

PART 3

MINIMAL IMPACT EXPLORATION OPERATION

PERMIT APPLICATION

Accompanying instructions for this permit application are available from MMD, and on MMD webpage:

<http://www.emnrd.state.nm.us/MMD/MARP/MARPAApplicationandReportingForms.htm>

Send 6 copies of the completed application 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

CHECK OFF LIST TO DETERMINE YOUR PROJECT'S STATUS AS A MINIMAL IMPACT EXPLORATION OPERATION:

- ☐ Yes ☒ No My project will exceed 1000 cubic yards of excavation, per permit.
- ☐ Yes ☒ No Surface disturbances for constructed roads, drill pads and mud pits will exceed 5 acres total for my project.
- ☐ Yes ☒ No My project is located in or is expected to have a direct surface impact on wetlands, springs, perennial or intermittent streams, lakes, rivers reservoirs or riparian areas.
- ☐ Yes ☒ No My project is located in designated critical habitat areas as determined in accordance with the federal Endangered Species Act of 1973 or in areas determined by the Department of Game and Fish likely to result in an adverse impact on an endangered species designated in accordance with the Wildlife Conservation Act, Sections 17-2-37 through 17-2-46 NMSA 1978 or by the State Forestry Division for the Endangered Plants Act, section 75-6-1 NMSA 1978.
- ☐ Yes ☒ No My project is located in an area designated as Federal Wilderness Area,

Wilderness Study Area, Area of Critical Environmental Concern, or an area within the National Wild and Scenic River System.

- ☐ Yes ☒ No My project is located in a known cemetery or other burial ground.
- ☐ Yes ☒ No My project is located in an area with cultural resources listed on either the National Register of Historic Places or the State Register of Cultural Properties.
- ☐ Yes ☒ No My project will or is expected to have a direct impact on ground water that has a total dissolved solids concentration of less than 10,000 mg/L, except exploratory drilling intersecting ground water may be performed as a minimal impact operation.
- ☐ Yes ☒ No My project is expected to use or using cyanide, mercury amalgam, heap leaching or dump leaching in its operations.
- ☐ Yes ☒ No My project is expected to result in point or non-point source surface or subsurface releases of acid or other toxic substances from the permit area.
- ☐ Yes ☒ No My project requires a variance from any part of the Mining Act Rules as part of the permit application.

If you answer yes to any of the above questions, your project does not qualify as a minimal impact exploration operation.

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."

Timeline

- 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: **Hachita**

Nearest Town To Project: **Hachita, NM**

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

Name: **Bronco Creek Exploration**

Address: **1815 E Winsett St**

Tucson, AZ 85719

Office Phone: **(520) 624-4153**

Cell Phone: _____

Fax Number: _____

Email: _____

Name of On-Site Contact, Representative, or Consultant:

Name: **Simon Stickroth**

Address: **1815 E Winsett St**

Tucson, AZ 85719

Office Phone: **(520) 624-4153**

Cell Phone: **(520) 603-7695**

Fax Number: _____

Email: _____

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.

Bronco Creek Exploration holds 359 unpatented lode claims at the Hachita project area. Surface ownership and administration is under the BLM. Exhibit A shows the claim locations and claim numbers.

Attachment **Exhibit A – Hachita Lode Claims**

- 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):

Name	Address	Phone #
☒ U.S. BLM	<u>1800 Marquess Street</u>	<u>575-525-4300</u>
	<u>Las Cruces, NM 88005</u>	
☐ U.S. Forest Service	_____	_____

☐ State of NM	_____	_____

☐ Private/Corporate	_____	_____
Name: _____	_____	
☐ Other	_____	_____
Name: _____	_____	

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

Name	Address	Phone #
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Mineral Estate Owner(s):

