



STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER
District 3 Office, Deming, NM

Mike A. Hamman, P.E.
State Engineer

321 W. Spruce Street
Deming, New Mexico 88030
PHONE: (575) 546-2851
FAX: (575) 546-2290

December 8, 2022

FILE: M-11627

Tyrone Mining, LLC
c/o Ty Bays
P.O. Box 571
Tyrone, NM 88065

RECEIVED
DEC 12 2022

Greetings:

BY:

Enclosed is your copy of Exploratory Well Permit M-11627-POD91 thru M-11627-POD106, which has been approved.

Your attention is called to the Conditions of Approval under exploratory permit M-11627-POD91 thru M-11627-POD106, which states as follows:

This application is approved provided it is not exercised to the impairment of any others having existing rights prior to this application for permit for a exploratory wells; further provided that all rules and regulations of the State Engineer pertaining to the drilling of shallow wells be complied with; and is not detrimental to the public welfare or contrary to the conservation of water within the state, subject to the following conditions:

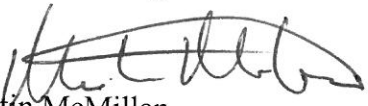
1. Wells M-11627-POD91 thru M-11627-POD106 shall be drilled by a driller licensed in the State of New Mexico in accordance with 72-12-12 NMSA 1978. A licensed driller shall not be required for the construction of a well driven without the use of a drill rig, provided that the casing shall not exceed two and three-eighths (2 3/8) inches outside diameter.
2. Wells M-11627-POD91 thru M-11627-POD106 shall be drilled to a depth not to exceed 900 feet and shall not exceed 3.0 inches outside diameter.
3. No appropriation of water for beneficial use shall be made from POD's M-11627-POD91 thru M-11627-POD106. The well shall be for exploratory purposes only, unless and until a permit for a specific use has been approved by the State Engineer
4. The well driller must file the well record with the State Engineer and the applicant within 30 days after the well is drilled or driven. It is the well owner's responsibility to ensure that the well driller files the well record. The well driller may obtain the well record form from any District Office or the Office of the State Engineer website.
5. Wells M-11627-POD91 thru M-11627-POD106 shall be plugged on or before December 31, 2023, unless the applicant has received an approved permit from the State Engineer for additional use.
6. The wells authorized by this permit shall be plugged completely using the following method per Rules and Regulations Governing Well Driller Licensing, Construction, Repair and Plugging of Wells; Subsection C of 19.27.4.30 NMAC unless an alternative plugging method is proposed by the well owner and approved by the State Engineer upon completion of the permitted use. All pumping appurtenance shall be removed from the

well prior to plugging. To plug a well, the entire well shall be filled from the bottom upwards to ground surface using a tremie pipe. The bottom of the tremie shall remain submerged in the sealant throughout the entire sealing process; other placement methods may be acceptable and approved by the state engineer. The well shall be plugged with an office of the state engineer approved sealant for use in the plugging of non-artesian wells. The well driller shall cut the casing off at least four (4) feet below ground surface and fill the open hole with at least two vertical feet of approved sealant. The driller must fill or cover any open annulus with sealant. Once the sealant has cured, the well driller or well owner may cover the seal with soil. A Plugging Report for said well shall be filed with the Office of the State Engineer in a District Office within 30 days of completion of the plugging, but no later than December 31, 2023.

7. The State Engineer retains jurisdiction to administer the conditions of this permit.
8. Pursuant to Section 72-8-1 NMSA 1978, the permittee shall allow the State Engineer and OSE representatives entry upon private property for the performance of their respective duties, including access to the ditch or acequia to measure flow and also to the well for meter reading and water level measurement.
9. Pursuant to Section 72-2-16, NMSA 1978, if you are aggrieved by this decision, you may submit a request to this office asking for a hearing to be held. The request must be in writing and must be submitted no later than 30 days after receipt of this permit. Failure to request a hearing by such time will waive your right to request a hearing on this decision. In accordance with Subsection B of 19.25.2.10 NMAC, you will be required to pay a hearing fee when the hearing is announced by the OSE Hearings Unit. Aggrievial of the permit or any of the conditions of approval suspends the permit. **No water may be diverted** under an aggrieved permit until final resolution of the aggrievial with the Office of the State Engineer. Any water diverted while the aggrievial is pending will have to be repaid.
10. Well records shall be filed in the District 3 office on or before December 31, 2023.
11. This permit shall automatically expire on December 31, 2023.

Sincerely,

Lloyd R. Valentine III
District 3 Manager

By: 
Martin McMillan
Water Resources Manager

MM:mm
cc: State Engineer



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 website: <http://www.ose.state.nm.us/>

Purpose:	<input type="checkbox"/> Pollution Control And/Or Recovery	<input type="checkbox"/> Ground Source Heat Pump
<input type="checkbox"/> Exploratory Well*(Pump test)	<input type="checkbox"/> Construction Site/Public Works Dewatering	<input checked="" type="checkbox"/> Other(Describe): Exploration
<input type="checkbox"/> Monitoring Well	<input type="checkbox"/> Mine Dewatering	

A separate permit will be required to apply water to beneficial use regardless if use is consumptive or nonconsumptive.

