subject property since 2007 and is a wholly owned subsidiary of American Future Fuel Corporation;
- amended drill hole and access route locations; and
- additional cultural and biological surveys of the amended areas.

The amended application package for a minimal impact exploration permit for the Cebolleta Project, Cibola County, New Mexico, is attached.

The \$500 application fee was paid with the initial application package.

Sincerely,

Toltec Mesa Resources LLC

Bob Newcomer Principal Consultant

Encl. minimal impact exploration permit application package

cc: Holland Shepherd, Program Director (sent via email: holland.shepherd@state.nm.us) w/attach. Mike Thompson, Manager for Cibola Resources LLC (via email mtreadonsteel.us) w/attach.

PART 3 MINIMAL IMPACT EXPLORATION OPERATION

AMENDED PERMIT APPLICATION DATE: 2/15/2023 [ORIGINAL 9/12/22]

The accompanying is an amendment to an original permit application and is being submitted electronically to the MMD via email. This version is stand alone and is comprehensive and is completely replacing the previous application. The following form was obtained from the MMD webpage and modified to accommodate input using Microsoft Word,:

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

The completed amended application is being sent 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

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."

Timelines

- 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: Cebolleta Exploration Project

Nearest Town to Project: Seboyetta, New Mexico

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

Name: Cibola Resources, LLC.

Address: 18032 Road G

Cortez, CO 81321

Office Phone: (970)426-2929

Email: mt@reardonsteel.us

Contact: Mike Thompson, Manager

Office Phone: (970) 426-2924 Cell Phone: (970) 426-2924

Name of Consultant:

Name: Robert Newcomer, dba Toltec Mesa Resources LLC

Address: 7823 Quintana Dr. NE

Albuquerque, NM 87109

Cell Phone: (505) 238-4770

Email: newcomer.b.tmr@gmail.com

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.

Cibola Resources, LLC, has rights to enter/access and conduct mineral exploration and reclamation on a tract of land (the Tract) are included in the attached summary and documents [Attachment A].

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):

Private/Corporate

Name	Address	Phone #
Kilino Marquez, President	La Merced del Pueblo de Cebolleta (Cebolleta Land Grant) HC 77, Box 6 Seboyetta, NM 87014	(505)639-3081

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

<u>Name</u>	Address	Phone #
Cibola Resources, LLC	18032 Road G Cortez, CO 81321	(970) 426-2924

Mineral Estate Owner(s):

Private/Corporate

Name	Address	Phone #
Kilino Marquez, President	La Merced del Pueblo de Cebolleta Cebolleta Land Grant HC 77, Box 6 Seboyetta, NM 87014	(505) 639-3081

C. Has a Cultural Resource Survey been performed on the site? Yes

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

A 100 percent pedestrian field survey for cultural resources was performed for parts of the southern and norther areas of the project area on February 22 and March 1, 2023 (NMCRIS No. 152481) by **Okun Consulting** permitted by the New Mexico Historic Preservation Division to perform an archaeological survey. The archaeological survey was conducted to comply with §18-6-.8.1 of the New Mexico Cultural Properties Act of 1969 and its implementing regulations under NMAC Title 4 Chapter 10 §7.9A. A confidential copy of the survey report, which includes the report author, title, date and report number is submitted with this application. The area of potential effects (APE)/survey can be broadly defined to include, minimally, a 150-foot buffer around all potential mineral exploration or infrastructure, including all drill pads and access roads. Two previously recorded archaeological sites (LA 152220 and LA 159747) and 10 isolated occurrences (IOs) were documented during 100-percent, Class III pedestrian survey of the 53.9-acre APE defined for the project. Both sites are previously recorded, and no new sites or other resource types were discovered.

Attachments B

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

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

A biological evaluation survey was performed for a large portion of the southern and northern parts of the project area by Clay Bowers dba Rocky Mountain Ecology and is submitted with this application.

Additionally, Cedar Creek Associates completed a study of this area in June 2006 for Cibola Resources. They described the area in and around the previously disturbed St Anthony Mine area [which is southeast of this proposed project area] as primarily bottomlands with a small area of Juniper Scrub. The report described bottomland vegetation as follows: dominant taxa were Blue Grama (Bouteloua gracillis), Galleta (Hilaria jamesii), Alkali Sacaton (Sporobolus airodes) and Four Wing Saltbush (Atriplex canescens). Other species present included: Side-oats Grama (Bouteloua curtipendula), Western wheatgrass (Agryopyron smithii), Russion Thisle (Salsola tragus) and Broom Snakeweed (Guttierrezia sarothrae). Perennial grasses made up 65.9% and shrubs comprised 25.0% of the plant composition, annual forb composition is only 9%, while perennial and biennial forbs contribute a negligible 1.3% to the composition of annual grasses that were encountered.

An important finding was "bare ground exposure was a significant 49.58%" and Juniper Scrub was descriibed as follows: Dominant taxa were Blue Grama, New Mexico Feathergrass (Stipa neomexicana) and Bigelow Sage (Artemesia bigloveii). Other species identified included: Broom Snakeweek, winterfat (Ceratoides lanata), Galleta, and Buckwheat (Erigeron sp.). Perennial grasses contributed 61.35% to the plant composition with shrubs contributing 33.42%, while forbs (perennial and annual) contributed 5.22%. Bare ground exposure was 53.62%.

Both zones had scattered cacti populations such as Pricklypear Cactus (Opuntia polyacantha) and Walkingstick Cactus (Opuntia sponosior), while the Juniper Scrub zone had scattered Onesee Juniper (Juniper monosperma).

Attachments C

Section 3 – Maps and Project Location (§302.D.2)

- A. Project Location: the project is within the unplatted lands of the Cebolleta Land Grant, northeastern Cibola County, New Mexico. It is approximately 4.7 miles southeast of Seboyetta, New Mexico. The mapped location is shown in Figure 2, 1:24,000 Topographic Map.
- B. Legal Description: No township and range data are available for the permit area, because the project is in an unplatted portion of the Cebolleta Land Grant, Cibola County, New Mexico. The area immediately south of the permit area consists of parts of Section 19 Township 11 North Range 5 West and Section 24 Township 11 North Range 4 West.
- C. List the drill hole/exploration name and the GPS coordinates for each site. Map is shown in Figure 3. Coordinate system used to collect GPS data points [WGS84]. The hole locations are in Latitude and Longitude in decimal format. See attached spreadsheet [Table 1]

Table 1 (for listing additional boreholes)

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

The proposed drill holes are all planned to 'twin' [within several feet – as best they could be located] historic exploration drill holes.

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

Yes – The boundary of the proposed exploration project Permit Area – these are shown with the access routes to each.

Yes – The proposed exploration locations (i.e., borehole locations) – these are shown in latitude longitude coordinates and in Table 1

Yes - Existing roads, new roads and overland travel routes.

Yes – Areas of proposed road improvement. Figure 3

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 are illustrated in Figure 3.

Provide detailed driving directions to access the site: Figure 1.

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

A. Anticipated exploration: Start Date: April 1, 2023 End Date: April 1, 2024

List the mineral(s)/element(s) to be explored for: Uranium

Proposed method(s) of exploration:

Air rotary drilling methods

of holes 22 Depth (ft.) 320-340 [avg. 330] Diameter (in.) 5.25

of drill pads 22 Length (ft.) 100 Width (ft.) 60

Drilling method is by coring, NQ or NQTK size in a 5-inch diameter hole.

Will drill pads be graded/bladed or overland: Overland with minor grading if needed (expected to be minimal); the proposed holes are in areas of previous (historical drilling).

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

Approx. Weight of Drill Rig (lbs.) 75,000 Number of Axles: 3

This is the anticipated largest drill rig that would be used, which is similar to a Gardner Denver 15W [3 axle]. A smaller rig will be used if available.

Is a support pipe truck anticipated? Yes Weight (lbs.) 25,000 [this is the largest size]

Other potential support would include a pipe trailer, pickup truck for drillers, pickup truck for geologist and water truck. If drill fluid circulation is needed, it would be done in above-ground tanks in a closed loop circulation system.

Anticipated Drilling Contractor: Stewart Brothers Drilling New Mexico Water Well Driller's License: No. 131

TOTAL ACREAGE TO BE DISTURBED DUE TO DRILL PADS = 3.24 acres

(to convert to acres, multiply total square footage of drill pads by 0.0000229)

This includes 22 individual drill locations, pads and overland routes to and between pads. The two existing 'main' roads are not included in this total. Some improvements to the northern road may be necessary and they will be made within the footprint of the existing road [repair ruts and smooth surface].

A. 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, this will be done with a hand-held scintillometer.

Will excess drill cuttings be buried at each drill site location or within a single disposal pit?

The excess drill cuttings are not expected to be mineralized and will be left at each drill location; core will be removed from the site.

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

4x4 Trucks/Vehicles	Quantity:	1 at 6,000 lbs
Water Truck	Weight (lbs.):	1 at 20,000 lbs loaded
Geophysical Truck	Weight (lbs.):	1 at 6,000 lbs
Pipe Truck (rig support)	Weight (lbs.):	
Bulldozer	Type:	1 at 17,400 lbs (if needed for main road)
Backhoe	Type:	
Trackhoe	Type:	
Scaper/Grader	Type:	
Trailers	Quantity/Type:	camp style, 2 axle
Portable Toilet	Quantity:	standard porta-potty type
Other	List:	

C. Roads and Overland Travel:

No new roads will be constructed for this exploration project.

No existing roads will be widened, only graded to address existing erosion/rutting

No existing roads will be extended

Overland travel to and between drill pads will be used

Support vehicles would be kept on the main road or in a staging area along the road to the St Anthony mine.

List for routes of overland travel:

		Total
Length	VVidth	Acres
(ft.)	(ft.)	(length x width
		x 0.0000229)
of the dril	l hole locat	ions and access are
RLAND T	RAVEL:	0
	(ft.)	

D. 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.

No new disturbances would be used for these areas. Existing pullouts along the Main road would be utilized.

E. TOTAL ACREAGE TO BE DISTURBED BY PROJECT = 3.24 acres

(this includes all disturbed acreage from drill pads, cuttings disposal pit, new roads, improved roads and overland travel routes)

Summary Statement:

The area encompassed by this permit application and immediately adjacent areas have been extensively explored (drilled and mined) from the 1950s through the mid-1980s. There is current activity and development associated with the assessment and reclamation of the St. Anthony mine southeast of and adjacent to the proposed project area. Because of this, there is an extensive network of existing roads which will be used for primary access. Remnants of previous exploration and mining disturbances are still present in many areas, including the proposed permit area. In accessing the proposed drillhole sites, it may be necessary to create short two-track access from the existing roads to and between the drill pads and this anticipated disturbance is included in the drill pad acreage and shown on the maps accompanying this application. It is anticipated that the routes will simply consist of flagging to indicate the path to take, and travel will be restricted to these paths. No unnecessary clearing of vegetation will take place. Maps are included in this application showing these anticipated routes.

