



FREEPORT-McMoRAN

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

October 28, 2024

Certified Mail # 70190140000026680501

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, Third Quarter 2024

This Administrative Order on Consent (AOC) Quarterly Report documents activities performed during the reporting period from July 1 through September 30, 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 third quarter of 2024, the following major activities occurred:

- NMED and their consultant, with field support from Chino, collected samples for evaluating the remedy effectiveness for the removal action under the Hurley Soils IU (HSIU).
- NMED issued the pre-FS RAC for the Lampbright IU (LBIU).
- Community Work Group (CWG) met on September 10th for a presentation on the LBIU FS.
- NMED and their risk assessor consultant inspected with Chino the LBIU and Smelter Tailings Soils IU (STS IU) sites on September 10th and 11th.
- Chino communicated action items and updates for the AOC with NMED and EPA individually this quarter due to AOC Technical Group schedule conflicts for a quarterly conference. Additionally, Chino and NMED conferenced monthly to discuss current AOC activities as well.
- Chino and NMED conducted an annual inspection as well as the quarterly post remediation monitoring of the Interim Removal Action sites within the Hanover Whitewater Creek IU (HWC IU) and STS IU 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. Chino will work with NMED to update the AOC monitoring requirements to reflect this change within the IRA site.

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:

- MMD approved the completed reclamation detailed in the Chino Lucky Bill Groundhog #5 Stockpile Reclamation Construction Quality Assurance Report in a letter dated August 2023.
- 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.

- The reclaimed stockpile is currently inspected monthly for stability to meet the MMD Permit GR009RE requirements and is no longer monitored under the AOC.

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. NMED is currently reviewing a draft of the first annual baseflow surface water data report. Chino anticipates submitting formally both sampling data result reports in the fourth quarter of 2024.

Chino submitted a revised residual risk assessment report (RRA) and received approval from NMED in 2023, as a follow up to the completed IRA.

Hurley Soils Investigation Unit

NMED is currently performing 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. Following the posting of public notices to advise of the evaluation review of the remediation, NMED performed soil sampling of 13 selected sites in the town of Hurley on July 16, 2024. NMED is currently drafting their review assessment report and anticipates issuing the results in the fourth quarter of 2024.

Lampbright Investigation Unit

NMED provided Chino with their decision for the pre-FS RAC in a letter dated July 10, 2024. The AOC allows Chino 120 days to respond for submitting the LBIU FS to NMED. Chino anticipates submitting the draft FS for NMED and stakeholder review in October prior to the November 10th submittal date. NMED and their risk assessor Formation toured the IU with Chino on September 10th to inspect sites discussed in the pre-FS RAC and as a review in preparation for presenting the pre-FS RAC to the CWG later that evening.

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 first quarter of 2025 to NMED, following the submittal of the draft FS for the STS IU.

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. Chino 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 meetings on April 11th, April 25th, and June 25, 2024.
3. Chino anticipates submitting the draft FS in the fourth quarter of 2024 for stakeholder review.

4. NMED and their risk assessor Formation toured sites discussed in the draft FS with Chino on September 11, 2024.

Community Relations

The Community Work Group (CWG) met on September 10, 2024, and were provided a presentation by the state risk assessor, Formation Environmental, LLC., on the NMED issued pre-FS RAC for the LBIU. The group also voted to have the next CWG meeting in January 2025. 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 have occurred or are projected for the fourth quarter of 2024:

- Chino will submit a draft FS for the Lampbright IU for NMED and stakeholder review.
- Chino will submit the draft Feasibility Study for the STS IU for NMED and stakeholder review.
- Chino will submit the annual Groundhog Mine Site IRA report under HWC IU.
- Chino will conduct quarterly inspections of interim remediation sites within the HWC IU and STS IU.
- The AOC Technical Group plans to meet quarterly, and Chino and NMED will review AOC activities monthly.

Personnel Changes

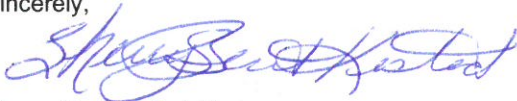
There were no personnel changes to the AOC Technical Group.

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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