

Freeport-McMoRan Chino Mines Company  
P.O. Box 10  
Bayard, NM 88023

**Sherry Burt-Kested**  
Manager, Environmental Services  
Telephone: 575-912-5927  
e-mail: sburtkes@fmi.com

January 22, 2021

**Certified Mail #70182290000160738693**

Ms. Rebecca Roose, Director  
New Mexico Environment Department  
Water Protection Division  
P.O. Box 5469  
Santa Fe, New Mexico 87502

Dear Ms. Roose:

**Re: Freeport-McMoRan Chino Mines Company  
AOC Quarterly Report, Fourth Quarter 2020**

This Administrative Order on Consent (AOC) Quarterly Report documents activities performed during the reporting period from October 1 through December 31, 2020. The report is submitted and organized as outlined in Article IX, Section E of the AOC between the New Mexico Environment Department (NMED) and Freeport-McMoRan Chino Mines Company (Chino). Chino also submits a copy of this report to the New Mexico Energy, Mineral and Natural Resources Department, Mining and Minerals Division (MMD), per its request.

**AOC Activities**

During the fourth quarter of 2020, the following major activities occurred:

- Chino submitted the finalized B Ranch Interim Removal Action Completion Report under Smelter/Tailing Soils IU (STS IU).
- Chino performed quarterly post-remediation monitoring of the Interim Remedial Action sites under the Smelter/Tailing Soils IU (STS IU) and the Hanover/Whitewater Creek IU (HWC IU).
- The AOC Technical Group participated in a conference call on October 28<sup>th</sup> to review and plan AOC progress.

**Hanover/Whitewater Creeks Investigation Unit**

***IRAs in the Groundhog Mine Area***

As per the *Groundhog Mine Site Interim Remedial Action (IRA) Completion Report* and additional supplemental completion reports for the Groundhog Mine area, Chino continues to perform quarterly erosion monitoring of the various IRA sites as well as bi-annual water quality monitoring. The monitoring data are included in the Groundhog Mine Site annual monitoring reports submitted at the end of October for each year of monitoring. The NMED provided approval of the 2020 annual report in a letter dated December 16, 2020.

The MMD has approved extension requests by Chino under Permit GR009RE to complete reclamation activities at the Lucky Bill Groundhog Mine No. 5 site. Chino requested to amend the 2018 Chino Mines Closure Closeout Plan Revision application to change the Groundhog No. 5 reclamation completion date from June 30, 2018, as per Modification 14-1 to MMD Permit GR009RE, to December 31, 2024. This extension period is necessary for Chino to sequence the MMD reclamation process with the AOC. MMD approved the requested change

to the reclamation schedule under Chino Closure/Closeout Plan, Revision 18-1, dated September 29, 2020.

Current activities for the Groundhog No. 5 Stockpile site in sequencing reclamation requirements with the AOC:

- Chino continues to collect samples from the updated seepage collection system installed in 2014 which has been performing well to capture seepage for sampling at the toe of the Groundhog No. 5 Stockpile.
- NMED provided conditional approval supported by comments on the *Groundwater Pathway Evaluation Addendum to the Revised Technical Memorandum (TM) for the Groundhog No. 5 Stockpile Geochemical Evaluation* in a letter dated December 2019.
- Chino has met two of the letter's conditions by improving the drainage controls on the stockpile in early January and submitting the *Groundhog No. 5 Stockpile Construction Quality Assurance and Reclamation Completion Plan (CQAP)* dated February 2020 to NMED and MMD.
- MMD provided their approval of the CQAP in a letter dated May 2020.
- As discussed in a response letter dated June 16, 2020, Chino anticipates completing the work as soon as reasonably possible and will provide sixty-day notice to MMD and NMED prior to implementing the CQAP. Chino initially proposed in the CQAP to perform the final closure activity in 2020. However, due to current restrictions and staffing limitations related to the COVID-19 pandemic this work has been postponed.

#### **2019 Whitewater Creek IRA**

The HWC IU IRA for removing impacted material from Whitewater Creek was completed in mid- 2019. Chino implemented a monitoring program for the completed Whitewater Creek IRA during the fourth quarter of 2019. NMED is currently reviewing the draft IRA Completion Report provided informally by Chino in September 2020. Chino anticipates submitting the IRA completion report within the first quarter of 2021.

Additionally, Chino is reviewing a draft residual risk assessment report (RRA) in preparations for discussions with the AOC Technical Group. The associated quality control and quality assurance data validation reports will also be provided with the RRA.