*New Mexico Environment Department-Drinking Water Bureau (NMED-DWB) will be notified if a proposed exploratory well is used for public water supply.

<input type="checkbox"/> Temporary Request - Requested Start Date:	Requested End Date:
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Plugging Plan of Operations Submitted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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1. APPLICANT(S)

Name: Tyrone Mining, LLC	Name:
Contact or Agent: check here if Agent <input checked="" type="checkbox"/>	Contact or Agent: check here if Agent <input type="checkbox"/>
Ty Bays	
Mailing Address: P.O. Box 571	Mailing Address:
City: Tyrone	City:
State: NM Zip Code: 88065	State: Zip Code:
Phone: 575-912-5757 <input type="checkbox"/> Home <input type="checkbox"/> Cell	Phone: <input type="checkbox"/> Home <input type="checkbox"/> Cell
Phone (Work):	Phone (Work):
E-mail (optional): tbays@fmi.com	E-mail (optional):

STATE ENGINEERS OFFICE
DEMING, NEW MEXICO

NOV 29 2022

FOR USE INTERNAL USE

Application for Permit, Form WR-07, Rev 07/12/22

File No.: <i>M-11627</i>	Trn. No.:	Receipt No.: <i>3-24535</i> *500
Trans Description (optional):		
Sub-Basin: <i>Mimbres</i>	PCW/LOG Due Date: <i>12/31/2023</i>	

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), <u>or</u> Latitude/Longitude (Lat/Long - WGS84). District II (Roswell) and District VII (Cimarron) customers, provide a PLSS location in addition to above.			
<div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> NM State Plane (NAD83) (Feet) <input type="checkbox"/> NM West Zone <input type="checkbox"/> NM East Zone <input type="checkbox"/> NM Central Zone </div> <div> <input type="checkbox"/> UTM (NAD83) (Meters) <input type="checkbox"/> Zone 12N <input type="checkbox"/> Zone 13N </div> <div> <input checked="" type="checkbox"/> Lat/Long (WGS84) (to the nearest 1/10th of second) </div> </div>			
Well Number (if known): <div style="font-size: 1.2em; font-family: cursive;">M-11627</div>	X or Easting or Longitude:	Y or Northing or Latitude:	Provide if known: -Public Land Survey System (PLSS) (Quarters or Halves, Section, Township, Range) OR - Hydrographic Survey Map & Tract; OR - Lot, Block & Subdivision; OR - Land Grant Name
<div style="font-size: 1.2em; font-family: cursive;">91</div> EM-23-001R	-108.358217 <div style="font-size: 0.8em;">108° 21' 29.58"</div>	32.617866 <div style="font-size: 0.8em;">32° 37' 43.2"</div>	<div style="font-size: 1.2em; font-family: cursive;">NE 1/4, Sec 35, T19S, R15W</div>
<div style="font-size: 1.2em; font-family: cursive;">92</div> EM-23-003R	-108.358217 <div style="font-size: 0.8em;">108° 21' 29.58"</div>	32.617866 <div style="font-size: 0.8em;">32° 37' 43.2"</div>	<div style="font-size: 1.2em; font-family: cursive;">NE 1/4, Sec 35, T19S, R15W</div>
<div style="font-size: 1.2em; font-family: cursive;">93</div> EM-23-002R	-108.358217 <div style="font-size: 0.8em;">108° 21' 29.58"</div>	32.616768 <div style="font-size: 0.8em;">32° 37' 03.6"</div>	<div style="font-size: 1.2em; font-family: cursive;">NE 1/4, Sec 35, T19S, R15W</div>
<div style="font-size: 1.2em; font-family: cursive;">94</div> EM-23-004R	-108.358217 <div style="font-size: 0.8em;">108° 21' 29.58"</div>	32.616768 <div style="font-size: 0.8em;">32° 37' 03.6"</div>	<div style="font-size: 1.2em; font-family: cursive;">NE 1/4 Sec. 35. T19S, R15W</div>
<div style="font-size: 1.2em; font-family: cursive;">95</div> EM-23-005R	-108.358868 <div style="font-size: 0.8em;">108° 21' 31.92"</div>	32.617316 <div style="font-size: 0.8em;">32° 37' 2.34"</div>	<div style="font-size: 1.2em; font-family: cursive;">NE 1/4, Sec. 35, T19S, R15W</div>
NOTE: If more well locations need to be described, complete form WR-08 (Attachment 1 – POD Descriptions)			
Additional well descriptions are attached: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, how many _____			
Other description relating well to common landmarks, streets, or other:			
Emma prospect south of Tyrone Mine.			
Well is on land owned by: Tyrone Mining LLC			
Well Information: NOTE: If more than one (1) well needs to be described, provide attachment. Attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, how many _____			
Approximate depth of well (feet): 900		Outside diameter of well casing (inches): 3 inch	
Driller Name: Layne Exploration		Driller License Number: WD-1728	

3. ADDITIONAL STATEMENTS OR EXPLANATIONS

Mineral exploration

STATE ENGINEERS OFFICE
DEMING, NEW MEXICO

NOV 29 2022

FOR OSE INTERNAL USE

Application for Permit, Form WR-07 Version 07/12/22

File No.:

M-11627

Trn No.: _____

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:

