

**FREEPORT-McMoRAN**

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

January 31, 2024

Certified Mail # 70190140000026673343

Mr. John Rhoderick, 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, Fourth Quarter 2023**

This Administrative Order on Consent (AOC) Quarterly Report documents activities performed during the reporting period from October 1 through December 31, 2023. 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 2023, the following major activities occurred:

- Chino submitted the annual Groundhog Remedial Interim Action Report under the Hanover Whitewater Creek Investigation Unit (HWCIU).
- Chino and NMED performed a Technical Group review of activities and action items monthly.
- The Community Work Group (CWG) met on November 14th.
- The AOC Technical Group participated in a conference call to discuss the Hurley Soils IU on November 14th. Chino and NMED also conferenced monthly to discuss current AOC activities as well.
- Quarterly post remediation monitoring of the Interim Removal Action sites within the Hanover Whitewater Creek IU and Smelter Tailing Soils Investigation Unit (STS IU) STSIU were completed.

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. NMED approved the 2023 monitoring report in a letter dated November 17, 2023.

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 monitor and collect samples from the updated seepage collection system at the toe of the Groundhog No. 5 Stockpile in alignment with DP 1340 requirements. It has been noted that despite recent high precipitation events, no seepage is reporting into the collection system indicating that the stormwater diversions and soil cover are successfully limiting percolation into the stockpile.
- Chino submitted the Lucky Bill Groundhog #5 Stockpile Reclamation Construction Quality Assurance Report to MMD and NMED on July 26, 2022. MMD approved the reclamation performed detailed in the report in a letter dated August 7, 2023.

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 2021 and the finalized completion report was submitted to NMED in 2022. NMED with Chino, performed an annual inspection of the site on September 26, 2023.

2019 Whitewater Creek IRA

The HWC IU IRA completed a removal of impacted material from Whitewater Creek in 2019. 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 completed sampling in early October 2022. Chino anticipates submitting sampling data results reports in the first quarter of 2024.

Chino submitted the residual risk assessment report (RRA) in 2022 to NMED as a follow up to the completed IRA. NMED provided conditional approval comments in a letter dated April 28, 2023. Chino submitted a revised RRA on May 10, 2023 to meet the required conditions for NMED approval.

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 is currently reviewing a draft for pre-FS RAC and continuing discussions with Chino for the next steps leading to a feasibility study.

Smelter Tailings Soil Investigation Unit

Interim Remedial Actions

As an extension of the completed 2008 STS IU Golf Course IRA and utilizing the 2006 IRA workplan, Chino completed the Hurley Railroad IRA, the Razorback Ridge IRA, and the B-Ranch IRA, intermittently between 2008 and 2019. Chino performed quarterly erosion and revegetation monitoring of the B-Ranch site at the end of the fourth quarter of 2023.

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 first quarter of 2024 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. Chinos submitted an informal draft FS report to NMED on April 6, 2023.
2. NMED and Chino plan to review the state informal comments dated November 15, 2023, in February 2024.

Community Relations

The Community Work Group (CWG) met on November 14, 2023. 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 2024:

- Chino and NMED will meet to discuss finalizing the draft Feasibility Study for the STS IU.
- NMED plans to collect samples for the Hurley Soils IU 5-year monitoring report.
- Chino will submit a revised Apache Tejo Characterization Report under the STS IU.
- NMED will determine pre-FS RAC for the Lampbright IU.
- CWG plans to meet in March.
- Chino will conduct quarterly inspections of interim remediation sites within the HWC IU and STS IU.
- The AOC Technical Group plans to meet monthly.

Personnel Changes

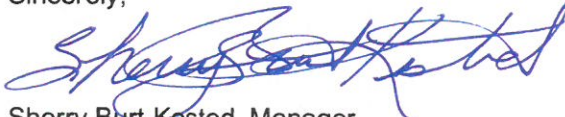
There were no personnel changes during the quarter.

Problems and Solutions

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

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

Sincerely,



Sherry Burt-Kested, Manager
Environmental Services

SBK:pp
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