SECTION 5 - CHEMICAL USE (§302.D.4)

Check any and all chemicals that will be used for this project (see attached MSDS sheet summary).

Drilling Mud (i.e., EZ Mud)	Type/Quantity:	N/A
Diesel Fuel	Quantity:	Fuel in vehicles (<300 gals)
Down-hole Lubricants	Type/Quantity:	small quantities
Lost Circulation Materials	Type/Quantity:	N/A
Oils/Grease	Quantity:	In vehicles/small quantity containers
Gasoline	Quantity:	In vehicles
Hydraulic Fluid	Quantity:	In bulldozer and drill rig
Ethylene Glycol	Quantity:	In vehicle radiators
Cement	Type/Quantity:	for hole plugging and abandonment
Water	Source:	in water truck and drinking water
Bentonite	Quantity:	pellets in buckets, for hole plugging
Fertilizer	Type/Quantity:	N/A
Other	Type/Quantity:	

No toxic or hazardous materials will be used during the exploration program other than small quantities of fuels and lubricants used by any motor vehicle. All materials used in the drilling process will be non-toxic and will not contaminate groundwater, surface water or aquifers using the proposed methods management.

Describe where equipment fueling/refueling will occur:

Fueling of vehicles and equipment will be done offsite.

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

All containment will be in appropriate packaging, tanks or other containers designed for storage of the materials.

Describe how hazardous material spills/leaks will be handled:

Any impacted areas would be bermed to contain a liquid release. Impacted soils would be excavated and removed for disposal at an approved facility; any spills will be managed consistent with State and federal regulations. NMED would be notified immediately.

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

The drilling contractor will be responsible for providing a 'spill kit' any controls (plastic sheeting, etc.) to manage any leaks or spills associated with the drill rig and support vehicles. This includes:

Bentonite clay or cat litter will be available onsite as part of a spill kit Adsorbent pads, rolls, mats, socks, pillows, dikes, etc.

Drum or barrel for containing contaminated soil/adsorbent materials

The applicant/owner/representative agrees to immediately notify the State of New Mexico immediately of any spills of hazardous materials. The phone number for NMED and other important health and safety information will be kept onsite during all operations and will be available to all workers.

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.): 150 to >250

TDS concentration (mg/L): 500 to 1500

Describe the source of this information:

The area of this proposed project is "Area I" of the much larger 'Cebolleta Project' as described in Wilton, T. (2017. Uranium deposits at the Cebolleta project, Laguna mining district, Cibola County, New Mexico. in New Mexico Geology. v. 39. pp. 1- 10). The holes will be collared in or near the base of the Cretaceous Dakota Sandstone and will be drilled into the underlying Jurassic Jackpile and Morrison Formation. Much of the geologic section that is being explored is exposed in the St Anthony open pit mine to the southeast of the proposed drill holes. Seepage from the Jackpile sandstone and deeper units in the open pit has formed a pit lake at the bottom of the St Anthony mine. Due to dewatering caused by the pit, the pit lake elevation may provide a rough estimate of the head in the Jackpile and deeper, water-bearing units. The surface elevation of the collars of the proposed drill holes is about 6100 feet (+/-) and the pit bottom elevation is about 5850 feet (+/-). The estimated depth to water could range from about 250 feet in holes drilled in the southeast part of the area to shallow levels, reflective of the elevation of the Jackpile intercepts in holes in the northwest part.

The nature of groundwater (quality and quantity) in the Jackpile and deeper Jurassic water-bearing units has been described in Baldwin and Rankin (1994. Hydrogeology of Cibola County, New Mexico. U.S. Geological Survey. Water-Resources Investigation Report 94-4178.).

The water quality in the Jackpile sandstone is expected to be like what has been reported for the Westwater Canyon and other water-bearing units in the Jurassic Morrison Formation in the Paguate area. Total dissolved solids concentrations ranges from 500 to 1500 mg/L; these waters tend to be sodium bicarbonate sulfate waters with dissolved sodium concentrations ranging from 150 to 450 mg/L and sulfate concentrations ranging from 190 to 480 mg/L. Since the groundwater encountered in this project is expected to be in mineralized zones, concentrations, particularly of sulfate may be higher than those reported.

- B. Will dewatering activities be conducted: No
- C. Is groundwater anticipated to be encountered during exploration: Yes

Form WR-07 (Application for permit to drill a well with no consumptive use of water) will be completed and mailed to the District Office of the State Engineer as soon as the conditions of the permit are finalized.

Form WD-08 (Well plugging plan of operations) will be completed and mailed to the District Office of the State Engineer (OSE) as soon as the conditions of the permit are finalized. The OSE will be notified immediately and Form WR-08 submitted by the driller with the approval of the permit and selection of the drilling contractor.

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

D. Exploration Borehole Abandonment

All drill holes, regardless of depth to water, will be considered wet boreholes and the abandonment will be completed to protect groundwater.

Wet Boreholes

All boreholes will be abandoned using 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.

- 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
- E. Is any drilling proposed to occur within the channel of any perennial, intermittent, or ephemeral streams? No
- F. Is any drilling anticipated to occur within 100 feet of any perennial, intermittent, or ephemeral streams?

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

Salvage/Preservation of Topsoil

No grading is expected as part of this project, so no topsoil will be stripped.

Erosion Control

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

Silt fencing Location: if needed in areas along main road improvements or other disturbances to prevent erosion and runoff from these areas during the project.

A. Reclamation Details and Plan

All areas that are disturbed by overland travel and/or development work will be reclaimed using the following methods:

Following the exploration work, the disturbed areas will be ripped and seeded as necessary. All disturbed areas that experienced heavy vehicular traffic, including temporary access routes will be assessed and if necessary, ripped and reseeded. Ripping would be to a depth of about 1 foot to relieve compaction. Ripping and other seedbed preparation procedures will be conducted when surface and subsurface soil moisture conditions are dry to avoid compaction.

Is seeding of the reclaimed areas proposed: Yes, but only in areas that have been ripped to address compaction concerns.

Ripping and other seedbed preparation procedures will be conducted when surface and subsurface soil moisture conditions are dry to avoid compaction. Any seeding will be done with a mixture of native grass species adapted to the area. See will be certified weed-free. The following table lists the species and their application rate in pounds Pure Live Seed per Acres (PLS/ac):

TABLE 1
RECLAMATION SEED MIX FOR THE
CEBOLLETA MINIMAL IMPACT EXPLORATION PERMIT

Common Name	Prefered Variety	Ibs PLS/ac	% of Mix
Alkali sacaton	Salado	2.0	20
Western wheatgrass	Arriba, Barton	16.0	30
Galleta (Caryopsis)	Viva	4.0	10
Blue grama	Lovington, Hachita, Alma	3.0	15
Bottlebrush squirreltail	Available species	5.0	10
Spike muhly	El Vado	2.0	5
Fourwing saltbush	Rincon, Santa Rita	1.0	5
Winterfat	Hatch	1.0	5
		TOTAL	100

Seeding will be by broadcast methods if needed.

B. 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, but constrained by the monsoon rainy season.

Anticipated Start of Reclamation: 0-30 days after completion of drilling and prior to the monsoon rainy season.

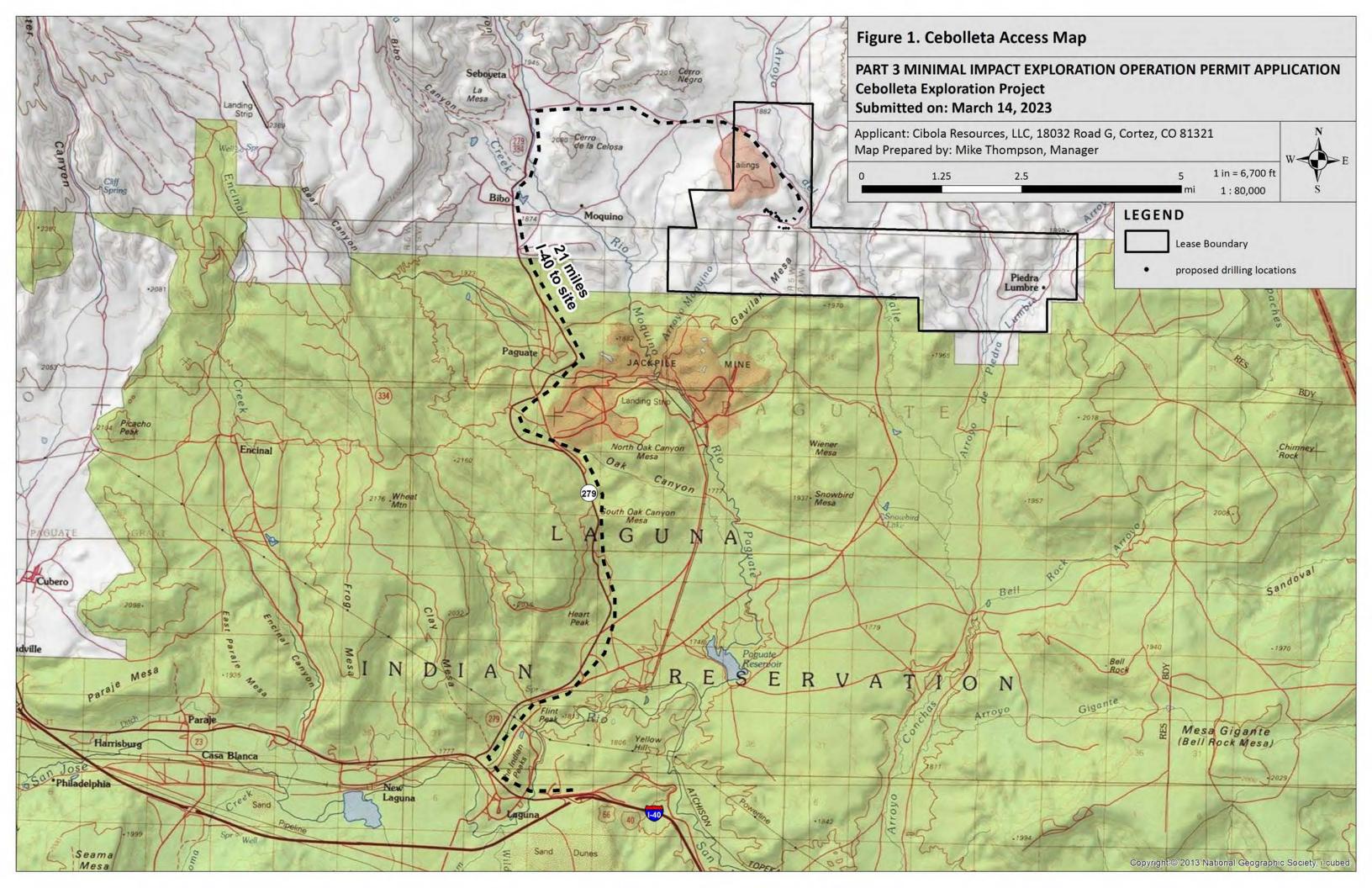
SECTION 8 – PERMIT FEES AND FINANCIAL ASSURANCE (§302.I.2 AND 5)

