

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

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Certified Mail # 70201290000110357910

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, Third Quarter 2022**

This Administrative Order on Consent (AOC) Quarterly Report documents activities performed during the reporting period from July 1 through September 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 third quarter of 2022, the following major activities occurred:

- Chino submitted the Residual Risk Assessment for the Whitewater Creek IRA Hanover Whitewater Creek Investigation Unit (HWC IU).
- Chino submitted the Bayard Canyon IRA Completion report under the HWC IU.
- Chino submitted the finalized Lucky Bill Canyon Groundhog #5 Stockpile Construction Quality Assurance Plan to both the MMD and NMED.
- NMED approved the revised Razorback Ridge IRA 5-year vegetation report for the Smelter Tailing Soils Investigation Unit (STS IU).
- Chino and NMED participated in an annual AOC inspection for all of the current AOC IRA sites.
- Chino and NMED held an informal outdoor party for the CWG to initiate the group to begin meeting quarterly again.
- Chino and NMED, as well as EPA, participated in monthly Technical Group review of activities and action items on August 22nd and September 13th.

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 construction 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 Lucky Bill Groundhog #5 Stockpile Reclamation Construction Quality Assurance Report to MMD and NMED on July 26, 2022. MMD is currently reviewing the report and anticipates providing a response in the fourth quarter of 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 June 26, 2021. Chino and NMED inspected the site on September 28, 2022. Chino submitted the completion report for the IRA to NMED on July 29, 2022. NMED anticipates providing a response for the submittal in the fourth quarter of 2022.

2019 Whitewater Creek IRA

As per the 2021 completion report, Chino continues monitoring the HWC IU IRA sites completed in 2019 following removal of impacted material from Whitewater Creek. Under DP-1340, Chino submitted in 2021 and in early 2022, two workplan proposals for sampling the base flow surface water and for sampling high flow stormwater runoff surface water, respectively, for Whitewater Creek. These workplans are in support of sitewide abatement activities but that would also document water quality following the recent IRAs in HWC IU. Chino implemented both workplans during the summer of 2022 and anticipates submitting sampling data results reports in the first quarter of 2023.

Chino submitted the residual risk assessment report (RRA) on August 9, 2022 to NMED as a follow up to the completed IRA. Currently, NMED is reviewing the report and anticipates providing comments in the fourth quarter of 2022. The associated quality control and quality assurance data validation reports were provided with the RRA.

Hurley Soils Investigation Unit

NMED is currently preparing 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 and Chino are currently discussing the next steps leading to the feasibility study.

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, the Razorback Ridge IRA, and the Hurley Railroad IRA, as well as the Golf Course IRA site, intermittently between 2008 and 2019. Chino performed quarterly erosion and revegetation monitoring of the Razorback Ridge and B-Ranch sites with NMED participation on September 28, 2022 as part of an annual IRA site inspection. Chino submitted the revised Razorback Ridge IRA 5-year monitoring vegetation report and RTCs on May 23, 2022. NMED approved the monitoring report in a letter dated August 31, 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. As a follow up action to a discussion at the field site meeting in February 2022, Chino anticipates providing a revision on the Apache Tejo Characterization report in fourth quarter of 2022 to NMED.

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 performed vegetation and soil surveys for additional reference sites for use in the Feasibility Study (FS) in October 2018.
2. Chino anticipates submitting the draft FS report in fourth quarter 2022, following incorporation of data obtained from the recent 2019 and 2021 interim remedial action completion reports. Chino plans to review the FS with NMED and EPA prior to submitting the draft.

Community Relations

The Community Work Group (CWG) met informally on September 13th in order to resume meetings in the next quarter, following a 2 and half year hiatus due to the 2020 pandemic. The CWG agreed to resume meetings with the first meeting held on October 11, 2022. 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 fourth quarter of 2022:

- Collect samples for the Hurley Soils IU 5-year monitoring report.
- Submit a revised Apache Tejo Characterization Report under the STS IU.
- Submit the draft FS for the STS IU.
- CWG meetings resumed in October.
- Conduct quarterly inspections of interim remediation sites within the HWC IU and STS IU.
- The AOC Technical Group plans to meet monthly.

Personnel Changes

As an addition to the project group for Chino, Ms. Nina Cerno will be supporting the AOC Manager Mike Steward and the AOC Project Manager Pam Pinson. Ms. Cerno joined the Chino Environment Department as an environmental scientist in May 2022 and brings to the team 5years of environmental experience.

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):

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