

Freeport-McMoRan Chino Mines Company
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Certified Mail # 70211970000136946950

Mr. John Rhoderick, Deputy Director
New Mexico Environment Department
Water Protection Division
P.O. Box 5469
Santa Fe, New Mexico 87502

Dear Mr. Rhoderick:

**Re: Freeport-McMoRan Chino Mines Company
AOC Quarterly Report, Second Quarter 2022**

This Administrative Order on Consent (AOC) Quarterly Report documents activities performed during the reporting period from April 1 through June 30, 2022. 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 second quarter of 2022, the following major activities occurred:

- Chino submitted the finalized report for the 5 year quantitative vegetation survey for the Razorback Ridge Interim Remedial Action (IRA) under the Smelter/Tailing Soils Investigative Unit (STS IU).
- Chino mailed out the annual Health Advisory for Copper in Soil to property owners under the Hurley Soils IU Record of Decision.
- NMED mailed out a query to the AOC Community Work Group concerning their interest in formally meeting again.
- Chino and NMED performed additional sampling in the Hanover/Whitewater Creek IU (HWC IU) in support of a residual risk assessment following the 2019 IRA.
- Chino performed the quarterly post-remediation monitoring of the Interim Remedial Action sites under the (STS IU) and the HWC IU.
- NMED visited stormwater sampling sites within the HWC IU on June 26th and 27th
- The AOC Technical Group participated in conference calls on June 30th to review and plan AOC progress.

Hanover/Whitewater Creeks Investigation Unit

IRAs in the Groundhog Mine Area

Groundhog Mine Site: 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 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.

Lucky Bill Canyon: Reclamation is now complete for the Lucky Bill Groundhog Mine No. 5 site and is in post-reclamation monitoring as per Modification 14-1 to the MMD Permit GR009RE.

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 at the toe of the Groundhog No. 5 Stockpile in alignment with DP 1340 requirements.
- Chino submitted the draft Groundhog #5 Stockpile Reclamation Construction Quality Assurance Plan (CQAP) Report to MMD and NMED on December 30, 2021.
- MMD provided comments on the CQAP report in a letter dated May 12, 2022
- Chino anticipates submitting the finalized CQAP in late July 2022.

Bayard Canyon: Chino received NMED approval in an email dated April 12, 2021 to perform additional mass removal of stockpile material in Bayard Canyon under the 2018 HWC IU IRA Workplan as a supplemental IRA to the 2019 Whitewater Creek Removal Action. The Bayard Canyon IRA was completed in June 2021 and Chino provided an informal draft of a completion report to NMED on April 29, 2022. NMED provided an informal review via email dated June 30, 2022 on the draft IRA completion report. Chino anticipates submitting the finalized completion report for the IRA during the third quarter of 2022.

2019 Whitewater Creek IRA

Chino submitted the finalized IRA Completion Report to NMED on June 30, 2021. NMED approved the completion report in a letter dated November 19, 2021. Chino continues monitoring the HWC IU IRA completed in 2019 following removal of impacted material from Whitewater Creek. Under DP-1340, as part of that monitoring, Chino submitted on July 9, 2021 to NMED a workplan proposal for sampling the base flow surface water for Whitewater Creek in support of sitewide abatement activities but that would also document water quality following the recent IRAs in HWC IU. NMED provided approval of the sampling plan in a letter dated October 5, 2021. Additionally, under DP-1340, Chino will sample high flow stormwater runoff in the HWC IU under a NMED approved workplan dated June 2022 to support a Site Wide Abatement project, which will also provide additional monitoring following the IRA.

Chino anticipates submitting a residual risk assessment report (RRA) during the third quarter of 2022. The associated quality control and quality assurance data validation reports are to be provided with the RRA. Following NMED review of an earlier draft RRA provided for informal comment, Chino with NMED participation performed sediment sampling on May 12, 2022 in Physical Reach 4 of Whitewater Creek to address review comments.

Hurley Soils Investigation Unit

Chino provided the annual health advisory by certified mail to the Hurley property owners of the 3 residential sites requiring remediation under the voluntary program, and the adjacent property owners, as required by the Record of Decision (ROD) during the second quarter of 2022. Chino provided a proof of mailing to NMED for this ROD task.

NMED is currently preparing to perform sampling of targeted sites for the second five year review as required by the Hurley Soils IU Record of Decision. The review will document the effectiveness of the 2007 IRA remedy in remediating copper above 5000 ppm.

Lampbright Investigation Unit

NMED is reviewing next steps following their approval of the risk assessments, as well as discussing with Chino the feasibility study process.

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 completed the B Ranch IRA in 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 has initiated quarterly erosion and revegetation monitoring of the B Ranch site as written in the finalized 2021 IRA completion report.

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. Chino formally submitted the report on August 6, 2021. NMED provided comments in a letter dated March 23, 2022 and approved Chino's request for additional time to revise the report in an email dated April 5, 2022. The finalized vegetation monitoring report was re-submitted with a response to comments document on May 23, 2022. NMED anticipates providing their review in the third quarter of 2022.

Historical tailings material located in the Apache Tejo drainage was incorporated into the STS IU by NMED in 2009. Chino drafted a characterization report for the Apache Tejo drainage system per NMED request in 2020. Chino submitted a finalized updated survey and characterization report for Apache Tejo on May 5, 2021. Following a site inspection in February 2022, Chino and NMED met via conference call meeting format on April 7, 2022 to review a presentation on the submitted report. NMED anticipates commenting on the report in fourth quarter of 2022.

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 third quarter 2022, 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 for the year 2020 and 2021 due to the COVID-19 pandemic concerns. NMED has reached out to the CWG members to query their interest in renewing the quarterly meetings, beginning this September. Currently, 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 third quarter of 2022:

- Submit the finalized Groundhog #5 Stockpile Reclamation Construction Quality Assurance Report for the completed the Groundhog #5 Stockpile IRA to both MMD and NMED, under HWC IU.
- Submit the finalized completion report for the Bayard Canyon IRA under the HWC IU.
- Submit the residual risk assessment following the Whitewater Creek IRA for Hanover/Whitewater Creek IU (HWC IU).

- Submit the draft FS for the STS IU.
- Continue the monitoring program as needed for the completed Whitewater Creek IRA sites, as well as perform surface water sampling.
- Conduct quarterly inspections of interim remediation sites within the HWC IU and STS IU.
- The AOC Technical Group plans to meet monthly.
- The CWG is scheduled to reengage their quarterly meetings in September.

Personnel Changes

There were no personnel changes during the quarter

Problems and Solutions

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

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

Sincerely,



Sherry Burt-Kested
Manager, Environmental Services

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C (via email):

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