Exploratory: Is proposed well a future public water supply well? <input type="checkbox"/> Yes <input type="checkbox"/> NO If Yes, an application must be filed with NMED-DWB, concurrently. <input type="checkbox"/> Include a description of the requested pump test if applicable.	Pollution Control and/or Recovery: <input type="checkbox"/> Include a plan for pollution control/recovery, that includes the following: <input type="checkbox"/> A description of the need for the pollution control or recovery operation. <input type="checkbox"/> The estimated maximum period of time for completion of the operation. <input type="checkbox"/> The annual diversion amount. <input type="checkbox"/> The annual consumptive use amount. <input type="checkbox"/> The maximum amount of water to be diverted and injected for the duration of the operation. <input type="checkbox"/> The method and place of discharge. <input type="checkbox"/> The method of measurement of water produced and discharged. <input type="checkbox"/> The source of water to be injected. <input type="checkbox"/> The method of measurement of water injected. <input type="checkbox"/> The characteristics of the aquifer. <input type="checkbox"/> The method of determining the resulting annual consumptive use of water and depletion from any related stream system. <input type="checkbox"/> Proof of any permit required from the New Mexico Environment Department. <input type="checkbox"/> An access agreement if the applicant is not the owner of the land on which the pollution plume control or recovery well is to be located.	Construction De-Watering: <input type="checkbox"/> Include a description of the proposed dewatering operation, <input type="checkbox"/> The estimated duration of the operation, <input type="checkbox"/> The maximum amount of water to be diverted, <input type="checkbox"/> A description of the need for the dewatering operation, and, <input type="checkbox"/> A description of how the diverted water will be disposed of.	Mine De-Watering: <input type="checkbox"/> Include a plan for pollution control/recovery, that includes the following: <input type="checkbox"/> A description of the need for mine dewatering. <input type="checkbox"/> The estimated maximum period of time for completion of the operation. <input type="checkbox"/> The source(s) of the water to be diverted. <input type="checkbox"/> The geohydrologic characteristics of the aquifer(s). <input type="checkbox"/> The maximum amount of water to be diverted per annum. <input type="checkbox"/> The maximum amount of water to be diverted for the duration of the operation. <input type="checkbox"/> The quality of the water. <input type="checkbox"/> The method of measurement of water diverted. <input type="checkbox"/> The recharge of water to the aquifer. <input type="checkbox"/> Description of the estimated area of hydrologic effect of the project. <input type="checkbox"/> The method and place of discharge. <input type="checkbox"/> An estimation of the effects on surface water rights and underground water rights from the mine dewatering project. <input type="checkbox"/> A description of the methods employed to estimate effects on surface water rights and underground water rights. <input type="checkbox"/> Information on existing wells, rivers, springs, and wetlands within the area of hydrologic effect.
Monitoring <input type="checkbox"/> The reason and duration of the monitoring is required.	Ground Source Heat Pump: <input type="checkbox"/> Include a description of the geothermal heat exchange project, <input type="checkbox"/> The number of boreholes for the completed project and required depths. <input type="checkbox"/> The time frame for constructing the geothermal heat exchange project, and, <input type="checkbox"/> The duration of the project. <input type="checkbox"/> Preliminary surveys, design data, and additional information shall be included to provide all essential facts relating to the request.		

ACKNOWLEDGEMENT

I, We (name of applicant(s)), Ty Bays

Print Name(s)

affirm that the foregoing statements are true to the best of (my, our) knowledge and belief.

Ty Bays
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 08 day of December 20 22, for the State Engineer,

Mike A. Hamman, P.E., State Engineer

By: [Signature]
Signature

Lloyd R. Valentine III
Print

Title: District 3 Manager
Print

STATE ENGINEERS OFFICE
DEMING, NEW MEXICO

FOR USE INTERNAL USE

Application for Permit, Form WR-07 Version 07/12/22

File No.:

Trn No.:

NOV 29 2022



NEW MEXICO OFFICE OF THE STATE ENGINEER



ATTACHMENT 1 POINT OF DIVERSION DESCRIPTIONS

This Attachment is to be completed if more than one (1) point of diversion is described on an Application or Declaration.