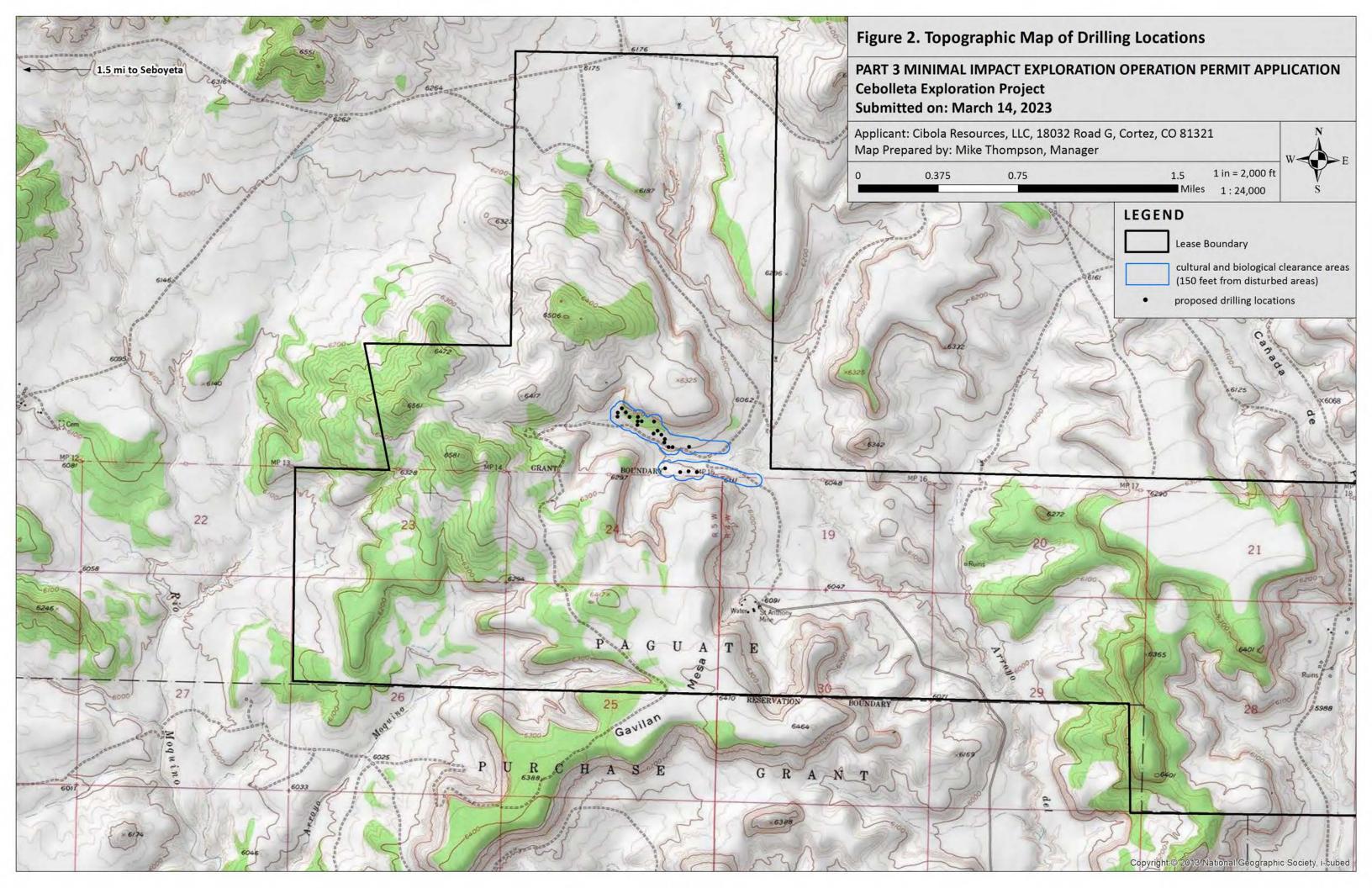
Α.	Financial assurance must be posted with Mining and Minerals Division prior to approval of this application. The acceptable forms of financial assurance are surety bonds, letters of credit, and certificates of deposit. Provide an estimate of, and an instrument for, the proposed financial assurance required by Subpart 3.
	Surety Bond Letter of Credit Cash Account / Certificate of Deposit - anticipated
	Estimated amount of financial assurance: \$43,000 [assuming rolling FA for drill holesl]
	Or
	Applicant will provide the amount of financial assurance calculated by MMD.
В.	Attach the permit fees as determined pursuant to Subpart 2. The application fee for a minimal impact exploration permit is \$500.00. N/A – this is an amendment to application submitted September 2022.
	☐ Money Order/Cashier's Check☐ Check
	Check Number :
	Financial Institution:

SECTION 9 - CERTIFICATION REQUIREMENT (§302.1.3 & 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.

	Better
Signature of Permittee	or Authorized Agent:
Name (type or print):	Robert Newcomer
Title/Position:	Consultant
Date:	March 15, 2023





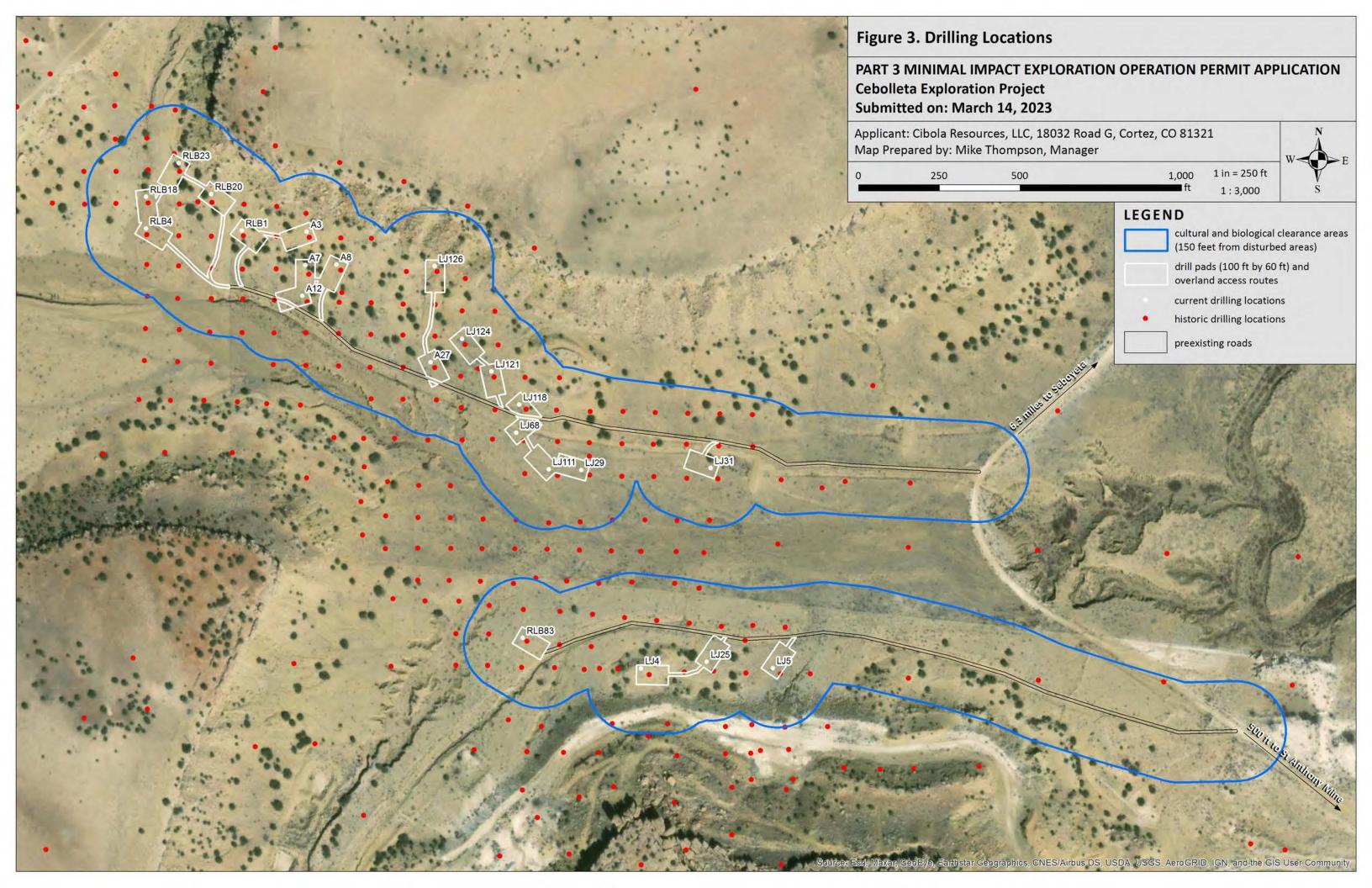


Table 1. Drill Hole Coordinates

DH#	Identification	Northing/Latitude (North)	Easting/Longitude (West)
1	Ш5	35.16852	107.31191
2	⊔25	35.16856	107.3126
3	⊔4	35.16849	107.31329
4	RLB83	35.16873	107.31454
5	RLB18	35.17244	107.31859
6	RLB4	35.17217	107.31858
7	RLB23	35.17274	107.31825
8	RLB20	35.17248	107.31791
9	RLB1	35.17217	107.31758
10	А3	35.17217	107.3169
11	Α7	35.17189	107.3169
12	A8	35.1719	107.31658
13	A12	35.17163	107.31693
14	⊔126	35.1719	107.31555
15	A27	35.17108	107.31557
16	⊔124	35.17129	107.31524
17	⊔121	35.171019	107.31494
18	⊔118	35.17073	107.31463
19	⊔68	35.17049	107.31465
20	⊔111	35.17018	107.3143
21	⊔129	35.17018	107.31396
22	⊔131	35.17023	107.31261

ATTACHMENT A RIGHT TO ENTER INFORMATION

Redacted

ATTACHMENT B CULTURAL RESOURCE SURVEY

Redacted

ATTACHMENT C BIOLOGICAL SURVEY

BIOLOGICAL EVALUATION

CEBOLLETA EXPLORATION PROJECT

Prepared for: Cibola Resources, LLC 18032 Rd. G | Cortez, CO 81321

Prepared by:

Rocky Mountain Ecology, LLC P.O. Box 45193 | Rio Rancho, NM 87174



Claryton Pu
Signed By: Clayton P. Bowers – Rocky Mountain Ecology LLC
Date: February 22, 2023
Approved By:
Date:

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I. Introduction and Proposed Action

Cibola Resources, LLC (CBR) proposes to engage in exploratory drilling activities to support uranium exploration within Cibola County, New Mexico (Figure 1). The proposed drilling locations are amongst scattered historic uranium mines that have been abandoned in an area located within a prolific mineral belt north of Laguna, NM. CBR anticipates disturbance on up to 4.3 acres (ac) of land to support the exploratory drilling on unplatted lands within the Cebolleta Land Grant (Figures 2 & 3). CBR intends to apply for the minimal impact permit with the New Mexico Mining and Minerals Division at the conclusion of environmental and cultural due diligence.