Name	Address	Phone #
☐ Bureau of Land Management	_____	_____

☐ US Forest Service	_____	_____

☐ State of NM	_____	_____

☒ Claim/Lease Holder	<u>1815 E Winsett St.</u>	<u>520-624-4153</u>
Name:	<u>Bronco Creek Exploration Tucson, AZ 85719</u>	
Claim Numbers:	<u>HCH 1 through HCH 359</u>	

☒ Claim/Lease Holder	<u>523 S 12th St</u>	<u>512-799-2774</u>
Name:	<u>Kent Claypool Aransas Pass, TX 78336</u>	
Claim Numbers:	<u>BAR S 4, BKR41</u>	

☐ Other	_____	_____
Name:	_____	

C. Has a Cultural Resource Survey been performed on the site? ☐ Yes ☒ No

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

Attachment _____

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

☐ Yes ☒ No If yes, please provide the author, title, date and report number, and include a copy of the survey with this application, if possible:

Attachment _____

SECTION 3 – MAPS AND PROJECT LOCATION (§302.D.2)

A. Project Location:

Township 28S Range 16W Section 21, 28, 29

Township _____ Range _____ Section _____

Township _____ Range _____ Section _____

List the drill hole/exploration name and the GPS coordinates for each site.

I.D. Number	Northing / Latitude	Easting / Longitude
HCH26-P-01	3525262	737952
HCH26-P-03	3525350	737742
HCH26-P-04	3525522	738070
HCH26-P-05	3525502	737654
HCH26-P-06	3525546	737469
HCH26-P-07	3525725	737240
HCH26-P-08	3525750	737545
HCH26-P-09	3525717	737800
HCH26-P-10	3525675	737895
HCH26-P-11	3525822	738030
HCH26-P-12	3526008	737435
HCH26-P-13	3526100	737825
HCH26-P-14	3525978	737900
HCH26-P-15	3526384	737925
Laydown Yard	3526662	738146

Coordinate system used to collect GPS data points:

- ☐ NAD83 Geographic ☐ NAD27 Geographic
☐ NAD83 UTM Zone 13 (or 12) ☐ NAD27 UTM Zone 13 (or 12)
☐ WGS 1984 ☒ Other: WGS 1948 UTM Zone 12

Attachment _____ (for listing additional boreholes)

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

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

- ☒ Yes – The boundary of the proposed exploration project Permit Area
- ☒ Yes – The proposed exploration locations (i.e., borehole locations)
- ☒ Yes – Existing roads, new roads and overland travel routes
- ☒ Yes ☐ N/A – Areas of proposed road improvement

Attachments **Exhibit B – Project Area Map**

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 Attachments

Exhibit B and C – Project Area Map and Schematic Drill Site

C. Provide detailed driving directions to access the site:

Access to the project area is provided via State Highways NM-9 and NM-81 from the town of Hachita. Access from the north is gained from Little Hatchet Mountains Rd. from its junction with NM-9, 2.5 miles west of Hachita. Access from the south is gained also from Little Hatchet Mountains Rd. from its junction with NM-81, 11 miles south of Hachita. Access may also be obtained from the west, using Smelter Road and additional unnamed dirt roads, approximately 7 miles south of the town of Playas, NM. Drill sites will be accessed from Little Hatchet Mountains Rd and additional unmaintained dirt roads that branch off of Little Hatchet Mountains Rd. approximately 12 miles southwest of Hachita. Additionally, overland or access roads may be constructed to access a majority of drill sites. Overland/Access routes will only be constructed if the relevant drill sites are selected to be used.

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

- A. Anticipated exploration: Start Date: 12/1/2026 End Date: 3/1/2026
- B. List the mineral(s)/element(s) to be explored for: Base and Precious metals (copper, lead, zinc, silver, gold)
- C. Proposed method(s) of exploration:

☐ **Air drilling (air rotary, coring, etc.):**

_____ # of holes _____ Depth (ft.) _____ Diameter (in.)

_____ # of drill pads _____ Length (ft.) 20 _____ Width (ft.)

Will drill pads be graded/bladed or overland: ☐ Graded/bladed ☐ Overland

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

Approx. Weight of Drill Rig (lbs.) N/A Number of Axles: Track

Total length of drill stem that can be carried on the rig: _____

Is a support pipe truck anticipated? ☐ Yes ☐ No _____ Weight (lbs.)

