

APPENDIX G

EARTHWORK SPECIFICATION

SECTION 12 MINE RECLAMATION

CONSTRUCTION DRAWINGS ARE REFERENCED BY NUMBER IN THIS SPECIFICATION. DRAWINGS WILL BE PREPARED FOR BID AND CONSTRUCTION UPON APPROVAL OF THE RECLAMATION PLAN. FIGURES INCLUDED IN THE RECLAMATION PLAN CONTAIN THE GRAPHIC INFORMATION NEEDED FOR REGULATORY REVIEW, AND THIS INFORMATION WILL BE CONTAINED IN THE CONSTRUCTION DRAWINGS

SPECIFICATION No. SEC12-01

EARTHWORK

FOR MINE RECLAMATION

**SECTION 12 MINE
MCKINLEY COUNTY, NEW MEXICO**

SOUTHWEST RESOURCES INC.

REVISION 0

JULY, 2020

Prepared by

Alan Kuhn Associates, LLC

1 Project Description

The Section 12 Mine is located at 35° 27' 17"N, 107° 51' 01"W in T14N, R10W, SW 1/4 of Section 12, McKinley County, New Mexico. This underground uranium mine was developed by Cobb Resources, and it operated intermittently in 1959 and 1962 then from approximately 1974 to the early 1982; the mine is currently inactive and owned by Southwest Resources Inc. (SRI). The mine surface consists of an access road, a shaft collar and headframe, an office/ dry building, a hoist house, a pump house with water storage tank, a vent shaft, and remnants of fencing and assorted materials of the bone yard.

SRI is under an Order of Abatement on Consent from the Director of the New Mexico Mining and Minerals Division (MMD) to conduct reclamation of the mine in accordance with the requirements in Part 5 of the New Mexico Act, NMAC 19.10.5.506 and the environmental standards of the MMD/ NMED Joint Guidance for the Cleanup and Reclamation of Existing Uranium Mining Operations in New Mexico. In compliance with that Order, SRI submitted a Final Reclamation Plan (RP) on December 16, 2019 by MMD and signed by Empire Trust Inc. on January 14, 2020 that requires Southwest Resources Inc. to reclaim the mine. The Order requires a Reclamation Plan that satisfies requirements for a closeout plan under NMAC 19.10.5.506 and the environmental standards of the MMD/ NMED *Joint Guidance for the Cleanup and Reclamation of Existing Uranium Mining Operations in New Mexico*.

This specification addresses the earthwork and related demolition required to satisfy the requirements of the Order of Abatement on Consent. The RP includes relocation of all waste rock to an on-site covered waste consolidation area (CWCA), re-grading and re-vegetation of disturbed areas.

2 Included Scope of Work

The scope of work addressed by this specification includes:

1. Site Preparation, including runoff and erosion controls, and stripping and burning of vegetation from contaminated areas and borrow areas,
2. ,
3. Backfilling of the shaft with waste rock and contaminated soil.
4. Excavation, loading, hauling, dumping and spreading of waste rock and contaminated soil in lifts in the designated CWCA location,
5. Excavation, loading, hauling, placing, spreading and compacting of cover soil on the waste CWCA, and
6. Final grading to the specified gradients.

Vegetation is addressed in a separate document. See Appendix D.

3 Responsibilities

Southwest Resources Inc., as represented by Empire Trust Inc., the "Owner", will evaluate bids and award all contracts for the Included Scope of Work and work performed by others, will provide controlled access to the work site, and will approve and make payment for work performed under this specification.

Alan Kuhn Associates (AKA), the "Engineer", will review or inspect and advise the Owner on the acceptance of the Included Work.

Contractor shall provide all equipment, materials, water, portable toilets, shelter, labor and supplies and perform all work necessary to accomplish the Included Work. Contractor shall be responsible for the safety of its job site and of all personnel and equipment that it employs on the job site, including conformance with the requirements of the Health and Safety Plan (HASP).