Rocky Mountain Ecology, LLC (RME) has been contracted to prepare this Biological Evaluation (BE) in compliance with Section 7 of the Endangered Species Act (ESA) (19 U.S.C. 1536 (c), 50 CFR 402.12 (F) and 402.14 (c)) and other relevant Federal laws and regulations. This BE discloses and analyzes impacts associated with drilling operations as proposed by CBR.

Project Location

The Cebolleta Exploration Project is located approximately 5 miles southeast of Seboyeta, NM. It is located on private lands associated with the Cebolleta Land Grant in Cibola County, New Mexico. The project area can be located on the Moquino, NM U.S. Geological Survey 7.5-minute topographic map. From Seboyeta, access to the site can be gained from an existing county road and then on unmaintained private two-track roads.

Project Activities

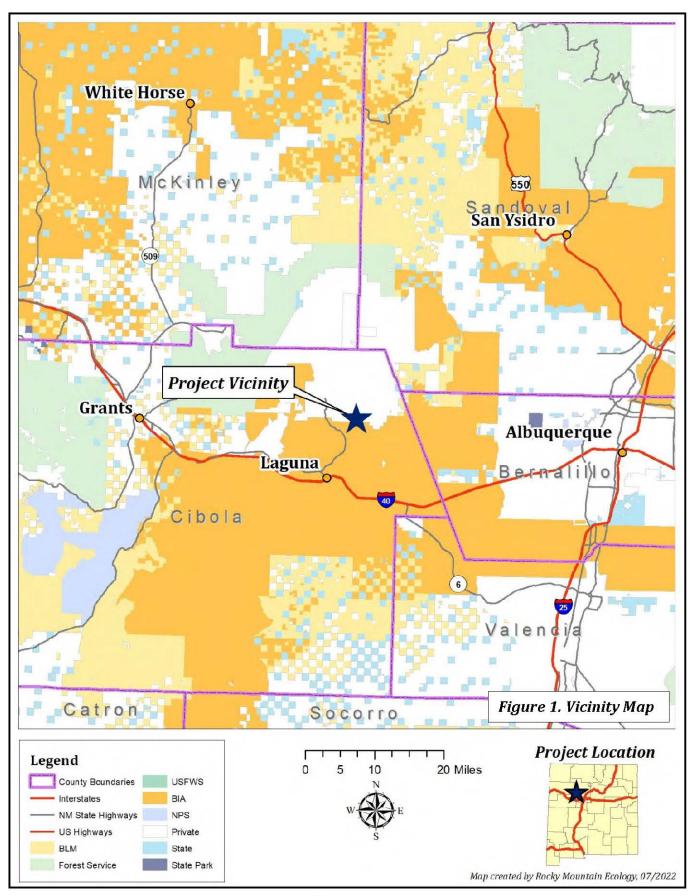
The purpose of the Proposed Action is to allow CBR to test for the viability of a uranium mine in the proposed permit area. CBR would utilize existing access routes to two distinct drilling areas harboring a total of 22 drill pads/holes. Each drill hole would be drilled to an approximate depth of 400 feet (ft) (Figure 3). All site disturbance would be minimized to the extent possible. CBR intends to acquire a Minimal Impact Permit with the New Mexico Mining and Minerals Division (MMD) to cover the proposed exploratory drilling activities. Less than 5 ac would be disturbed as part of the proposed action. Future expansion and development would likely occur as needed.

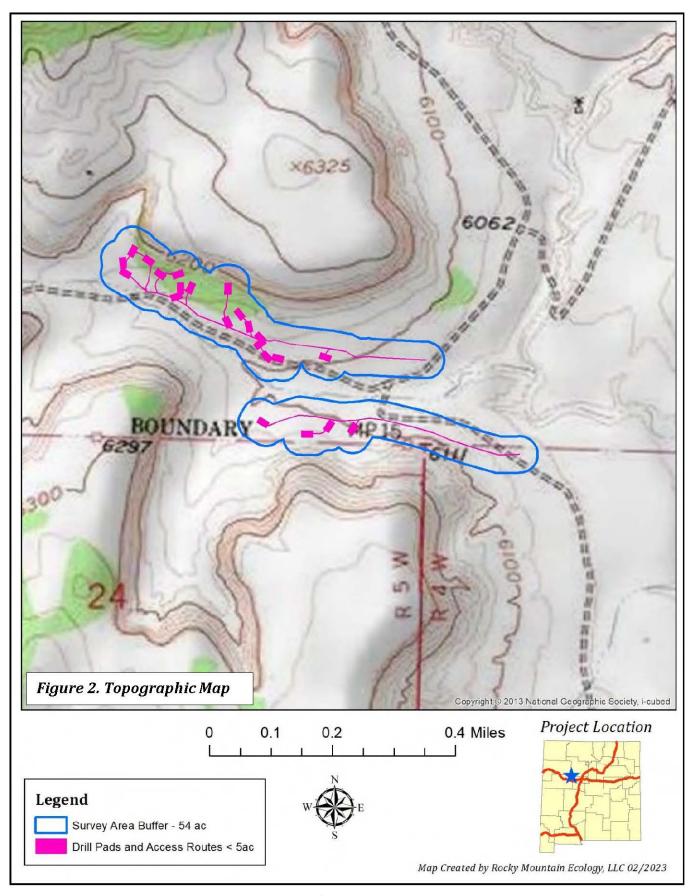
The need for the action is to develop the uranium resource, which is a reliable, clean and safe energy source. This BE has been prepared to analyze impacts and determine effects of the Proposed Action on federally proposed, threatened and endangered species, and NM state listed species. Specifically, this BE would provide knowledge regarding protected species, and assist the proponent in determining if formal consultation with the U.S. Fish and Wildlife Service (USFWS) is prudent. This document would also aid in determining if the Proposed Action would lead toward the federal listing of any state listed species or federal candidate species on the Endangered Species Act of 1973 as amended.

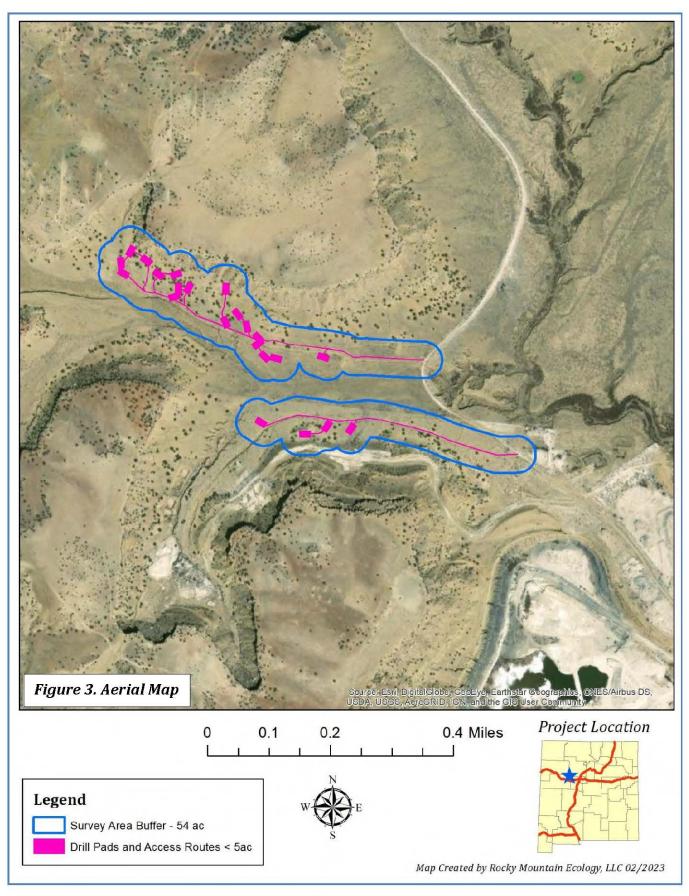
II. Methods

The Endangered Species Act of 1973 (ESA) requires the evaluation of potential impacts on federally-listed species and their critical habitat. The USFWS, the New Mexico Department of Game and Fish (NMDGF) and the NM Rare Plant Technical Council (NMRPTC) databases were reviewed to determine potential occurrence of state listed and federal proposed, threatened, and endangered species in the project area. Specifically, the USFWS New Mexico Ecological Services website (http://ecos.fws.gov/) was verified for federally-listed flora and fauna species (Project Code: 2023-0047677 - Appendix B; USDI 2023). The NM Rare Plants website (http://nmrareplants.unm.edu) was searched for information on potential sensitive flora species within Cibola County (NMRPTC 1999). Habitat associations and species descriptions for the targeted species were derived from these websites, and their habitat requirements were then compared to the habitat found in the project area to identify which species were likely to occur. Species considered unlikely to occur and for which suitable habitat does not exist within the project area, were removed from further consideration. A list of target species—those species that are likely to occur or have potential habitat within the project area—was developed from these comprehensive lists prior to the biological survey.

A 100-percent pedestrian biological survey of the project area was conducted by Clay Bowers, a RME qualified biologist (hereafter referred to as the biological survey). In addition to surveying all drill pad and access locations, a 150-foot buffer around all project elements was also surveyed, for a total survey area of 54 ac. The biological survey was conducted on February 17, 2023 from 9:15 am to 2:00 pm Mountain Daylight Time (MDT). During the survey, air temperature was 40 degrees Fahrenheit (°F) with partly cloudy skies and calm winds. During the biological survey, searches for the presence of noxious weeds as defined by the New Mexico Department of Agriculture (NMDA) and for the presence of potential wetlands and waters of the U.S. as defined by the U.S. Army Corps of Engineers (USACE) were also conducted.