Weight of support compressor (lbs.): _____ Trailer mounted? _____

Anticipated Drilling Contractor: Pending License No. _____

☒ **Mud/fluid drilling:**

20 # of holes 4000 Depth (ft.) 2.5 Diameter (in.)

15 # of drill pads 115 Length (ft.) 80 Width (ft.)

Will drill pads be graded/bladed or overland: ☐ Graded/bladed ☒ Overland

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

Will a closed loop system be used or will mud/fluid pits be used? Sumps/mud/fluid pits

If mud/fluid pits are proposed:

15 # of pits 40 Length (ft.) 20 Width (ft.) 10 Depth (ft.)

Anticipated excavating equipment: Backhoe

How will excavating equipment be transported to the site (i.e., driven, low-boy, etc.):

Low-boy to a highway accessible unload zone, then driven to site.

Will mud pits be lined?: ☐ Yes ☒ No

If yes, proposed material to line the mud pits: _____

Approx. Weight of Drill Rig (lbs.) N/A Number of Axles: Track

Anticipated Drilling Contractor: Pending License No. _____

☐ **Test pits / exploratory trenches:**

_____ # of pits _____ Length (ft.) 80 Width (ft.) _____ Depth (ft.)

Anticipated excavating equipment: _____

How will excavating equipment be transported to the site (i.e., driven, low-boy, etc.):

☐ **Other methods of exploration** (i.e., cuts, shafts, tunnels, adits, declines, blasting, etc.). Indicate method and details:

TOTAL ACREAGE TO BE DISTURBED DUE TO DRILL PADS = 3.39 acres
(to convert to acres, multiply total square footage of drill pads by 0.0000229)

D. 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 ☐ No ☒ N/A

Will excess drill cuttings be buried at each drill site location or within a single disposal pit?
☒ At each drill pad location ☐ Within a single disposal pit

If a single disposal pit is proposed, please provide the following:

Description or GPS coordinates of the proposed cuttings disposal pit location:

Dimensions of the single proposed cuttings disposal pit (length, width, and depth):

_____ Length (ft.) _____ Width (ft.) _____ Depth (ft.)

TOTAL ACREAGE TO BE DISTURBED DUE TO DISPOSAL PIT = N / A _____ acres
(to convert to acres, multiply total square footage of disposal pit by 0.0000229)

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

☒ 4x4 Trucks/Vehicles	Quantity:	3-5 standard pick-up trucks
☒ Water Truck	Weight (lbs.):	4,000 gallon
☐ Geophysical Truck	Weight (lbs.):	_____
☐ Pipe Truck (rig support)	Weight (lbs.):	_____
☐ Bulldozer	Type:	_____
☐ Backhoe	Type:	Caterpillar or John Deere
☒ Trackhoe	Type:	_____
☐ Scaper/Grader	Type:	_____
☐ Trailers	Quantity/Type:	2-4 box trailers and medium utility trailer
☒ Portable Toilet	Quantity:	2
☒ Other	List:	1 forklift/telehandler
		2-4 20ft shipping containers

F. Roads and Overland Travel:

List of new roads to be constructed for this exploration project:

Description of <i>NEW</i> Roads	Length (ft.)	Width (ft.)	Total Acres (length x width x 0.0000229)
HCH-OR-01	907	8	0.17
HCH-OR-04	895	8	0.16
HCH-OR-06	150	8	0.03
HCH-OR-08	525	8	0.10
HCH-OR-13	251	8	0.05
TOTAL ACRES DISTURBED BY NEW ROAD CONSTRUCTION :			0.5

