

February 22, 2021

Mr. David Otori
Supervisor/Senior Reclamation Specialist
Mining and Minerals Division
New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Submittal of Supplemental Information for the Modification Request MOD 20-1, Mt. Taylor Mine,
Permit No. CI002RE, Rev 13-2, Rio Grande Resources Corporation

Dear Mr. Otori,

This letter is submitted by Rio Grande Resources Corp. (RGR) to provide supplementary information to the permit modification request MOD 20-1, of May 2020. It has come to my attention that clarification is needed in regards to what facilities encompass the water supply PMLU.

RGR considers the water supply PMLU to be comprised of the following existing facilities:

- 1) Ion Exchange Plant
- 2) Barium Chloride Building
- 3) Flocculant Building
- 4) MWTU Pond 5
- 5) The Phase II and III water wells

In reference to the above, RGR's response (12/7/20) to MMD's comment letter (10/8/20) addressed the disposition of these facilities (Comment #4). I have updated the "Building List – Demolish and Retain" referenced in Mine Permit CI002RE, Rev. 13-2, Appendix B (Table 5.1) with footnotes to help clarify (attached).

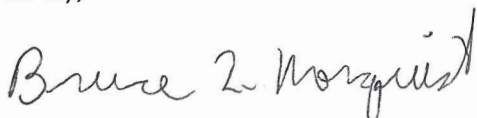
Further in this regard and as footnoted in the attached, RGR intends to retain the Service Building and adjacent warehouse (Hoist House) for commercial PMLU purposes. RGR does not consider these facilities to be part of the water supply PMLU.

In 2013, Table 5.1 was comprised via non-affiliated land owners. Since that time, RGR has acquired full ownership and determined that all retained facilities as currently listed in updated Table 5.1 are necessary for its commercial and grazing purposes, to include:

- 1) Maintaining and servicing its adjacent land holdings,
- 2) Maintaining site facilities during-and-after the reclamation period,
- 3) Historical records storage (operations, personnel, geologic, etc.),
- 4) Serve as a main business/field office, and
- 5) Serve as a warehouse and maintenance facility.

I hope this information clarifies any concerns regarding the above-referenced. If you have any questions, please contact me at (505) 287-7971 or by email at bruce.norquist@ga.com.

Sincerely,



Bruce Norquist
Facilities Manager, Mt. Taylor Mine
Rio Grande Resources Corporation

cc: Ashlynn Winton, NMED (via email)

Mount Taylor Mine

APPENDIX B.

Table 5.1 Building List- Demolish and Retain

Building Name	Building Type	Disposition at Closeout		Disposition at Closeout	
		(2013 CCP)	(2013 CCP)	(2020 CCP Modification Request)	(2020 CCP Modification Request)
		Demolish	Retain for Owner PMLU**	Demolish ^{*6}	Retain for Owner PMLU**
Compressor Building	Steel frame and siding		X	X	
York Chiller (Chill Water) Building	Steel frame and siding		X	X	
Pump Building (Chill Water Pump House)	Steel frame and siding		X	X	
Chlorine Building	Concrete Block	X		X	
Shaft Heating Building	Steel frame and siding	X		X	
Glycol Heat Exchanger	Steel frame and siding	X		X	
Hoist House ^{*5}	Steel frame and siding		X		X
Cooling Tower	Steel frame and siding	X		X	
Guard House (Security Building) ^{*5}	Steel frame and siding		X		X
Fire Equipment Building (Fire House)	Steel frame and siding		X	X	
Service Building (Office and Warehouse) ^{*5}	Steel frame and siding		X		X
Car (Maintenance) Shop ^{*5}	Steel frame and siding		X		X
Carpenter Shop	Steel frame and siding		X	X	
Electrical Building	Steel frame and siding	X			X
Water Treatment and Boiler Building	Steel frame and siding	X		X	
Core Storage Building	Steel frame and siding		X	X	
Fan Shop	Steel frame and siding		X	X	
Storage Buildings (2)	Steel frame and siding		X	X	
Flocculant Treatment Facility ^{*1}	Steel frame and siding	X		X	
Barium Chloride Treatment Facility ^{*1}	Steel frame and siding	X		X	
Ion Exchange Plant ^{*1}	Steel frame and siding	X		X	

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		(2013 CCP)	(2013 CCP)	(2020 CCP Modification Request)	(2020 CCP Modification Request)
		Demolish	Retain for Owner PMLU**	Demolish ^{*6}	Retain for Owner PMLU**
Mo-Se Facility***	Steel frame and siding	X		X	
Portable building	Steel frame and siding	X		X	
Fuel Pump House	Steel frame and siding		X	X	
Access/Utility Tunnel ^{*5}	Concrete		X		X
Sanitary Treatment Plant	Concrete; steel	X		X	
Septic Tank and Leach Field ^{*5}	Various		X		X
Water Tank ^{*5}	Steel		X		X
Fuel Storage Tanks	Steel	X		X	
Other Facilities	Phase I Water Wells (For Water Supply) ^{*5}		X		X
	Phase II Water Wells (For Water Supply) ^{*1,4,6}				X
	Phase III Water Wells (For Water Supply) ^{*1,4,6}				X
	MWTU Pond 5 (For Water Supply) ^{*1}			X	
	24- and 14- Foot Shaft Headframes (For Raptor Habitat) ^{*3}	X		X	

** Other facilities to be retained for PMLU by owner:

Phase I water wells to remain

*** Amended cost estimate & FA includes separate Mo-Se ion exchange building that may be constructed near Ion Exchange Plant (This was not constructed)

*1 These Items were changed from "Retain" to "Demolish" according to instruction by MMD in a comment letter dated 10/8/20 regarding the MOD 20-1 request; these items are part of the water supply project and will only be changed to "Retain" when RGR obtains agreements

*2 The Electrical Building was changed from "Demolish" to Retain" per letter from RGR to MMD dated 10/10/20

*3 The Headframes were changed from "Retain" to "Demolish" per instruction from MMD in a comment letter dated 10/8/20

*4 The Phase II and III Water Wells must be "Retained" until such time as NMED approves the deep aquifer monitoring plan; RGR will then determine which ones will be plugged and abandoned, or preserved for the study

*5 These facilities were originally listed in the approved 2013 Closure/Closeout Plan to be retained for the Comercial PMLU; these facilities are being retained for the Comercial PMLU under the Mod 20-1 request

*6 Costs for facility demolition have been accounted for in the Updated Cost Estimate