III. Environment and Existing Conditions

The elevation of the project area occurs at approximately 6,040 feet above sea level. Topography in the immediate project area is generally flat with a slight eastern aspect. Within the southern and northern limits of the project area, an abrupt outcrop of banded sandstone rises up from the adjacent landform. The surrounding landscape is defined by highly incised drainages with prominent tablelands (mesas) dominating the viewshed. Average temperatures in the general area range from a minimum of 19.4 °F in December to a maximum of 90.1 °F in July. Annual precipitation averages 9.9 inches (WRCC 2023).

Physiogeography

The project area is located within the Semiarid Tablelands sub-region of the Arizona/New Mexico Plateau ecoregion (Griffith et al. 2006), which includes mesas, plateaus, valleys and canyons formed from gentle dipping sedimentary rocks. Bedrock exposures are common in the subregion along with loose stands of scattered pinon-juniper forests. The surrounding area has been subject to historic uranium mining activities which have been decommissioned. The primary use of the general area is livestock grazing.

Soils

The project area occurs in the Grants Mineral Belt of New Mexico, which contains approximately 37 percent of all Uranium produced in the United States (Dahlkamp 2010). Soil types were identified as determined by the Natural Resource Conservation Service (NRCS) Web Soil Survey (NRCS 2023). Soils in the proposed project area are classified by two major types: Skyvillage-Rock outcrop-Bond complex (52 percent of area (uplands)), and Sparank-San Mateo complex (48 percent of area (lowlands)). The composition of these respective soils is as follows. The Skyvillage series has a parent material of eolian deposits derived of sandstone and occurs on mesas and benches on 3 – 40 percent slopes. These soils are well drained and have no frequency of flooding or ponding. The Sparank series has a parent material of fan alluvium derived from shale, sandstone and siltstone, and occurs on floodplains, drainageways and alluvial fans on 0-5 percent slopes. These soils are well drained and have no frequency of ponding and occasional frequency of flooding (NRCS 2023).

Vegetation

The project area is located within the Juniper Savanna vegetation community (Dick-Peddie 1993). The project area is divided into two landform types: the uplands which contain a less robust herbaceous component, and the lowlands which contain dense grasses and forbs due to the nearby presence of an active ephemeral flowpath. The lowlands in the project area consist of a heavy community of alkali sacaton (*Sporobolus airodes*). lovegrass (*Eragrostis* spp.) and blue grama (*Bouteloua gracilis*). Other dominant herbaceous species noted during the biological survey include galleta grass (*Pleuraphis jamesii*) and amaranth (*Amaranthus palmeri*). Trees and shrubs are limited to few and scattered one-seed juniper (*Juniperus monosperma*), four-wing saltbush (*Atriplex canecsens*) and tree cholla (*Cylindropuntia imbricata*). Other species documented at the site include big sagebrush (*Artemsia tridentata*), rabbitbrush (*Chrysothamnus nauseosus*), wolfberry (*Lycium torreyi*),

prickly pear (Opuntia macrocentra), thinleaf yucca (Yucca glauca), snakeweed (Gutierrezia sarothrae), curlycup gumweed (Grindelia squarrosa), cocklebur (Xanthium strumarium), scarlet globemallow (Sphaeralcea coccinea), Adonis blazingstar (Mentzelia multiflora), silverleaf nightshade (Solanum elaeagnifolium), Russian thistle (Salsola kali), annual sunflower (Helianthus annuus), Rocky Mountain zinnia (Zinnia grandiflora), showy milkweed (Asclepias speciosa), spectaclepod (Dimorphocarpa wislizeni), spotted spurge (Euphorbia maculata), western wheatgrass (Pascopyrum smithii), vine mesquite (Panicum obtusum) and Indian ricegrass (Oryzopsis hymenoides). Overall, vegetation density and diversity at the site is high and vegetation condition was noted as moderate to high quality.

Noxious and Invasive Weeds

No state listed noxious weeds, as defined by the NMDA were identified within the 54-acre survey parcel (NMDA 2020). Surface disturbance activities associated with the proposed project could create potential for the establishment and spread of noxious weeds and invasive, non-native species. Invasive, non-native species can outcompete and displace native vegetation resulting in altered wildlife habitat use. Salt cedar (*Tamarix* spp.) and field bindweed (*Convolvulus arvensis*) were noted to occur near but outside the project area.

Rare Plants

No New Mexico rare plants as listed by the NMRPTC were located during the biological survey.

Wildlife

Overall vertebrate species were not abundant at the project area during the biological survey. Wildlife typical of the general area include coyotes (*Canis latrans*), desert cottontails (*Sylvilagus audubonii*), common ravens (*Corvus corax*), turkey vultures (*Cathartes aura*), bull snakes (*Pituophis catenifer sayi*), and whiptail lizards (*Cnemidophorus* spp.). Wildlife observed during the biological survey include dark-eyed juncos (*Junco hyemalis*) and mule deer (*Odocoileus hemionus*) tracks. No raptors or signs of raptor use were observed during the biological survey. No bird nests or ground burrows were observed during the biological survey. Notably, cliff habitat with suitable nesting strata occurs immediately adjacent to the project area to the north and south. Though outside of the project area, these areas were scanned with binoculars for nesting activity with negative results. It is possible these areas could be established as nesting sites prior to the onset of project activities.

Wetlands and Waterways

The Clean Water Act (CWA) of 1972 regulates activities that have the potential to impact Waters of the U.S. (WOUS). Section 404 of the CWA regulates discharge of dredged and fill materials within the ordinary high water mark (OHWM) of WOUS, and is administered by the USACE. Section 401 of the CWA regulates water quality and, for the purposes of the project, is administered by the New Mexico Environment Department (NMED), Surface Water Quality Bureau (SWQB).

Prior to the biological survey, the National Wetland Inventory (NWI) website was accessed to determine potential wetland presence within the project area, and indicated that a riverine wetland occurs in the project area, between the north and south drill pad areas. However, during the biological survey, the project area was evaluated for the presence of wetland indicators (e.g., hydrophytic vegetation or wetland hydrology) and no wetlands were located. This adjacent ephemeral flowpath that flows west to east across between the north and south drill pad polygons would not be impacted by project activities. Therefore, no impacts to jurisdictional waters of the U.S. would be incurred.

IV. Threatened, endangered, and proposed species being considered

Federally listed species (Table 1) from the project area were obtained from the USFWS Information, Planning, and Conservation System (IPaC; USFWS 2023). The project area does not contain critical habitat for any federally listed species. Potential effects of the Proposed Action on threatened, endangered, and proposed species are analyzed in this section.

Table 1. Federally listed species for the project area, as of 21 February, 2023.

Species	Legal Status	Habitat Present	Habitat not Present	Habitat Present but not Affected	Does not Occur in Area	Comments
Mammals (1)						
Mexican wolf (Canis lupus baileyi)	Endangered				X	Project area is outside the species recovery area.
Birds (3)						
Southwestern willow flycatcher (Empidonax traillii extimus)	Endangered		X			Riparian habitat requirement not present at project site. No further analysis required.
Mexican spotted owl (Strix occidentalis lucida)	Threatened		X			Mixed-conifer or pine-oak woodland habitat not present within project area. No further analysis required.
Western yellow- billed cuckoo (Coccyzus americanus occidentalis)	Threatened		Х			Riparian woodland habitat not present at project site. No further analysis required.
Plants (2)						
Zuni fleabane (Erigeron rhizomatus)	Threatened		X			Herbaceous perennial that prefers clay hillsides with shale soils in piñon-juniper

Species	Legal Status	Habitat Present	Habitat not Present	Habitat Present but not Affected	Does not Occur in Area	Comments
						woodlands from 7,300 to 8,000 feet elevation (USFWS 1988). The project area occurs below the lower elevational threshold for the species. Further, no individuals were located during the biological survey. No further analysis required.
Pecos sunflower (Helianthus paradoxus)	Threatened		X			Occupies wetland and riparian habitats, salt marshes, and the periphery of inland salt lakes. These habitat requirements are not present at the site. No further analysis required.

V. Special status species being considered

Special status species (Table 2) include State threatened and endangered species with potential habitat in the project area, in addition to federal candidate species. Potential effects on these species of the Proposed Action are analyzed in this section.

Table 2. Special status species for the project area.

Species	Legal Status	Habitat Present	Habitat not Present	Habitat Present but not Affected	Does not Occur in Area	Comments
Mammals (1)						A
Spotted bat (Euderma maculatum)	NM State Threatened			X		Forages throughout woodlands, montane meadows, shrublands, and grasslands. Roosts in crevices and cracks in cliffs (BISON-M 2023). Roosting habitat is present in the adjacent nearby

Species	Legal Status	Habitat Present	Habitat not Present	Habitat Present but not Affected	Does not Occur in Area	Comments
						cliffs to the north and south of the project area. Drilling activities could displace roosting bats from the area. However, given the expansive availability of roosting habitat in the surrounding area, this is not considered to be a significant impact. No impact to foraging bats would occur as no work would occur at night. Therefore, given the above information, implementation of the Proposed Action may impact individuals, but would not impact regional habitat or spotted bat population trends.
Birds (3)						population trends.
Bald eagle (Haliaeetus leucocephalus)	NM State Threatened		Х			Found in a variety of habitats near rivers, large streams and lakes. No waterbodies are present in the general vicinity of the project area. No further analysis required.
American peregrine falcon (Falco peregrinus anatum)	NM State Threatened	Х				Steep, sheer cliffs overlooking woodlands, riparian areas or other habitats supporting avian prey species in abundance. <u>Analysis Required</u> .
Gray vireo (Vireo vicinior)	NM State Threatened		X			Occurs in dense stands of mixed piñon, juniper and oak scrub associations, usually with a well-developed grass component. No dense stands of piñon, juniper or oak associations exist within the project area.

Species	Legal Status	Habitat Present	Habitat not Present	Habitat Present but not Affected	Does not Occur in Area	Comments
Insects (1)					·	
Monarch Butterfly (Danaus plexippus)	USFWS Candidate		X			Found in various habitats including forests, woodland, and grassland habitats where suitable forage (i.e., milkweed) is present. Suitable habitat for the species is absent from the project area. While individuals may occasionally traverse the project area, impacts to individuals or associated habitat are not anticipated from the proposed action. No further analysis required.

VI. Potential for Effects

Federally endangered, threatened, and proposed species

Due to the lack of federal critical habitat, general habitat or occurrence within the project area, there was a <u>no effect</u> determination for the federally endangered, threatened, and proposed species analyzed in the BA section (Table 1). Those species include: Southwestern willow flycatcher, Mexican spotted owl, Western yellow-billed cuckoo, Pecos sunflower and Zuni fleabane.