Describe how new roads will be constructed:

This is a maximum estimate. Where possible, “new” roads will be developed overland style to the maximum extent possible (two-track, 6ft wide disturbance). If and where necessary, a backhoe may be used to flatten portions of the road and remove brush/vegetation if it cannot be avoided. The effective disturbance will be minimized to 6-8ft wide

List for extension or widening of existing roads:

Description of Modification to <i>EXISTING</i> Roads	Length (ft.)	Width (ft.)	Total Acres (length x width x 0.0000229)
Powerline Road Access	1770	10	0.41
TOTAL ACRES DISTURBED BY ROAD IMPROVEMENTS :			0.41

Describe how existing roads will be extended or widened:

Existing roads will be used as much as possible for drill site access and depending on the condition at the time of drilling, may require limited maintenance to maintain basic safety standards. Road repairs will remain within the existing footprint of the road and may include levelling of severely uneven or rutted ground. The Powerline Access Rd. is an older unmaintained service road for a powerline which will require more significant repairs in some places generally shown on the map – Exhibit B. Repairs, including improvements on the Powerline Access Rd will typically include minor to moderate levelling or grading using a backhoe.

List for routes of overland travel:

Description of <i>OVERLAND TRAVEL</i> Routes	Length (ft.)	Width (ft.)	Total Acres (length x width x 0.0000229)
TOTAL ACRES DISTURBED BY OVERLAND TRAVEL :			0

G. 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.

A project laydown yard will be located at the north end of the project area, but within the general area encompassed by the drill sites along Little Hatchet Mountains Rd. The laydown area is irregular in shape but will disturb an area 0.5 acres. If an additional area is necessary to utilize as a secondary laydown yard for equipment, it will be chosen from one of the existing 0.21 acre drill sites.

There will be no permanent structures in support of this operation. 2-4 20ft shipping containers may be used for additional storage and temporary on-site operations.

H. TOTAL ACREAGE TO BE DISTURBED BY PROJECT = 4.3 acres
(include all disturbed acreage from drill pads, cuttings disposal pit, new roads, improved roads and overland travel routes)

SECTION 5 – CHEMICAL USE (§302.D.4)

A. Check any and all chemicals that will be used for this project.

☒ Drilling Mud (i.e., EZ Mud)	Type/Quantity:	Poly Plus RD - 32 pails
☒ Diesel Fuel	Quantity:	6,000 gallons
☒ Down-hole Lubricants	Type/Quantity:	24 pails
☒ Lost Circulation Materials	Type/Quantity:	16 bags
☒ Oils/Grease	Quantity:	20 pails rod grease
☒ Gasoline	Quantity:	160 gallons
☒ Hydraulic Fluid	Quantity:	16 gallons
☐ Ethylene Glycol	Quantity:	
☒ Cement	Type/Quantity:	8 bags
☒ Water	Source:	280,000 gallons
☒ Bentonite	Quantity:	520 bags
☐ Fertilizer	Type/Quantity:	
☒ Other	Type/Quantity:	Platinum Pac - 32 pails
		Soda Ash - 16 bags
		Smooth Grout - 120 bags

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

The drill rig and any other necessary vehicles, powered equipment, or small generators used for this project will use gasoline, diesel, engine oil and/or hydraulic oil, and other necessary common petroleum products which are housed in their respective internal tanks. Other external ancillary tanks of these products may also be used and are housed within steel drums, pails, and vehicle-mounted tanks. These containers are clearly labeled and will be limited to containment vessels or bins that isolate the fluids from the ground. Stationary equipment using hazardous substances will be placed on thick plastic sheeting and environmental hydrocarbon absorbent pads to prevent ground contamination. Industry standard materials and additives will be used on the project and SDS sheets available. Fuel storage areas are non-smoking will be placed in containments and clearly signed and checked daily for leaks. Additionally, spill response kits will be available on site. All other materials including drilling mud, cement, and bentonite will be stored in labeled manufacturer containers which are stored on plastic covered or wrapped pallets at the laydown yard until used at the drill site. All unused materials will be removed from the site and properly disposed of if necessary, upon completion of the project.