#### **Hurley Soils Investigation Unit**

Chino submitted the *Hurley IU Addendum Supplemental Completion Report* in June 2020 to NMED which details the most recent sampling and remediation. Chino remediated one of the remaining four residential sites that requires cleanup during the third quarter of 2019 based on sampling results, leaving three properties still requiring remediation due to lack of access agreements with property owners.

#### **Lampbright Investigation Unit**

Chino submitted Chiricahua Leopard Frog (CLF) survey results report in early 2020 to address uncertainties identified in the 2018 *Lampbright IU (LIU) Ecological Risk Assessment (ERA)*. NMED approved the CLF survey report in a letter dated September 10, 2020 and determining the ecological risk assessment process complete.

#### **Smelter Tailings Soil Investigation Unit**

##### ***Interim Remedial Actions***

As an extension of the 2008 STS IU Golf Course IRA and utilizing the 2006 IRA workplan, Chino implemented the B Ranch IRA in June 2019 to address 22 acres adjacent to Hurley Operations boundary, as well as the Golf Course IRA site and the Hurley Soils IU IRA site. Chino completed this IRA extension by the end of July 2019 with the removal of 16,000 cubic yards of impacted soil and revegetation at the B Ranch site. Chino formally submitted the B Ranch IRA Completion Report to the NMED on November 14, 2020.

As documented in the *Razorback Ridge Area IRA STS IU Supplemental Completion Report* dated 2016, Chino is conducting quarterly post-remediation erosion and vegetation monitoring for those remediated sites. Following five years of this monitoring, a quantitative vegetation survey was performed in early October 2019. The draft survey results were provided May 18, 2020 for informal review to NMED and Chino anticipates formally submitting the report in the first quarter of 2021.

Historical tailings material located in the Apache Tejo drainage was incorporated into the STS IU by NMED in 2009. NMED requested that Chino submit a characterization report and an IRA work plan for the Apache Tejo drainage system. Chino submitted the draft updated survey and characterization report for Apache Tejo for informal review to NMED in early October 2020.

### ***Feasibility Study***

The STS IU Pre-Feasibility Study Remedial Action Criteria (RAC) were established by NMED in letters dated September 16, 2010, and March 2, 2011. Current activities and processes Initiated by the 2011 feasibility study (FS) work plan are:

1. Chino, with NMED participation, performed vegetation and soil surveys for additional reference sites for use in the Feasibility Study (FS) in early October 2018.
2. Chino anticipates submitting the draft FS report in 2021, following incorporation of data obtained from interim remedial action completion reports such as the B Ranch IRA. This also includes the incorporation of the 2017 *Phytotoxicity and Vegetation Community Study* report and the five year monitoring reports for the amendment study and the white rain monitoring study, titled respectively, *Year 5 Monitoring Report for STS IU Amendment Study Plots* and the *Year 5 Report on pH Monitoring to Evaluate the Effect of the White Rain on the STS IU*, into the FS.

### **Community Relations**

The Community Work Group (CWG) cancelled all meetings planned for the year 2020 due to the current COVID-19 pandemic conditions. The CWG is being provided AOC progress reports through emails by NMED. The three local Chino AOC document repositories continue to be maintained and updated with current documentation. The online electronic document repository (<http://www.fcx.com/chino/>) is also up to date.

### **Next Quarter's Scheduled Activities**

The following work and activities are projected for the first quarter of 2021:

- Continue the monitoring program as needed for the completed Whitewater Creek IRA sites.
- Submit a finalized report for the 5 year quantitative vegetation survey for the Razorback Ridge IRA under the Smelter/Tailing Soils Investigation Unit (STS IU).
- Submit the finalized HWC IU IRA completion report.
- Submit the Apache Tejo Characterization Study under the STS IU.
- Conduct quarterly inspections of interim remediation sites within the HWC IU and STS IU.
- The AOC Technical Group plans to meet monthly.

### **Personnel Changes**

There were no personnel changes during the quarter

### **Problems and Solutions**

There were no problems that adversely affected the AOC this quarter.

Ms. Rebecca Roose  
January 22, 2021  
Page 4

Please contact Ms. Pam Pinson at (575) 912-5213 with any questions or comments concerning this report.

Sincerely,

*Sherry BurtKested*

Sherry Burt-Kested  
Manager, Environmental Services

SBK:pp  
20210120-002

C (via email):

David Mercer, NMED  
Joseph Fox, NMED  
Petra Sanchez, US EPA  
DJ Ennis, MMD  
Holland Shepherd, MMD  
Shelly Lemon, NMED  
Kurt Vollbrecht, NMED  
Michael Steward, FCX  
Bryce Romig, FCX