Climax Molybdenum
A Freeport-McMoRan Company

Climax Mine
Highway 91 - Fremont Pass
Climax, CO 80429
Phone (719) 486-7718
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Sent by Email

October 4, 2024

Mr. Dustin Czapla, Environmental Protection Specialist
Colorado Division of Reclamation, Mining and Safety
1313 Sherman St., Rm. 215
Denver, CO 80203

Re: TDL Leak at Drop Structure 2 EPF Failure – Climax Mine Permit No. M-1977-493

Dear Mr. Czapla:

Climax is providing this 5-day follow-up written notice pursuant to Rule 8.2.3 of the DRMS Rules and Regulations for Hard Rock, Metal, and Designated Mining Operations. On Monday, September 30, 2024, a TDL leak nearDrop Structure 2 (a buried structure) was confirmed, which is considered as a potential failure or imminent failure of an Environmental Protection Facility (EPF) pursuant to Rule 8.1(b). Climax left a voicemail with Environmental Protection Specialist Dustin Czapla on September 30, 2024, in accordance with Rule 8.2.1(a).

Description of Incident
Incident occurred at the Climax Mine located at Fremont Pass – Highway 91, Climax, CO 80429. A small 6-inch diameter sinkhole was discovered during the September 24, 2024, fall inspection of the TDL. The TDL was not in use at the time of inspection due to an ongoing 3-week long maintenance outage. It was monitored over the next few days as investigations were being planned. After coordinating the work with CDOT, initial excavations on September 27, 2024, showed some evidence of tailings material next to the pipe. Personnel were immediately deployed to investigate the area and make necessary repairs. As stated, the mill was shut down and the TDL was already locked out because Climax had pipe camera contractors on site inspecting the TDL. During exploration of the area, a 6-inch-long, 3-inch-wide hole was discovered on the bottom side of the HDPE pipe just downstream of the flange that connects the steel drop structure to the HDPE.

Climax made repairs by removing the 10-foot section of the HDPE pipe that was impacted, and electro-fused an HDPE coupling in place of the damaged section. Prior to backfilling, the TDL was leak tested and verified the repair was effective. The TDL pipe section was then backfilled with bedding material and then native fill on top of that to return the area to its original state.

Required Information under Rule 8.2.3, paragraphs (a) through (e):

(a) actions taken to respond to and correct the emergency situation or condition;

Climax Response: Climax was able to repair the 10-foot section of the HDPE pipe by electro-fusing an HDPE coupling in place of the damaged section. Prior to backfilling, the TDL was leak tested and verified the repair was effective. The pipe was backfilled with bedding material and then native fill on top of that to return the area to its original state and resume normal operations.

(b) any known or anticipated adverse impacts to human health, property, or the environment;

Climax Response: The amount of material released from the TDL leak is unknown because of the buried nature of the pipe at this location but is estimated to be minor because of the small sinkhole size and compact nature of bedding materials surrounding the pipe. Tere are no anticipated adverse impacts to human health, property, or the environment.

(c) name(s), address(s), telephone numbers and e-mail address of the Operator's contact person for additional information and follow-up by the Office;

Climax Response: Eric Detmer, Environmental Manager – edetmer@fmi.com, 719-427-0070
Climax Mine, Fremont Pass-Highway 91
Climax, CO 80429

(d) monitoring and analyses that are necessary to evaluate the situation and corrective actions, copies of all pertinent data; and

Climax Response: Climax completed the repair work on the TDL and ran Mill water through the pipe to confirm that no further dripping was occurring.

(e) results of the Operator's investigation to assess the conditions or circumstances that created the emergency situation, and what corrective or protective measures will be takento prevent a similar event from occurring in the future.

Climax Response: Climax does not interpret this event as an emergency due to the slow drip release and immediate repairs. Climax currently has controls in place such as the semi-annual TDL and ETDL inspections, which identified the small sinkhole that led to finding the leak and completing the repair work.

Please feel free to contact Eric Detmer (Climax Environmental Manager) at (719) 427-0070 or at edetmer@fmi.com or contact me at (719) 486-7717 or at aungers@fmi.com if you need any further information regarding this matter. Thank you for your continued assistance with Climax Mine.

Sincerely,

Alex Ungers
Environmental Chief Scientist

Attachment

Attachment 1 – TDL Drop Structure 2 Location Map