C. Describe where equipment fueling/refueling will occur:

Fuel will be stored at the active drill site and at the laydown yard. Fuel will also typically be housed in vehicle mounted tanks for use in refueling the drill rig. A fuel storage area at the active drill site will be utilized to store smaller 5-gallon safety cans that are used for refueling smaller items such as generators and pumps.

D. Describe how hazardous material spills/leaks will be handled:

In the unlikely event of an accidental spill or leak, mitigations will be conducted in accordance with state and federal guidelines. Chemical clean-up kits will be kept at the site, and spill buckets or catchment basins will be available to contain any petroleum product leaks, and actions will be taken to mitigate fire, explosion, and vapor hazards. Released materials and any contaminated materials including soils exposed above and below ground will be cleaned up for proper disposal. In the unlikely event a spill equals or exceeds its reportable quantity under CERCLA, we will notify the BLM, NM MMD, and NMED immediately.

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

☒ Bentonite clay or cat litter

☒ Adsorbent pads, rolls, mats, socks, pillows, dikes, etc.

☒ Drum or barrel for containing contaminated soil/adsorbent materials

☒ Other/list: Spill Kits

☐ Other/list: _____

☐ Other/list: _____

F. Applicant/owner/representative agrees to immediately notify the State of New Mexico immediately of any spills of hazardous materials (see page 1 of this application for phone numbers to notify): ☒ Yes ☐ No

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.): N/A TDS concentration (mg/L): N/A

Describe the source of this information:

At the time of writing, there are no known sources of information that could be used to determine depth of groundwater or TDS concentration.

- B. Will dewatering activities be conducted: ☐ Yes ☒ No

If yes, please describe:

- C. Is groundwater anticipated to be encountered during exploration: ☒ Yes ☐ No

If YES:

Have you completed Form WR-07 (Application for permit to drill a well with no consumptive use of water) and mailed it to the District Office of the State Engineer? ☒ No/Pending

Have you completed Form WD-08 (Well plugging plan of operations) and mailed it to the District Office of the State Engineer? ☒ No/Pending

Attachment : **Forms WR-07 and WD-08 will be completed concurrently and after confirmation of a selected drilling contractor.**

- D. Exploration Borehole Abandonment

Dry Boreholes

- ☐ Dry hole abandonment (option 1): 100% bentonite pellets/chips (i.e. HOLEPLUG® manufactured by Baroid Industrial Products), dropped from surface then hydrated in place according to the manufacturer's recommendations, emplaced from total depth to within 12 feet of the original ground surface, followed by 10 feet of neat cement, followed by 2 feet of topsoil/topdressing.

- ☐ Dry hole abandonment (option 2): 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.
- ☐ Dry hole abandonment (option 3): Cement + 6% bentonite 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.
- ☒ Dry hole abandonment (option 4): High-density bentonite clay ($\geq 20\%$ active solids; i.e. QUIK-GROUT® manufactured by Baroid Industrial Products), mixed according to the manufacturer's recommendations, emplaced with a tremie pipe from total depth to within 12 feet of the original ground surface, followed by 10 feet of neat cement, followed by 2 feet of topsoil/topdressing.
- ☐ Dry hole abandonment (option 5): Other materials / describe and justify use:

Wet Boreholes

- ☒ 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.
- ☒ Wet hole abandonment (option 2): High-density bentonite clay ($\geq 20\%$ active solids; i.e. QUIK-GROUT® manufactured by Baroid Industrial Products), mixed according to the manufacturer's recommendations, emplaced with a tremie pipe from total depth to within 12 feet of the original ground surface, followed by 10 feet of neat cement, followed by 2 feet of topsoil/topdressing.
- ☒ Wet hole abandonment (option 3): Other sealing material approved by the Office of the State Engineer. Describe and include well plugging plan approval by the State Engineer:

Option 1 (wet boreholes) will be used for holes that encounter artesian groundwater. Option 2 (wet boreholes) and Option 4 (dry boreholes) will be used for holes that encounter no groundwater or non-artesian groundwater.