a. Is this a: <input type="checkbox"/> Move-From Point of Diversion(s) <input type="checkbox"/> Move-To Point of Diversion(s)		b. Information on Attachment(s): Number of points of diversion involved in the application: <u>16</u> Total number of pages attached to the application: <u>2</u>	
<input type="checkbox"/> Surface Point of Diversion		<input checked="" type="checkbox"/> Well	
Name of ditch, acequia, or spring:			
Stream or water course:			
Tributary of:			
c. Location (Required): Required: Move to POD location coordinate must be either New Mexico State Plane (NAD 83), UTM (NAD 83), or Lat/Long (WGS84)			
NM State Plane (NAD83) (feet) NM West Zone <input type="checkbox"/> NM Central Zone <input type="checkbox"/> NM East Zone <input type="checkbox"/>	UTM (NAD83) (meters) Zone 13N <input type="checkbox"/> Zone 12N <input type="checkbox"/>	<input checked="" type="checkbox"/> Lat/Long- (WGS84) 1/10 th of second	OTHER (allowable only for move-from descriptions - see application form for format) <input type="checkbox"/> PLSS (quarters, section, township, range) <input type="checkbox"/> Hydrographic Survey, Map & Tract <input type="checkbox"/> Lot, Block & Subdivision <input type="checkbox"/> Grant
POD Number: <u>96</u> EM-23-006R	X or Longitude -108.35108 108° 21' 3.89"	Y or Latitude 32.619514 32° 37' 10.25"	Other Location Description: SW 1/4, Sec. 25, T19S, R15W
POD Number: <u>97</u> EM-23-007R	X or Longitude -108.35108 108° 21' 3.89"	Y or Latitude 32.619514 32° 37' 10.25"	Other Location Description: NW 1/4, Sec. 25, T19S, R15W
POD Number: <u>98</u> EM-23-008R	X or Longitude -108.350433 108° 21' 1.54"	Y or Latitude 32.618415 32° 37' 4.29"	Other Location Description: SW 1/4, Sec. 25, T19S, R15W
POD Number: <u>99</u> EM-23-009R	X or Longitude -108.350433 108° 21' 1.54"	Y or Latitude 32.618415 32° 37' 6.29"	Other Location Description: SW 1/4, Sec. 25, T19S, R15W
POD Number: <u>100</u> EM-23-010R	X or Longitude -108.35562 108° 21' 20.23"	Y or Latitude 32.618966 32° 37' 9.28"	Other Location Description: SW 1/4, Sec. 25, T19S, R15W
POD Number: <u>101</u> EM-23-011R	X or Longitude -108.358868 108° 21' 31.92"	Y or Latitude 32.618415 32° 37' 4.29"	Other Location Description: SE 1/4, Sec. 25, T19S, R15W
POD Number: <u>102</u> EM-23-012R	X or Longitude -108.358868 108° 21' 31.92"	Y or Latitude 32.618415 32° 37' 4.29"	Other Location Description: SE 1/4, Sec. 25, T19S, R15W
POD Number: <u>103</u> EM-23-013R	X or Longitude -108.35562 108° 21' 20.33"	Y or Latitude 32.618966 32° 37' 8.28"	Other Location Description: SW 1/4, Sec. 25, T19S, R15W
POD Number: <u>104</u> EM-23-014R	X or Longitude -108.354327 108° 21' 15.58"	Y or Latitude 32.619514 32° 37' 10.25"	Other Location Description: SW 1/4, Sec. 25, T19S, R15W

STATE ENGINEERS OFFICE
DEMING, NEW MEXICO

NOV 29 2022

FOR OSE INTERNAL USE

Form wr-08

POD DESCRIPTIONS - ATTACHMENT 1

File Number: <u>11-11627</u>	Trn Number:
Trans Description (optional):	



NEW MEXICO OFFICE OF THE STATE ENGINEER



ATTACHMENT 1 POINT OF DIVERSION DESCRIPTIONS

This Attachment is to be completed if more than one (1) point of diversion is described on an Application or Declaration.

a. Is this a: <input type="checkbox"/> Move-From Point of Diversion(s) <input type="checkbox"/> Move-To Point of Diversion(s)		b. Information on Attachment(s): Number of points of diversion involved in the application: <u>16</u> Total number of pages attached to the application: <u>2</u>	
<input type="checkbox"/> Surface Point of Diversion OR <input checked="" type="checkbox"/> Well			
Name of ditch, acequia, or spring:			
Stream or water course:			
Tributary of:			
c. Location (Required): Required: Move to POD location coordinate must be either New Mexico State Plane (NAD 83), UTM (NAD 83), or Lat/Long (WGS84)			
NM State Plane (NAD83) (feet) NM West Zone <input type="checkbox"/> NM Central Zone <input type="checkbox"/> NM East Zone <input type="checkbox"/>	UTM (NAD83) (meters) Zone 13N <input type="checkbox"/> Zone 12N <input type="checkbox"/>	<input checked="" type="checkbox"/> Lat/Long- (WGS84) 1/10 th of second	OTHER (allowable only for move-from descriptions - see application form for format) <input type="checkbox"/> PLSS (quarters, section, township, range) <input type="checkbox"/> Hydrographic Survey, Map & Tract <input type="checkbox"/> Lot, Block & Subdivision <input type="checkbox"/> Grant
POD Number: <u>11-11627</u> <u>105</u> EM-23-015R	X or Longitude <u>-108.354327</u> <u>108° 21' 19.58"</u>	Y or Latitude <u>32.619514</u> <u>32° 37' 10.25"</u>	Other Location Description: <u>SW 1/4, Sec. 25, T19S, R15W</u>
POD Number: <u>106</u> EM-23-016R	X or Longitude <u>-108.358868</u> <u>108° 21' 31.92"</u>	Y or Latitude <u>32.61622</u> <u>32° 36' 58.35"</u>	Other Location Description: <u>NE 1/4, Sec 35, T19S, R15W</u>
POD Number:	X or Longitude	Y or Latitude	Other Location Description:
POD Number:	X or Longitude	Y or Latitude	Other Location Description:
POD Number:	X or Longitude	Y or Latitude	Other Location Description:
POD Number:	X or Longitude	Y or Latitude	Other Location Description:
POD Number:	X or Longitude	Y or Latitude	Other Location Description:
POD Number:	X or Longitude	Y or Latitude	Other Location Description:
POD Number:	X or Longitude	Y or Latitude	Other Location Description:

STATE ENGINEERS OFFICE
DEMING NEW MEXICO

NOV 29 2022

FOR OSE INTERNAL USE

Form wr-08

POD DESCRIPTIONS - ATTACHMENT 1

File Number: 11-11627

Trn Number:

Trans Description (optional):

When recorded, return to:

Freeport-McMoRan Tyrone Mining, LLC
P.O. Drawer 571
Tyrone, NM 88065
Attention: Erich J. Bowers

COPY

SPECIAL WARRANTY DEED

For the consideration of Ten Dollars (\$10.00) and other valuable considerations, **LT RANCH LLC**, a New Mexico limited liability company ("Grantor"), hereby grants to **FREEPORT-MCMORAN TYRONE MINING LLC**, a New Mexico limited liability company ("Grantee"), the following real property situated in Grant County, New Mexico, together with all rights and privileges appurtenant thereto:

See **Exhibit A** attached hereto and incorporated herein by this reference (the "**Property**").

SUBJECT TO:

current taxes and assessments; patent reservations; all covenants, conditions, restrictions, reservations, rights, rights-of-way, easements, obligations and liabilities and other matters of record or to which reference is made in the public record; any and all conditions, shortages in area, overlaps, conflicts in boundary lines, easements, encroachments, rights-of way, rights or claims, or restrictions not shown by the public records which would be disclosed by a physical inspection, or which an accurate survey of the Property would reveal; unpatented mining claims; and the applicable zoning and use ordinances, regulations, zoning codes and the like of any municipality, county, state, or the United States affecting the Property as same now exist and as may hereafter be established or amended;

with special warranty covenants,

DATED this 18th day of October 2021.

LT RANCH, LLC
a New Mexico limited liability company

By: Constance Ann McCauley
Constance Ann McCauley, Member

By: David L. McCauley
David L. McCauley, Member

By: James Allen McCauley
James Allen McCauley, Member

By: Joe Robert McCauley
Joe Robert McCauley, Member

By: Johnny and Katherine Moore Trust,
dated September 2, 2011

By: Katherine McCauley Moore
Katherine McCauley Moore
Co-Trustee

ACKNOWLEDGMENTS

STATE OF NEW MEXICO)
) ss.
COUNTY OF GRANT)

This instrument was acknowledged before me on October 18, 2021, by
Constance Ann McCauley, as a Member of LT Ranch LLC, a New Mexico limited liability
company..

Carlene G Jimenez
Notary Public

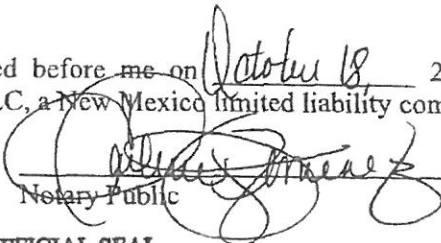
My commission expires:
3/5/2023



OFFICIAL SEAL
Carlene G Jimenez
NOTARY PUBLIC State of New Mexico
My Commission Expires 3/5/2023

STATE OF NEW MEXICO)
) ss.
COUNTY OF GRANT)

This instrument was acknowledged before me on October 18, 2021, by David L. McCauley, as a Member of LT Ranch LLC, a New Mexico limited liability company..


Notary Public

My commission expires:

3/5/2023



OFFICIAL SEAL

Carlene G Jimenez

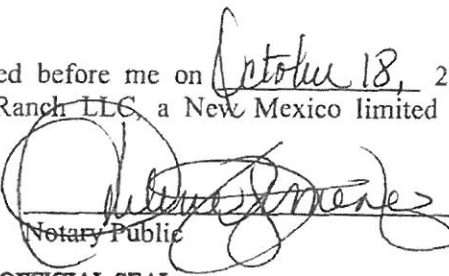
NOTARY PUBLIC State of New Mexico

My Commission Expires

3/5/2023

STATE OF NEW MEXICO)
) ss.
COUNTY OF GRANT)

This instrument was acknowledged before me on October 18, 2021, by James Allen McCauley, as a Member of LT Ranch LLC, a New Mexico limited liability company..


Notary Public

My commission expires:

3/5/2023



OFFICIAL SEAL

Carlene G Jimenez

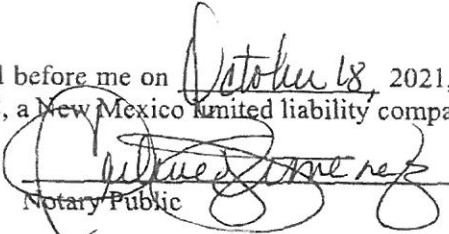
NOTARY PUBLIC State of New Mexico

My Commission Expires

3/5/2023

STATE OF NEW MEXICO)
) ss.
COUNTY OF GRANT)

This instrument was acknowledged before me on October 18, 2021, by Joe Robert McCauley, as a Member of LT Ranch LLC, a New Mexico limited liability company..


