

July 17, 2024

Submitted via email

Nikie Gagnon
Colorado Division of Reclamation, Mining and Safety
1313 Sherman Street, Room 215
Denver, Colorado 80203

Re: Aspen Canyon Ranch (ACR) Point Of Compliance (POC) Well new ownership and access agreement, Henderson Mine and Mill Reclamation Permit M-1977-342,

Dear Nikie:

Per your discussion with Miguel Hamarat on July 1st, Henderson is providing the following summary regarding water quality monitoring at the Aspen Canyon Ranch (ACR) Point of Compliance (POC) well. Under TR-16 to permit M-1977-342 (Groundwater Management Plan), Henderson is required to sample ACR as the designated domestic water supply POC well downstream of the Henderson Mill. The ACR property was recently sold to a new owner without notification to Henderson. Henderson attempted to reach out to the new ownership to establish a new access agreement for the required Triannual sampling. Henderson made contact with the new landowner's asset manager and requested that the two parties discuss the scope of this routine work, however, this has not made further progress. Therefore, Henderson was unable to legally access the ACR property to acquire a Spring Triannual water quality sample from the POC well by the June 30 deadline.

As discussed in Henderson's annual water quality report, the ACR POC well has an unconventional design causing elevated iron and manganese levels due to corrosion and stagnation within the well casing. Therefore, in 2023, Henderson drilled a new monitor well on Henderson-owned property within the same hydrogeologic setting that could serve as a potential alternative to ACR. Since the ACR well could not be sampled this spring, Henderson sampled the new well (MLGW-37) within the Spring period defined in the Groundwater Management Plan as an alternative to satisfy the POC requirement.

Henderson also plans to submit a formal technical revision to reflect this change in POC location moving forward.

If you have any questions or need additional information, please do not hesitate to contact me at bbates1@fmi.com, or (970) 433-0894, or Miguel Hamarat at mhamarat@fmi.com, or (720) 942-3255.

Sincerely,



Ben Bates
Senior Environmental Engineer
Climax Molybdenum Company
Henderson Operations

Cc (via email):

Miguel Hamarat, Climax