- 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 ☐ No

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

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

A. Salvage/Preservation of Topsoil

Before any grading/blading or similar activities occur in relation to this project, operator agrees to salvage and preserve all topsoil and topdressing for use in future reclamation of this project ☒ Yes ☐ No

Describe how topsoil will be salvaged prior to initiation of exploration activities (check all that apply):

- ☐ N/A – no construction work will occur, therefore no soil salvage is needed.
- ☒ Excavated from drill pads and stored at each drill pad
- ☒ Excavated from road improvements/construction and stored adjacent to road
- ☒ Excavated from mud/fluid pits and storage at each pit
- ☐ Other, describe:

B. Erosion Control

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

- ☐ Silt fencing Location: _____
- ☒ Straw wattles Location: **if necessary** _____

☐	Straw bales	Location:	
☐	Ditches/swales	Location:	
☒	Berms/dikes/dams	Location:	Berms, channels, windrows may be used to prevent materials from leaving sites.
☐	Sediment basins	Location:	
☐	Other or N/A	Type/Location:	All fluids and materials will be contained at the drill site and in the sump.

Wildlife Protection / Noxious Weed Prevention

Will the perimeter of drill pits be fenced to prevent wildlife entrapment? ☒ Yes ☐ No

Proposed pit perimeter fence material:

Sumps will be fenced off using 4ft safety fence or wire fencing.

Describe how the pit perimeter fencing will be installed and secured (i.e., T-posts, wooden stakes, etc.):

T-posts at regular intervals to maintain competency and fence secured with cable or wire ties.

Will at least one side of the interior of the drill pits be sloped at 3:1 as a ramp for wildlife escape? ☒ Yes ☐ No

If No, will another type of constructed escape ramp be installed? Describe:

Applicant/Owner/Operator commits to pressure-washing or steam-clean all equipment prior to entering the permit area: ☒ Yes ☐ No

C. Reclamation Details

Describe in general how re-contouring or re-establishment of the surface topography will be restored:

All possible measures will be taken to prevent undue and unnecessary degradation of the land, including minimizing our area of disturbance as much as possible, and circumventing vegetated areas. This includes clearly marking drill site boundaries and

supervision of drill contractors by BCE (operator) personnel during site construction to ensure sites achieve the minimum possible disturbance while providing a safe operating area. Any topsoil present will be segregated and stabilized at the start of work on each drill site.

Reclamation will be accomplished with similar equipment to the construction of the drill site (back hoe) for infill of sump and replacing any larger stock piles of dirt fill and topsoil, in addition to hand tools (shovel/rakes etc) to help recontour the area to its original state. After successful recontouring, any loose boulders and slash will be scattered across the site and a seed mix prescribed by the BLM will be broadcast evenly across the area to revegetate the disturbed site.

Any constructed overland routes will follow similar reclamation procedures, typically, a backhoe will be used to scrape/drag and loosen the top surface so it may be revegetated with a seed mix. Additionally, the entrance to the road will be blocked off with a berm or boulders to prevent use of the road by casual land users. BCE will communicate with the BLM district office to procure a suitable seed mix for the specific area.

Describe how the reclamation of portals, adits, drilling fluid/mud and/or waste pits, shafts, ponds, roads and other disturbances will be performed:

Reclamation will be accomplished with similar equipment to the construction of the drill site (back hoe) for infill of sump and replacing any larger stock piles of dirt fill and topsoil, in addition to hand tools (shovel/rakes etc) to help recontour the area to its original state. Cuttings will be managed with care to avoid increasing our footprint of disturbance and will either remain contained in the sump or removed at the close of operations.