Notary Public

My commission expires:

3/5/2023



OFFICIAL SEAL

Carlene G Jimenez

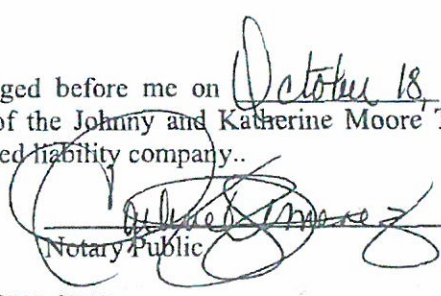
NOTARY PUBLIC State of New Mexico

My Commission Expires

3/5/2023

STATE OF NEW MEXICO)
) ss.
COUNTY OF GRANT)

This instrument was acknowledged before me on October 18, 2021, by Katherine McCauley Moore, as a Co-Trustee of the Johnny and Katherine Moore Trust, as a Member of LT Ranch LLC, a New Mexico limited liability company..


Notary Public

My commission expires:

3/5/2023



OFFICIAL SEAL

Carlene G Jimenez

NOTARY PUBLIC State of New Mexico

My Commission Expires

3/5/2023

LEGAL DESCRIPTION

PARCEL A

A parcel of land located within Section 25, Section 36, and Section 35: being all of Government Lots 4 and 5 and that part of Section 25 lying West of NM Highway 90; Part of Government Lot 6 in Section 35; and all of Government Lots 1 and 4 and part of Government Lot 5 and 6 in Section 36, T19S, R15W, N.M.P.M., Grant County, New Mexico, more particularly described as follows:

Beginning at the NW Corner, also being a point on the Westerly right-of-way of NM Highway 90, whence the NE Corner of said Section 25 bears S 89°05'05" E, a distance of 1839.58 feet;

Thence along said right-of-way S 08°05'38" E, a distance of 2721.45 feet to a point on the North line of said Section 36;

Thence along the North line of said Section 36 S 89°40'32" W, a distance of 1185.32 feet to the N1/4 Corner of said Section 36;

Thence S 00°32'17" W, a distance of 3753.70 feet;

Thence S 89°24'31" W, a distance of 191.51 feet to a point on the East line of Little John Lode, Mineral Survey 1380;

Thence along the East line of said Little John Lode N 03°56'02" E, a distance of 144.18 feet to the NE Corner of said Little John Lode;

Thence along the North line of said Little John Lode N 86°02'28" W, a distance of 1499.38 feet to the NW Corner of said Little John Lode;

Thence along the West line of said Little John Lode S 04°00'17" W, a distance of 263.53 feet;

Thence S 89°24'31" W, a distance of 599.10 feet;

Thence N 80°22'45" W, a distance of 430.00 feet;

Thence N 50°35'17" W, a distance of 179.77 feet to a point on the South line of Iron Cross Lode, Mineral Survey 1582;

Thence along the South line of said Iron Cross Lode N 86°29'39" E, a distance of 608.80 feet to the SE Corner of said Iron Cross Lode;

Thence along the East line of said Iron Cross Lode N 03°58'16" E, a distance of 596.85 feet to the NE Corner of said Iron Cross Lode, also being the SE corner of Harriman Lode, Mineral Survey 1582;

Thence along the East line of said Harriman Lode N 50°39'30" E, a distance of 1142.93 feet to the NE Corner of said Harriman Lode;

Thence along the North line of said Harriman Lode N 64°02'19" W, a distance of 37.49 feet to the SE Corner of Dr. Hyde Lode, Mineral Survey 1582;

Thence along the East line said Dr. Hyde Lode N 38°25'44" E, a distance of 1493.03 feet to the NE Corner of said Dr. Hyde Lode, also being the SE Corner of Dr. Hyde No. 2 Lode;

Thence along the East line of said Dr. Hyde No. 2 Lode N 13°08'42" E, a distance of 1489.42 feet to the NE Corner of said Dr. Hyde No. 2 Lode;

Thence along the North line of said Dr. Hyde No. 2 Lode N 62°28'02" W, a distance of 617.98 feet to the NW Corner of said Dr. Hyde No. 2 Lode, also being a point on the East line of Surprise Lode, Mineral Survey 1379;

Thence along the East line of said Surprise Lode N 10°53'02" E, a distance of 257.07 feet to the NE Corner of said Surprise Lode;

Thence along the North line of said Surprise Lode N 67°41'47" W, a distance of 611.12 feet to the NW Corner of said Surprise Lode, also being the NE Corner of Arkansas Lode, Mineral Survey 1379;

Thence along the North line of said Arkansas Lode N 67°41'47" W, a distance of 131.21 feet to a point on the South line of Tarrytown No. 25 Lode, Mineral Survey 1584;

Thence along the South line of said Tarrytown No. 25 Lode N 63°43'34" E, a distance of 304.32 feet to the SE Corner of said Tarrytown No. 25 Lode;

Thence along the East line of said Tarrytown No. 25 Lode N 42°20'59" W, a distance of 600.42 feet to the NE Corner of said Tarrytown No. 25 Lode, also being the SW Corner of Tarrytown No. 26 Lode, Mineral Survey 1670;

Thence along the South line of said Tarrytown No. 26 Lode N 66°17'00" E, a distance of 1500.00 feet to the SE Corner of said Tarrytown No. 26 Lode;

Thence along the East line of said Tarrytown No. 26 Lode N 38°16'00" W, a distance of 401.19;

Thence S 89°05'05" E, a distance of 1122.33 feet to the point of beginning.

