



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

April 30, 2024

Certified Mail # 70211970000136948381

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, First C

This Administrative Order on Consent (AOC) Quarterly Report documents activities performed during the reporting period from January 1 through March 31, 2024. 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 first quarter of 2024, the following major activities occurred:

- Chino and NMED with their consultants, Arcadis and Formation Environmental, participated in a conference call to discuss the draft Feasibility Study for the Smelter Tailings Soil IU (STS IU) on February 20th.
- The Community Work Group (CWG) met on March 12th.
- The AOC Technical Group participated in a quarterly conference call to discuss action items and updates for the AOC. Additionally, Chino and NMED 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 ground water quality monitoring. Under the renewed Discharge Permit 484, the lower pond is now an operational tailing pipeline containment area and the surface water is no longer under the AOC IRA sampling requirement. 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 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.
- The reclaimed stockpile is currently inspected monthly for stability to meet the MMD Permit GR009RE requirements.

Bayard Canyon: Chino performed additional mass removal of stockpile material in Bayard Canyon in 2021 as a supplemental IRA to the 2019 HWC IU IRA. Chino performs quarterly inspections of the site as per the approved IRA completion report.

2019 Whitewater Creek IRA

This 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 result reports in the second quarter of 2024.

Chino submitted a revised residual risk assessment report (RRA) in 2023 to NMED following their review of the 2022 draft RRA, as a follow up to the completed IRA.

Hurley Soils Investigation Unit

NMED is currently preparing for their second 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. Chino will mail out the annual Hurley Health Advisory during the second quarter of 2024 to those property owners who did not participate in the soil removal action.

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 performs quarterly erosion and revegetation monitoring of the B-Ranch site as per the approved IRA completion report.

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 technical memorandum to supplement the Apache Tejo Characterization report in second quarter of 2024 to NMED.

Feasibility Study

The STS IU Pre-Feasibility Study Remedial Action Criteria (RAC) was 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, and received the state's informal comments in an email dated November 15, 2023.
2. NMED and Chino discussed the draft FS in a conference call on February 20, 2024, and continued those discussions in a meeting on April 11, 2024.
3. Chino anticipates submitting the draft FS in the fourth quarter of 2024.

Community Relations

The Community Work Group (CWG) met on March 12, 2024. The group voted to have their annual site visit on April 27th to view the STS IU for upcoming presentations of the draft FS. The group also voted to have the next CWG meeting in May. 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 second 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 evaluating the remedy effectiveness for the removal action under the Hurley Soils IU.
- Chino will send out the Hurley Soils IU Annual Health Advisory letter.
- Chino will submit a revised Apache Tejo Characterization Report under the STS IU.
- NMED will determine pre-FS RAC for the Lampbright IU.
- CWG annual tour is planned for April 27th.
- CWG will meet in May for a presentation on the STS IU FS.
- 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 are two new additions to the AOC Technical Group. Mr. Sean Madden with NMED has been assigned to support Mr. David Mercer, the NMED AOC Project Manager. Mr. Madden has a background in civil engineering and has held other state regulatory positions. As an addition to the project group for Chino, Ms. Wynter King will be supporting the AOC Project Manager Pam Pinson. Ms. King joined the Chino Environment Department as an environmental scientist in January 2024 and has worked with the AOC team in the past as a summer intern.

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;pdp
Enclosures
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