Special status species

Due to the lack of general habitat or occurrence within the project area, four of the five special status species received a <u>no impact</u> determination. Those species include: spotted bat, bald eagle, gray vireo and monarch butterfly.

The following special status species require further analysis:

• American peregrine falcon

AMERICAN PEREGRINE FALCON

Assessments of the American peregrine falcon presence/absence were conducted during the biological survey; however, extensive, species-specific surveys for falcons were not conducted. These subspecies normally nest in steep vertical cliffs in a variety of vegetation types with prey abundance apparently being a major limiting factor. Cliff habitat occurs nearby and adjacent to the project area, which could serve as future suitable nesting habitat. Further, the entire project area and surrounding landscape could serve as suitable foraging habitat.

Impact Evaluation

Roosting and nesting habitat occurs within the cliffs that occur to the immediate north and south of the project area. These areas were scanned with binoculars during the biological survey for evidence of raptor nests with no detections. However, should falcons establish a nest in these areas prior to the onset of project activities, impacts in the form of displacement (to roosting birds) or abandonment (to nests) could occur. Therefore, it is recommended that a raptor nest survey occur prior to the commencement of project activities. In addition, as the entire area is potential foraging habitat, the proposed action could directly affect the foraging options for peregrine falcons due to work activities and disturbance of foraging habitat within the project area footprint; however, foraging falcons would likely use adjacent areas that were void of construction activities. Further, no indirect impacts to this species are anticipated. Provided that a nest survey with negative results take place prior to the onset of project activites, individuals would not likely be adversely impacted by the project, nor would it result in a trend towards federal listing or loss of population viability. Should nesting falcons be discovered prior to onset of project activities, it is recommended that CBR consult with the NMDGF for a mitigation plan.

VII. Determination Summary

The Proposed Acton will have the following effects/impacts:

➤ The Proposed Acton will have <u>no effect</u> on the following federally listed species: Mexican wolf, southwestern willow flycatcher, Mexican spotted owl, western yellow-billed cuckoo, Pecos sunflower and Zuni fleabane for the following reasons: 1) the project area does not contain the necessary habitat or prey base; or 2) the analyzed species do not occur within the project area.

The Proposed Action will have <u>no impact</u> on the following special status species: spotted bat, bald eagle, gray vireo and monarch butterfly for the following reasons: 1) the project area does not contain the necessary habitat or prey base; or 2) the analyzed species do not occur in the project area.

The Proposed Action <u>may impact individuals</u>, but is not likely to impact habitat or <u>population trends</u> the American peregrine falcon (State NM Threatened) for the following reasons: 1) nesting/forage habitat could be impacted by the Proposed Action, however given the small scale of the project, coupled with the availability of adjacent, suitable and expansive habitat, this impact is not anticipated, 2) no peregrine falcons were observed during the biological survey, 3), a pre-construction nesting survey to confirm lack of species/nest presence could be carried out immediately prior to construction activities to mitigate any impacts to the species, and 4) any displaced species would be expected to occupy adjacent similar habitat, which is widely available in the region.

VIII. Summary and Conclusions

Exploratory drilling activities in the proposed expansion area could impact up to 4.3 acres of vegetation. This impact is considered insignificant given that similar vegetation occurs expansively in the surrounding landscape. Existing roads would be utilized to access the area, however short segments from these roads would require overland travel to reach the proposed drill pads. In these areas vehicular traffic would be confined to the active corridor.

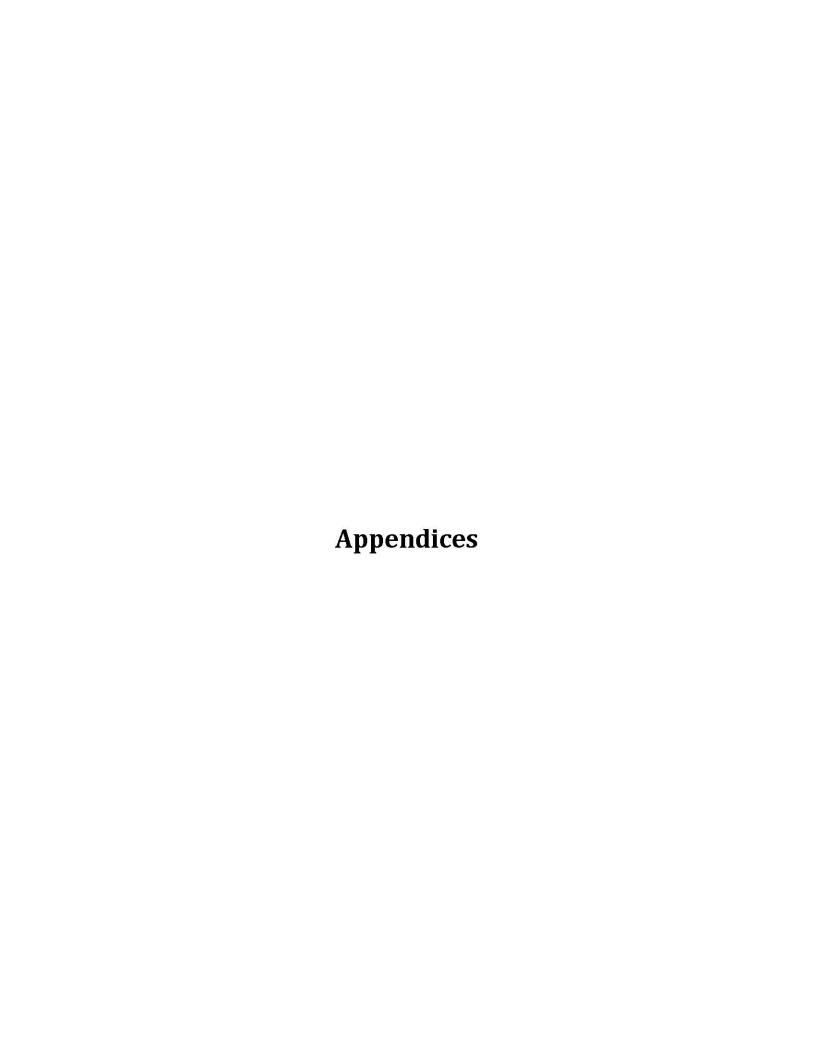
The Proposed Action will have temporary and permanent effects on wildlife. During drilling activities, larger mammals and birds may choose to leave and/or avoid the area, while individual small mammals and reptiles may be displaced. These impacts are considered discountable given the extremely small footprint of the project area when compared to the availability of expansive adjacent habitat. Any wildlife that does utilize the project area would be expected to shift their patterns to adjacent, undisturbed and suitable habitat. No bird nests were found during the biological survey. However, cliff habitat that harbors suitable nesting habitat occurs immediately adjacent to the north and south of the project area. It is recommended that a qualified biologist survey these areas for raptor nests prior to the onset of project activities. If nesting raptors are located, it is recommended that CBR consult with the NMDGF to mitigate potential impacts.

No wetlands occur within the project area. Though a potentially jurisdictional ephemeral waterway occurs between the north and south drilling areas, it would not be impacted; therefore, consultation with the USACE would not be required.

Ultimately, no federally listed species were determined to have the potential for occurring at or near the project area. Of the five special status species analyzed, four were determined to have no potential for occurring within or near the project area. A <u>no effect</u> determination was made for all federally threatened or endangered species due to lack of critical habitat, general habitat, or occurrence in the project area. A <u>no impact</u> determination was made for four special status species in the project area due to the lack of general habitat or occurrence in the project area. A determination of <u>may impact individuals</u>, but is not likely to impact habitat or population trends was made for the American peregrine falcon.

IX. Literature Cited

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Appendix A: Photographs

Photo 1. Northern drilling area, eastern drill pad location, facing southwest.



Photo 2: LJ31 drill pad marker.



Photo 3. Northern drilling area, drill hole location in central portion, facing southwest.



Photo 4. Drill Pad #A27, facing west.



Photo 5. Drill Pad #LJ126, facing north. Note nearby cliff features.

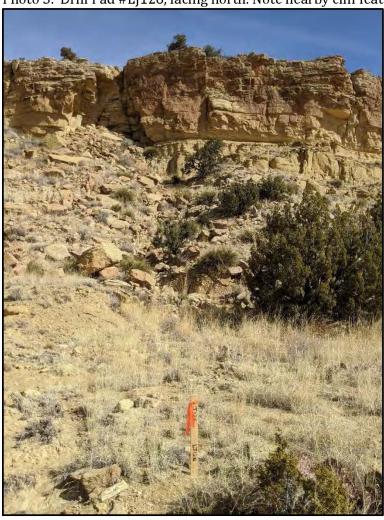


Photo 6. Southern drilling area, westernmost drill pad, facing east



Photo 7. Drill Pad #LJ4, facing northeast.





Appendix B: USFWS IPaC Species Consultation List



United States Department of the Interior



FISH AND WILDLIFE SERVICE New Mexico Ecological Services Field Office 2105 Osuna Road Ne Albuquerque, NM 87113-1001 Phone: (505) 346-2525 Fax: (505) 346-2542

In Reply Refer To: February 21, 2023

Project Code: 2023-0047677

Project Name: Cebolleta Uranium Project

Subject: List of threatened and endangered species that may occur in your proposed project

location or may be affected by your proposed project

To Whom It May Concern:

Thank you for your recent request for information on federally listed species and important wildlife habitats that may occur in your project area. The U.S. Fish and Wildlife Service (Service) has responsibility for certain species of New Mexico wildlife under the Endangered Species Act (ESA) of 1973 as amended (16 USC 1531 et seq.), the Migratory Bird Treaty Act as amended (16 USC 701-715), and the Bald and Golden Eagle Protection Act as amended (16 USC 668-668(c)). We are providing the following guidance to assist you in determining which federally imperiled species may or may not occur within your project area, and to recommend some conservation measures that can be included in your project design.

The enclosed species list identifies threatened, endangered, proposed and candidate species, as well as proposed and final designated critical habitat, that may occur within the boundary of your proposed project and/or may be affected by your proposed project. The species list fulfills the requirements of the U.S. Fish and Wildlife Service (Service) under section 7(c) of the ESA of 1973, as amended (16 U.S.C. 1531 et seq.).

New information based on updated surveys, changes in the abundance and distribution of species, changed habitat conditions, or other factors could change this list. Please feel free to contact us if you need more current information or assistance regarding the potential impacts to federally proposed, listed, and candidate species and federally designated and proposed critical habitat. Please note that under 50 CFR 402.12(e) of the regulations implementing section 7 of the ESA, the accuracy of this species list should be verified after 90 days. The Service recommends that verification be completed by visiting the ECOS-IPaC website at regular intervals during project planning and implementation for updates to species lists and information. An updated list may be requested through the ECOS-IPaC system by completing the same process used to receive the enclosed list.