Said parcel contains 203.455 acres, more or less.

LEGAL DESCRIPTION

PARCEL B

A parcel of land located within Government Lots 2, 4, 5 and 6, NW¼NE¼ and NE¼NW¼ of Section 35, T19S, R15W, N.M.P.M., Grant County, New Mexico, being more particularly described as follows:

Beginning at the N1/4 Corner of said Section 35;

Thence along the North line of said Section 35 S 89°29'47" E, a distance of 2708.28 feet to a point on the West line of Phantom Lode No. 2, Mineral Survey 1584;

Thence along the West line of said Phantom Lode No. 2 S 22°42'04" W, a distance of 507.23 feet to a point on the North line of Phantom Lode, Mineral Survey 1584;

Thence along the North line of said Phantom Lode N 88°04'48" W, a distance of 276.69 feet to the NW Corner of said Phantom Lode;

Thence along the West line of said Phantom Lode S 22°09'12" W, a distance of 289.42 feet;

Thence continuing along the West line of said Phantom Lode S 47°05'15" W, a distance of 1257.23 feet to the SW Corner of said Phantom Lode;

Thence along the South line of said Phantom Lode S 87°32'40" E, a distance of 753.81 feet to the SE Corner of said Phantom Lode, also being a point on the West line of Comanche Lode, Mineral Survey 1377;

Thence along the West line of said Comanche Lode S 50°43'57" W, a distance of 655.47 feet to the SW Corner of said Comanche Lode;

Thence along the South line of said Comanche Lode S 67°32'26" E, a distance of 683.47 feet to the SE Corner of said Comanche Lode, also being the SW Corner of Comanche Brave Lode, Mineral Survey 1377;

Thence along the South line of said Comanche Brave Lode S 67°35'43" E, a distance of 683.23 feet to the SE Corner of said Comanche Brave Lode, also being a point on the West line of Harriman Lode, Mineral Survey 1377;

Thence along the West line of said Harriman Lode S 50°46'10" W, a distance of 575.84 feet to the SW Corner of said Harriman Lode;

Thence along the South line of said Harriman Lode S 63°41'13" E, a distance of 238.45 feet to a point on the North line of Iron Cross Lode, Mineral Survey 1582, thence along the North line of said Iron Cross Lode S 86°30'09" W, a distance of 676.78 feet;

Thence N 50°35'17" W, a distance of 559.78 feet;

Thence N 44°32'40" W, a distance of 908.43 feet;

Thence N 22°57'38" W, a distance of 2264.34 feet to a point on the North line of said Section 35;

Thence along the North line of said Section 35 S 89°29'47" E, a distance of 145.70 feet to the point of beginning.

Said parcel contains 102.589 acres, more or less.

**ATTACHMENT
STATE ENGINEER CONDITIONS OF APPROVAL**

FILE: M-11627
APPLICATION: M-11627-POD91 thru M-11627-POD106
APPLICANTS: Tyrone Mining LLC. c/o Ty Bays

1. Wells M-11627-POD91 thru M-11627-POD106 shall be drilled by a driller licensed in the State of New Mexico in accordance with 72-12-12 NMSA 1978. A licensed driller shall not be required for the construction of a well driven without the use of a drill rig, provided that the casing shall not exceed two and three-eighths (2 3/8) inches outside diameter.
2. Wells M-11627-POD91 thru M-11627-POD106 shall be drilled to a depth not to exceed 900 feet and shall not exceed 3.0 inches outside diameter.
3. No appropriation of water for beneficial use shall be made from POD's M-11627-POD91 thru M-11627-POD106. The well shall be for exploratory purposes only, unless and until a permit for a specific use has been approved by the State Engineer
4. The well driller must file the well record with the State Engineer and the applicant within 30 days after the well is drilled or driven. It is the well owner's responsibility to ensure that the well driller files the well record. The well driller may obtain the well record form from any District Office or the Office of the State Engineer website.
5. Wells M-11627-POD91 thru M-11627-POD106 shall be plugged on or before December 31, 2023, unless the applicant has received an approved permit from the State Engineer for additional use.
6. The wells authorized by this permit shall be plugged completely using the following method per Rules and Regulations Governing Well Driller Licensing, Construction, Repair and Plugging of Wells; Subsection C of 19.27.4.30 NMAC unless an alternative plugging method is proposed by the well owner and approved by the State Engineer upon completion of the permitted use. All pumping appurtenance shall be removed from the well prior to plugging. To plug a well, the entire well shall be filled from the bottom upwards to ground surface using a tremie pipe. The bottom of the tremie shall remain submerged in the sealant throughout the entire sealing process; other placement methods may be acceptable and approved by the state engineer. The well shall be plugged with an office of the state engineer approved sealant for use in the plugging of non-artesian wells. The well driller shall cut the casing off at least four (4) feet below ground surface and fill the open hole with at least two vertical feet of approved sealant. The driller must fill or cover any open annulus with sealant. Once the sealant has cured, the well driller or well owner may cover the seal with soil. A Plugging Report for said well shall be filed with the Office of the State Engineer in a District Office within 30 days of completion of the plugging, but no later than December 31, 2023.
7. The State Engineer retains jurisdiction to administer the conditions of this permit.
8. Pursuant to Section 72-8-1 NMSA 1978, the permittee shall allow the State Engineer and OSE representatives entry upon private property for the performance of their respective duties, including access to the ditch or acequia to measure flow and also to the well for meter reading and water level measurement.