Reclamation may occur immediately after or concurrent with active drilling. However, sumps may be left open for a period of time (3-6 months) to allow evaporation of excess mud/water. If left open, sumps will remain fenced off to prevent wildlife from entering. A vacuum/pump truck may be used to extract excess mud/water so the sump may be filled in and site reclamation complete. If overland access routes may be used in an additional drill campaign within the scope of the NOI, they may be left for future access and reclaimed prior to the NOI expiration date.

The reclamation of all areas disturbed under the notice will be completed to 43 CFR 3809 standards and that reasonable measures will be taken to prevent undue and unnecessary degradation of federal lands during the pre-described operations.

Is seeding of the reclaimed areas proposed: ☒ Yes ☐ No

If no, provide a justification as to why no revegetation is needed:

Plant mix to be used in the re-establishment of vegetation:

☐ US Forest Service specified mix applied through broadcast at their recommended rate

☒ BLM specified mix applied through broadcast at their recommended rate

☐ Other:

Plant Name	Seeding Rate (lbs./acre)

Broadcast applied or drill-seeded: ☒ Broadcast ☐ Drill-seeded

Scarification Methods (check all that apply):

- ☐ Primary tillage to greater than 6-inches depth of all constructed drill pads and roads
- ☐ Secondary tillage of all constructed drill pads and roads, and/or overland travel routes
- ☒ Chain drag or tire drag over seeds in areas used for overland travel
- ☒ Light raking of soil over seeds in areas used for overland travel
- ☐ None
- ☐ Other/describe:

Mulch Use:

- ☐ Certified weed-free straw mulch will be placed over areas that have been tilled/disc'd or ripped at a rate of 2 tons per acre, and will be crimped in place
- ☒ No mulch is proposed

D. 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 ☐ No

Anticipated Start of Reclamation:

- ☒ 0-30 days after completion of drilling
- ☐ 31-60 days after completion of drilling
- ☐ Other/specify: _____

SECTION 8 – PERMIT FEES AND FINANCIAL ASSURANCE (§302.1.2 AND 5)

- A. 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

☒ Estimated amount of financial assurance: **\$42,290.00 (calculation attached)**_____

Or

☐ Applicant will provide the amount of financial assurance calculated by MMD.

- B. Attach the permit fees as determined pursuant to Subpart 2. The application fee for a minimal impact exploration permit is \$500.00.

- ☐ Money Order/Cashier's Check
☒ Check

Check Number : _____

Financial Institution: _____

SECTION 9 – CERTIFICATION REQUIREMENT (§302.I.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.

Signature of Permittee or Authorized Agent: _____

Name (type or print): Simon Stickroth _____

Title/Position: Geologist _____

Date: 09/01/2026 _____

Exhibit A: Hachita Lode Claims



359 federal unpatented lode claims - 7,306 acres
 Located in Township 28S, Range 16W, Sec. 2-4, 9-11, 14-15, 20-23, 26-31,
 New Mexico Base and Meridian, Grant County, New Mexico
 Base from USGS Playas Lake North and South, Playas Peak and Hachita Peak
 7.5 minute 24k quadrangles. Valid claim boundaries are adjusted to coincide with anticipated
 locations of any senior mineral rights or lands not open to entry.