The purpose of the ESA is to provide a means whereby threatened and endangered species and

the ecosystems upon which they depend may be conserved. Under sections 7(a)(1) and 7(a)(2) of the ESA and its implementing regulations (50 CFR 402 *et seq.*), Federal agencies are required to utilize their authorities to carry out programs for the conservation of threatened and endangered species and to determine whether projects may affect threatened and endangered species and/or designated critical habitat.

A Biological Assessment is required for construction projects (or other undertakings having similar physical impacts) that are major Federal actions significantly affecting the quality of the human environment as defined in the National Environmental Policy Act (NEPA; 42 USC 4332(2) (c)). For projects other than major construction activities, the Service suggests that a biological evaluation similar to a Biological Assessment be prepared to determine whether the project may affect listed or proposed species and/or designated or proposed critical habitat. Recommended contents of a Biological Assessment are described at 50 CFR 402.12.

If a Federal agency determines, based on the Biological Assessment or biological evaluation, that listed species and/or designated critical habitat may be affected by the proposed project, the agency is required to consult with the Service pursuant to 50 CFR 402. In addition, the Service recommends that candidate species, proposed species and proposed critical habitat be addressed within the consultation. More information on the regulations and procedures for section 7 consultation, including the role of permit or license applicants, can be found in the "Endangered Species Consultation Handbook" at http://www.fws.gov/endangered/esa-library/pdf/TOC-GLOS.PDF.

Candidate Species and Other Sensitive Species

A list of candidate and other sensitive species in your area is also attached. Candidate species and other sensitive species are species that have no legal protection under the ESA, although we recommend that candidate and other sensitive species be included in your surveys and considered for planning purposes. The Service monitors the status of these species. If significant declines occur, these species could potentially be listed. Therefore, actions that may contribute to their decline should be avoided.

Lists of sensitive species including State-listed endangered and threatened species are compiled by New Mexico State agencies. These lists, along with species information, can be found at the following websites.

Biota Information System of New Mexico (BISON-M): <u>www.bison-m.org</u>

New Mexico State Forestry. The New Mexico Endangered Plant Program: https://www.emnrd.nm.gov/sfd/rare-plants/

New Mexico Rare Plant Technical Council, New Mexico Rare Plants: nmrareplants.unm.edu

Natural Heritage New Mexico, online species database: nhnm.unm.edu

WETLANDS AND FLOODPLAINS

Under Executive Orders 11988 and 11990, Federal agencies are required to minimize the destruction, loss, or degradation of wetlands and floodplains, and preserve and enhance their natural and beneficial values. These habitats should be conserved through avoidance, or mitigated to ensure that there would be no net loss of wetlands function and value.

We encourage you to use the National Wetland Inventory (NWI) maps in conjunction with ground-truthing to identify wetlands occurring in your project area. The Service's NWI program website, www.fws.gov/wetlands/Data/Mapper.html, integrates digital map data with other resource information. We also recommend you contact the U.S. Army Corps of Engineers for permitting requirements under section 404 of the Clean Water Act if your proposed action could impact floodplains or wetlands.

MIGRATORY BIRDS

In addition to responsibilities to protect threatened and endangered species under the ESA, there are additional responsibilities under the Migratory Bird Treaty Act (MBTA) and the Bald and Golden Eagle Protection Act (BGEPA) to protect native birds from project-related impacts. Any activity, intentional or unintentional, resulting in take of migratory birds, including eagles, is prohibited unless otherwise permitted by the Service (50 CFR 10.12 and 16 USC 668(a)). For more information regarding these Acts see https://www.fenws.gov/birds/policies-and-regulations.php.

The MBTA has no provision for allowing take of migratory birds that may be unintentionally killed or injured by otherwise lawful activities. It is the responsibility of the project proponent to comply with these Acts by identifying potential impacts to migratory birds and eagles within applicable NEPA documents (when there is a Federal nexus) or a Bird/Eagle Conservation Plan (when there is no Federal nexus). Proponents should implement conservation measures to avoid or minimize the production of project-related stressors or minimize the exposure of birds and their resources to the project-related stressors. For more information on avian stressors and recommended conservation measures see https://www.fws.gov/birds/bird-enthusiasts/threats-to-birds.php. We also recommend review of the Birds of Conservation Concern list (https://www.fws.gov/birds/management/managed-species/birds-of-conservation-concern.php) to fully evaluate the effects to the birds at your site. This list identifies migratory and non-migratory bird species (beyond those already designated as federally threatened or endangered) that represent top conservation priorities for the Service, and are potentially threatened by disturbance, habitat impacts, or other project development activities.

In addition to MBTA and BGEPA, Executive Order 13186: *Responsibilities of Federal Agencies to Protect Migratory Birds*, obligates all Federal agencies that engage in or authorize activities that might affect migratory birds, to minimize those effects and encourage conservation measures that will improve bird populations. Executive Order 13186 thereby provides additional protection for both migratory birds and migratory bird habitat. Please visit https://www.fws.gov/migratorybirds/pdf/management/executiveordertoprotectmigratorybirds.pdf for information

regarding the implementation of Executive Order 13186.

We suggest you contact the New Mexico Department of Game and Fish, and the New Mexico Energy, Minerals, and Natural Resources Department, Forestry Division for information regarding State protected and at-risk species fish, wildlife, and plants.

For further consultation with the Service we recommend submitting inquiries or assessments electronically to our incoming email box at nmesfo@fws.gov, where it will be more promptly routed to the appropriate biologist for review.

We appreciate your concern for threatened and endangered species. The Service encourages Federal agencies to include conservation of threatened and endangered species into their project planning to further the purposes of the Act. Please include the Consultation Code in the header of this letter with any request for consultation or correspondence about your project that you submit to our office.

Attachment(s):

Official Species List

02/21/2023

OFFICIAL SPECIES LIST

This list is provided pursuant to Section 7 of the Endangered Species Act, and fulfills the requirement for Federal agencies to "request of the Secretary of the Interior information whether any species which is listed or proposed to be listed may be present in the area of a proposed action".

This species list is provided by:

New Mexico Ecological Services Field Office 2105 Osuna Road Ne Albuquerque, NM 87113-1001 (505) 346-2525

PROJECT SUMMARY

Project Code: 2023-0047677

Project Name: Cebolleta Uranium Project

Project Type: Subsurface Exploration - Other Energy

Project Description: American Future Fuel, LLC (AFF) proposes to engage in exploratory

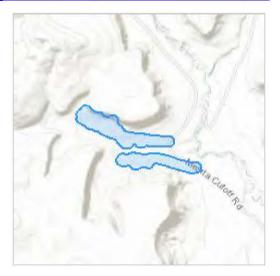
drilling activities to support uranium exploration within Cibola County, New Mexico (Figure 1). The proposed drilling locations are amongst scattered historic uranium mines that have been abandoned, in an area located within a prolific mineral belt north of Laguna, NM. AFF anticipates disturbance on up to 4.3 acres (ac) of land to support the exploratory drilling on unplatted lands within the Cebolleta Land Grant (Figures 2 & 3). AFF intends to apply for the minimal impact permit with the New Mexico Mining and Minerals Division at the conclusion of environmental and cultural due diligence.

The Cebolleta Uranium Project is located approximately 5 miles southeast of Seboyeta, NM. It is located on private lands associated with the Cebolleta Land Grant in Cibola County, New Mexico. The project area can be located on the Moquino, NM U.S. Geological Survey 7.5-minute topographic map. From Seboyeta, access to the site can be gained from an existing county road and then on unmaintained private two-track roads. The purpose of the Proposed Action is to allow AFF to test for the viability of a uranium mine in the proposed permit area, which would include the utilization of existing access routes two distinct areas harboring a total of 22 drill pads/holes. Each drill hole would be drilled to an approximate depth of 400 feet (ft) (Figure 3). All site disturbance would be minimized to the extent possible. AFF intends to acquire a Minimal Impact Permit with the New Mexico Mining and Minerals Division (MMD) to cover the proposed exploratory drilling activities. Less than 5 ac would be disturbed as part of the proposed action. Future expansion and development would likely occur as needed.

The need for the action is to develop the uranium resource, which is a reliable, clean and safe energy source. This BE has been prepared to analyze impacts and determine effects of the Proposed Action on federally proposed, threatened and endangered species, and NM state listed species. Specifically, this BE would provide knowledge regarding protected species, and assist the proponent in determining if formal consultation with the U.S. Fish and Wildlife Service (USFWS) is prudent. This document would also aid in determining if the Proposed Action would lead toward the federal listing of any state listed species or federal candidate species on the Endangered Species Act of 1973 as amended.

Project Location:

The approximate location of the project can be viewed in Google Maps: https://www.google.com/maps/@35.16846295, 107.31095651878844,14z



Counties: Cibola County, New Mexico

ENDANGERED SPECIES ACT SPECIES

There is a total of 7 threatened, endangered, or candidate species on this species list.

Species on this list should be considered in an effects analysis for your project and could include species that exist in another geographic area. For example, certain fish may appear on the species list because a project could affect downstream species.

IPaC does not display listed species or critical habitats under the sole jurisdiction of NOAA Fisheries¹, as USFWS does not have the authority to speak on behalf of NOAA and the Department of Commerce.

See the "Critical habitats" section below for those critical habitats that lie wholly or partially within your project area under this office's jurisdiction. Please contact the designated FWS office if you have questions.

1. <u>NOAA Fisheries</u>, also known as the National Marine Fisheries Service (NMFS), is an office of the National Oceanic and Atmospheric Administration within the Department of Commerce.

MAMMALS

NAME STATUS

Mexican Wolf Canis lupus baileyi

Endangered

Population: Wherever found, except where listed as an experimental population

No critical habitat has been designated for this species. Species profile: https://ecos.fws.gov/ecp/species/3916

BIRDS

NAME STATUS

Mexican Spotted Owl Strix occidentalis lucida

Threatened

There is **final** critical habitat for this species. Your location does not overlap the critical habitat.

Species profile: https://ecos.fws.gov/ecp/species/8196

Southwestern Willow Flycatcher *Empidonax traillii extimus*

Endangered

There is **final** critical habitat for this species. Your location does not overlap the critical habitat.

Species profile: https://ecos.fws.gov/ecp/species/6749

Yellow-billed Cuckoo Coccyzus americanus

Threatened

Population: Western U.S. DPS

There is final critical habitat for this species. Your location does not overlap the critical habitat.