9. Pursuant to Section 72-2-16, NMSA 1978, if you are aggrieved by this decision, you may submit a request to this office asking for a hearing to be held. The request must be in writing and must be submitted no later than 30 days after receipt of this permit. Failure to request a hearing by such time will waive your right to request a hearing on this decision. In accordance with Subsection B of 19.25.2.10 NMAC, you will be required to pay a hearing fee when the hearing is announced by the OSE Hearings Unit. Aggrievement of the permit or any of the conditions of approval suspends the permit. **No water may be diverted** under an aggrieved permit until final resolution of the aggrievement with the Office of the State Engineer. Any water diverted while the aggrievement is pending will have to be repaid.
10. Well records shall be filed in the District 3 office on or before December 31, 2023.
11. This permit shall automatically expire on December 31, 2023.

Witness my hand and seal this 8th day of December, 2022.

Mike A. Hamman, P.E. State Engineer



Lloyd R. Valentine III
District 3 Manager

OFFICE OF THE STATE ENGINEER/INTERSTATE STREAM COMMISSION – DEMING OFFICE

OFFICIAL RECEIPT NUMBER: 3 - 24535 DATE: 11-29-22 FILE NO.: GSF-
TOTAL: 80.00 RECEIVED: Eighty dollars 00/100 DOLLARS CHECK NO.: 65646 MO CASH:
PAYOR: Freeport McMoran Tyrone, LLC ADDRESS: P.O. Box 571 CITY: Tyrone STATE: NM
ZIP: 88065 RECEIVED BY: P. Rodriguez

INSTRUCTIONS: Indicate the number of actions to the left of the appropriate type of filing. Complete the receipt information. **Original** to payor; **pink** copy to Program Support/ASD; and **yellow** copy for Water Rights. If a mistake is made, void the original and all copies and submit to Program Support/ASD as part of your daily deposit.

A. Ground Water Filing Fees		B. Surface Water Filing Fees		C. Well Driller Fees		D. Reproduction of Documents		E. Certification		F. Other		G. Comments:	
1.	Change of Ownership of Water Right	\$ 2.00	1.	Change of Ownership of a Water Right	\$ 5.00	1.	Application for Well Driller's License	\$ 50.00					
2.	Application to Appropriate or Supplement Domestic 72-12-1 Well	\$ 125.00	2.	Declaration of Water Right	\$ 10.00	2.	Application for Renewal of Well Driller's License	\$ 50.00					
3.	Application to Repair or Deepen 72-12-1 Well	\$ 75.00	3.	Amended Declaration	\$ 25.00	3.	Application to Amend Well Driller's License	\$ 50.00					
4.	Application for Replacement 72-12-1 Well	\$ 75.00	4.	Application to Change Point of Diversion and Place and/or Purpose of Use from Surface Water to Surface Water	\$ 200.00								
5.	Application to Change Purpose of Use 72-12-1 Well	\$ 75.00	5.	Application to Change Point of Diversion and Place and/or Purpose of Use from Ground Water to Surface Water	\$ 200.00								
6.	Application for Stock Well	\$ 5.00	6.	Application to Change Point of Diversion	\$ 100.00								
7.	Application to Appropriate Irrigation, Municipal, or Commercial Use	\$ 25.00	7.	Application to Change Place and/or Purpose of Use	\$ 100.00								
8.	Declaration of Water Right	\$ 1.00	8.	Application to Appropriate	\$ 25.00								
9.	Application for Supplemental Non 72-12-1 Well	\$ 25.00	9.	Notice of Intent to Appropriate	\$ 25.00								
10.	Application to Change Place or Purpose of Use Non 72-12-1 Well	\$ 25.00	10.	Application for Extension of Time	\$ 50.00								
11.	Application to Change Point of Diversion and Place and/or Purpose of Use from Surface Water to Ground Water	\$ 50.00	11.	Supplemental Well to a Surface Right	\$ 100.00								
12.	Application to Change Point of Diversion and Place and/or Purpose of Use from Ground Water to Ground Water	\$ 50.00	12.	Return Flow Credit	\$ 100.00								
13.	Application to Change Point of Diversion of Non 72-12-1 Well	\$ 25.00	13.	Proof of Completion of Works	\$ 25.00								
14.	Application to Repair or Deepen Non 72-12-1 Well	\$ 5.00	14.	Proof of Application of Water to Beneficial Use	\$ 25.00								
15.	Application for Test, Expl. Observ. Well	\$ 5.00	15.	Water Development Plan	\$ 100.00								
16.	Application for Extension of Time	\$ 25.00	16.	Declaration of Livestock Water Impoundment	\$ 10.00								
17.	Proof of Application to Beneficial Use	\$ 25.00	17.	Application for Livestock Water Impoundment	\$ 10.00								
18.	Notice of Intent to Appropriate	\$ 25.00											

All fees are non-refundable.