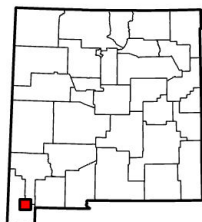
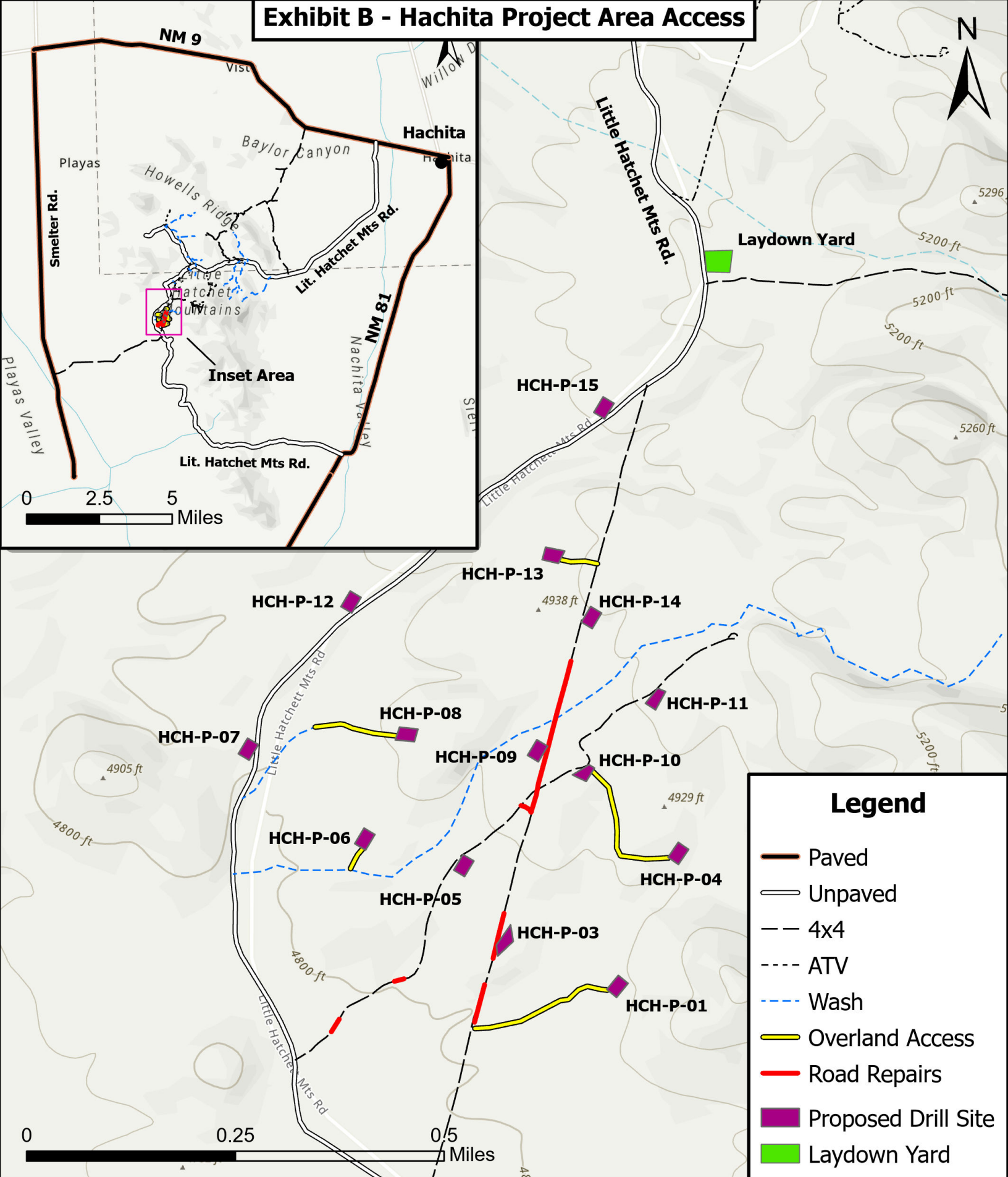


Exhibit B - Hachita Project Area Access



359 federal unpatented lode claims - 7,306 acres
 15 drill sites including laydown yard (up to 3.4 acres)
 5 overland routes and existing road repairs (up to 0.9 acres)
 Township 28S Range 16W, Sec. 21, 28, 29
 New Mexico Base and Meridian, Hidalgo County, New Mexico

Schematic Diamond Core Drill Site