Species profile: https://ecos.fws.gov/ecp/species/3911

INSECTS

NAME STATUS

Monarch Butterfly Danaus plexippus

Candidate

No critical habitat has been designated for this species. Species profile: https://ecos.fws.gov/ecp/species/9743

FLOWERING PLANTS

NAME STATUS

Pecos (=puzzle, =paradox) Sunflower Helianthus paradoxus

Threatened

There is **final** critical habitat for this species. Your location does not overlap the critical habitat. Species profile: https://ecos.fws.gov/ecp/species/7211

Zuni Fleabane Erigeron rhizomatus

Threatened

No critical habitat has been designated for this species. Species profile: https://ecos.fws.gov/ecp/species/5700

CRITICAL HABITATS

THERE ARE NO CRITICAL HABITATS WITHIN YOUR PROJECT AREA UNDER THIS OFFICE'S JURISDICTION.

IPAC USER CONTACT INFORMATION

Agency: Rocky Mountain Ecology

Name: Clay Bowers Address: P.O. Box 45193 City: Rio Rancho

State: NM Zip: 87174

Email bowers@rockymountainecology.com

Phone: 5756393883

OSE Well and Plugging and Abandonment Forms

Partially Completed Examples of Forms to be Filed with OSE with Permit Receipt

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 we	bsite: http://www.ose.state.nm.us	/
Purpose:		Pollution Control And/Or Recovery	☐ Ground S	ource Heat Pump
Exploratory Well (Pump test)		Construction Site/Public Works Dewatering	Other(Des	cribe): Mineral Exploration Drill Hole
☐ Monitoring Well		Mine Dewatering		
A separate permit will be required	to apply	water to beneficial use r	egardless if use is consumpti	ve or nonconsumptive.
Temporary Request - Request	ed Start	Date: 4-1-2022	Requested E	ind Date: 4-1-2024
Plugging Plan of Operations Subr	nitted? [Yes No		
				- A
APPLICANT(S)				
Name:			Name:	
libola Resources, LLC Contact or Agent:	check	here if Agent	Bob Newcomer Contact or Agent:	check here if Agent
/like Thompson	0114011	And an igam.	Toltec Mesa Resources LLC	ond singleton-south free annual each Act of ₩embersouth - Setsten i
Mailing Address: 8032 Road G			Mailing Address: 7823 Quintana Dr NE	2
City:			City: Albuquerque	
State:	Zip Cod	de: 81321	State: NM	Zip Code: 87109
Phone: 970-426-2924 Phone (Work):	Пн	ome 🔳 Cell	Phone: (505)238-4770 Phone (Work):	☐ Home ■ Cell
E-mail (optional):			E-mail (optional):	
t@reardonsteel.us			newcomer.b.tmr@gmail.com	

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) ☐ UTM (NAD83) (Meters) ■ Lat/Long (WGS84) (to the nearest ☐ NM West Zone ☐ NM East Zone Zone 12N 1/10th of second) Zone 13N ☐ NM Central Zone Provide if known: -Public Land Survey System (PLSS) (Quarters or Halves , Section, Township, Range) OR Y or Northing X or Easting or Well Number (if known): - Hydrographic Survey Map & Tract; OR or Latitude: Longitude: - Lot, Block & Subdivision; OR - Land Grant Name Cebolleta Land Grant Cebolleta Land Grant Cebolleta Land Grant Cebolla Land Grant Cebolla Land Grant NOTE: If more well locations need to be described, complete form WR-08 (Attachment 1 - POD Descriptions) If yes, how many Additional well descriptions are attached: Yes No Other description relating well to common landmarks, streets, or other: West of Indian Service Road 52 Well is on land owned by: Cebolleta Land Grant Well Information: NOTE: If more than one (1) well needs to be described, provide attachment. Attached? Yes No If yes, how many_ Outside diameter of well casing (inches): N/A Approximate depth of well (feet): 340 Driller License Number: 331 Driller Name: Stewart Brothers Drilling 3. ADDITIONAL STATEMENTS OR EXPLANATIONS This application is for 22 mineral exploration boreholes that will extend below the water table. They will be plugged and abandoned when completed.

FOR OSE INTERNAL USE	Application for Permit, Form WR-07
File No.:	Trn No.:
	Page 2 of 3

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: Pollution Control and/or Recovery: Construction Mine De-Watering: Exploratory: Include a plan for pollution Include a ☐ Include a plan for pollution De-Watering: control/recovery, that includes the following: control/recovery, that includes the Include a description of the description of A description of the need for mine proposed dewatering following: any proposed dewatering. operation, A description of the need for the pump test, if ☐ The estimated maximum period of time pollution control or recovery operation. The estimated duration of applicable. for completion of the operation. ☐ The estimated maximum period of the operation. ☐ The source(s) of the water to be diverted. ☐ The maximum amount of time for completion of the operation. The geohydrologic characteristics of the water to be diverted. ☐ The annual diversion amount. ☐ The annual consumptive use A description of the need aquifer(s). The maximum amount of water to be amount for the dewatering operation, diverted per annum. The maximum amount of water to be ☐The maximum amount of water to be A description of how the diverted and injected for the duration of diverted for the duration of the operation. diverted water will be disposed the operation. ☐ The method and place of discharge.
☐ The method of measurement of ☐ The quality of the water. The method of measurement of water Ground Source Heat Pump: Monitoring: diverted. ☐ Include the water produced and discharged. ☐ Include a description of the The recharge of water to the aquifer. geothermal heat exchange The source of water to be injected. reason for the Description of the estimated area of The method of measurement of project, monitoring The number of boreholes hydrologic effect of the project. well, and, water injected. The method and place of discharge. ☐ The ☐ The characteristics of the aguifer. for the completed project and ☐An estimation of the effects on surface ☐ The method of determining the required depths. duration water rights and underground water rights resulting annual consumptive use of ☐ The time frame for of the planned from the mine dewatering project. water and depletion from any related constructing the geothermal monitoring. heat exchange project, and, A description of the methods employed to stream system. estimate effects on surface water rights and Proof of any permit required from the The duration of the project. New Mexico Environment Department. Preliminary surveys, design underground water rights. □Information on existing wells, rivers, An access agreement if the data, and additional springs, and wetlands within the area of applicant is not the owner of the land on information shall be included to hydrologic effect. which the pollution plume control or provide all essential facts recovery well is to be located. relating to the request. **ACKNOWLEDGEMENT** I, We (name of applicant(s)), Michael Thompson 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 Print Signature Title: Print Application for Permit, Form WR-07 FOR OSE INTERNAL USE Trn No .: File No .:

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WELL PLUGGING PLAN OF OPERATIONS



NOTE: A Well Plugging Plan of Operations shall be filed with and accepted by the Office of the State Engineer prior to plugging.

I. FILING FEE: There is no filing fee for this form.

	g address: 18032 Road	G			
	Cortez	S	tate:	CO	Zip code: 81321
	number: 970-565-0278		E-mail:	mt@readonsteel.us	
	ELL DRILLER INFOR				
ell I	Driller contracted to provid	de plugging services: Ste	wart Brothers D	rilling	
	Mexico Well Driller Licen				Date:
) in the second	Reason(s) for plugging	Longitude:	deg,		onds are decimal format.
,		olugged at end of drilling p	rogram;		
		88E W 100		If yes, please use	section VII of this form to deta
)	Was well used for any what hydrogeologic pa water, authorization from	type of monitoring progra arameters were monitored om the New Mexico Envir	d. If the well	was used to moni	tor contaminated or poor quali
)	what hydrogeologic pa water, authorization fro	arameters were monitored om the New Mexico Envir	d. If the well conment Departi	was used to moni- nent may be require	tor contaminated or poor quali

7)	Inside diameter of innermost easing:inches.
8)	Casing material:
9)	The well was constructed with: an open-hole production interval, state the open interval: a well screen or perforated pipe, state the screened interval(s):
10)	What annular interval surrounding the artesian casing of this well is cement-grouted?
11)	Was the well built with surface casing?If yes, is the annulus surrounding the surface casing grouted or otherwise sealed?If yes, please describe:
12)	Has all pumping equipment and associated piping been removed from the well?If not, describe remaining equipment and intentions to remove prior to plugging in Section VII of this form.
techni 1)	Describe the method by which cement grout shall be placed in the well, or describe requested plugging methodology proposed for the well:
	Cement grout will be placed via a tremie pipe from the bottom of the hole to the surface.
2)	Will well head be cut-off below land surface after plugging? N/A
VI. F	PLUGGING AND SEALING MATERIALS:
Note:	The plugging of a well that taps poor quality water may require the use of a specialty cement or specialty sealant
1)	For plugging intervals that employ cement grout, complete and attach Table A.
2)	For plugging intervals that will employ approved non-cement based sealant(s), complete and attach Table B.
3)	Theoretical volume of grout required to plug the well to land surface:
4)	Type of Cement proposed:
5)	Proposed cement grout mix:gallons of water per 94 pound sack of Portland cement.
6)	Will the grout be:batch-mixed and delivered to the site mixed on site

7) Grout additives requested, and percent by dry	weight relative to cement:	
8) Additional notes and calculations:		
VII. ADDITIONAL INFORMATION: List addition	nal information below, or on separate sheet(s	s):
VIII. SIGNATURE:	say that I have carefully read the foregoing	Well Plugging Plan of
Operations and any attachments, which are a part hereo Engineer pertaining to the plugging of wells and will co Plugging Plan of Operations and attachments are true to	of; that I am familiar with the rules and regul comply with them, and that each and all of the	ations of the State
	Signature of Applicant	Date
IX. ACTION OF THE STATE ENGINEER:		
This Well Plugging Plan of Operations is:		
Approved subject to the attached cor Not approved for the reasons provide		
Witness my hand and official seal this	day of	
	Tom Blaine P.E., New Mexico State	Engineer
	Ву:	

TABLE A - For plugging intervals that employ cement grout. Start with deepest interval.

	Interval 1 – deepest	Interval 2	Interval 3 – most shallow
			Note: if the well is non-artesian and breaches only one aquifer, use only this column.
Top of proposed interval of grout placement (ft bgl)			
Bottom of proposed interval of grout placement (ft bgl)			
Theoretical volume of grout required per interval (gallons)			
Proposed cement grout mix gallons of water per 94-lb. sack of Portland cement			
Mixed on-site or batch- mixed and delivered?			
Grout additive 1 requested			
Additive 1 percent by dry weight relative to cement			
Grout additive 2 requested			
Additive 2 percent by dry weight relative to cement			

TABLE B - For plugging intervals that will employ approved non-cement based sealant(s). Start with deepest interval.

	Interval 1 – deepest	Interval 2	Interval 3 – most shallow
			Note: if the well is non-artesian and breaches only one aquifer, use only this column.
Top of proposed interval of sealant placement (ft bgl)			
Bottom of proposed sealant of grout placement (ft bgl)			
Theoretical volume of sealant required per interval (gallons)			
Proposed abandonment sealant (manufacturer and trade name)			