



MODRALL SPERLING

L A W Y E R S

May 28, 2024

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Via Electronic Submittal

Mr. David Ennis
Ms. Samantha Rynas
Mining and Minerals Division
1220 S. Saint Francis Dr., Ste 138
Santa Fe, NM 87505

Re: Permit No. OT002MN; Financial Assurance for B.O.W. Mine

Dear DJ and Samantha:

Thanks for meeting with me in your offices on May 21, 2024 to discuss the possibility of approving the release of Certificate of Deposit No. 38009304 issued on November 19, 2013 in the amount of \$15,932.00 in connection with Permit No. OT002MN for the B.O.W. Mine ("Certificate of Deposit). The Certificate of Deposit instrument was deposited by BOW Corporation with Century Bank following approval of Permit Modification 13-2, and pursuant to that certain Certificate of Deposit Agreement for B.O.W. Mine dated November 19, 2013 signed, among others, by Mr. Fernando Martinez, who then was the Director of the Mining and Minerals Division ("MMD") within New Mexico's Energy, Minerals and Natural Resources Department. The Certificate of Deposit served as BOW Corporation's financial assurance for the B.O.W. Mine and was the subject of my earlier letter during 2022, in which I requested release of the financial assurance. Following my letter, I received a letter dated December 6, 2022, from Mr. Holland Shepherd, who then was the Program Manager of MMD's Mining Act Reclamation Program, indicating that MMD at that time was not able to approve the release before inspecting the permit area located in the Jicarilla Mountains near the village of Orogrande in Otero County, New Mexico.

MMD has since informed that, earlier this month, MMD inspected the B.O.W. Mine. In our meeting on May 21 we reviewed various aerial photos of the site over certain time intervals that helped us identify road and other disturbances existing prior to permit issuance, as well as road disturbances that we surmised were developed by BOW Corporation's consultant, Tetra Tech, Inc., during its documented drilling program pursued after minimal impact exploration permit issuance. We also reviewed a January 10, 2014 Minimal Impact Exploration Termination Report, a December 1, 2024 National Instrument 43-101 Technical Report Preliminary Feasibility Study and various maps, all prepared by Tetra Tech, describing the drilling and reclamation efforts in connection with Tetra Tech's drilling program.

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Based upon our review of these materials, MMD's recent site inspection, and the Termination Report's description of how Tetra Tech's drill holes were reclaimed, we concluded that reclamation still potentially is needed from the permittee at the site related to the road disturbances we surmised were created by Tetra Tech, possibly to facilitate new drilling near historic drill sites described in the materials we reviewed. We also were able to confirm, however, that the un-reclaimed road disturbances still present within the permit area are situated entirely on private landholdings of the permittee, and that the permittee has the option to request that the roads be left in place within the permit area.

By this letter, on behalf of the permittee, and on behalf of the "Authorized Agent for Operator" who was a signatory of the above-referenced Certificate of Deposit Agreement for B.O.W. Mine dated November 19, 2013, Mr. Daniel Burrell, Tax I.D. No. 74-1547111, I request that the roads within the permit area be left in place and not reclaimed. Accordingly, I also make this follow-up request that MMD release the financial assurance associated with the B.O.W. Mine and communicate that release to Century Bank however MMD deems appropriate.

Thanks for your attention to this matter, and please let me know if you have questions or otherwise wish to coordinate with me in this regard.

Sincerely,



Stuart R. Butzier

cc: Mr. Daniel Burrell