Quality Control Contractor (QCC) contracted by the Owner will observe, measure, sample and perform soil tests to document the Contractor's compliance with this specification and the drawings. The Owner will establish local ground control for the Contractor to use in achieving the required lines, grades, and dimensions of the work.

The Radiological Consultant, an independent contractor to the Owner, will provide radiological survey and worker radiological health and safety support during the demolition and earthwork.

Drawings listed on the attached table "LIST OF DRAWINGS" are incorporated into this specification by reference.

4 Execution

The Contractor may employ the numbers and types of equipment it chooses to perform the required scope of work. The Contractor's equipment shall be sufficient to satisfy the requirements of the scope of work in accordance with this specification and the approved project schedule. The equipment shall include those materials necessary for performing the work safely in accordance with the Health And Safety Plan, recognizing that there are no existing facilities on the mine site for worker comfort or hygiene. Execution shall be in accordance with this specification, the drawings, and the instructions of the Owner and its representatives. The following table is a preliminary list of drawings.

TABLE OF CONSTRUCTION DRAWINGS - SECTION 12 MINE RECLAMATION

SHEET NUMBER	Drawing Number	Title Sheet	Comments
CL00	GS00-GC100-00	Cover Sheet Drawing Index	Site Location Map and Drawing list
CL01	GS00-GC101-00	Existing Mine Features and Borrow Areas	Shows the mine features, existing topo, and potential borrow areas.
CL02	GS00-GC103-00	Gamma and Soil Radium Sample Locations	Shows locations of soil samples and radiological contamination.
CL05	GS00-GC106-00	Shaft Backfill and Closure	Section view of conceptual backfill
CL06	GS00-GC107-00	Initial Covered Waste Consolidation Area-Grading	Shows the initial grading to divert runoff around the perimeter of the Covered Waste Consolidation Area.
CL07	GS00-GC108-00	Final Covered Waste Consolidation Area Grading Plan	Shows the maximum footprint and final contours and shape of the pile.
CL08	GS00-GC109-00	Covered Waste Consolidation Area N/S section	Describes the overall pile cross section
CL09	GS00-GC110-00	Covered Waste Consolidation Area E/W sections	Describes the overall pile cross section
CL11	GS00-GC112-00	Final Grading plan	Shows the whole site after all excavation is complete.

The estimated quantities of materials will be listed on the drawings and on the Bid Schedule, Rev. 0.

The Contractor shall perform the following work:

4.1 Site Preparation

The Contractor shall remove vegetation from the contractor's support area and areas of excavation and fill, as shown on the drawings, and as directed by the Owner. Vegetation removed from the contaminated area ("clean-up area") may be placed on bare ground and burned provided that the Contractor notifies the local fire department in advance, monitors the burn at all times, secures the burn at the end of the day, and follows the state air quality rules and local ordinances. During burn events, the Contractor shall maintain fire suppression resources (e.g.; water tank with house, fire extinguishers, shovels) on site that are sufficiently manned to spot and extinguish fires.

The contractor may use a portion of the area to be excavated for laydown and equipment service. Any pieces of foreign material that are too small to be individually handled by earthmoving equipment shall be removed by hand or excavated with the surrounding soil and placed in a designated pit or trench location within the CWCA.

4.2 Earthwork Quality Control

The Contractor shall take the measures necessary to achieve all requirements of this specification. These measures shall include, at a minimum, the following:

4.2.1 Supervision

During all times that the Contractor's equipment or personnel are performing Included Work on the job site, a Contractor supervisor shall be present to direct the work. The supervisor shall have experience, satisfactory to the Owner's Site Supervisor, the Site Reclamation Manager (SRM), in the type of work being executed. The Contractor supervisor shall have on-hand at all times a copy of the current revision of this specification and the drawings relevant to the work. The Contractor supervisor shall have the authority to make decisions for the Contractor in all matters related to this specification.

4.2.2 Line and Grade Control

The Contractor shall determine that the specified lines and grades have been achieved in accordance within the limits established in this specification and the construction drawings. Measurement of line and grade is referenced to established benchmarks and other control points on the Owner's property. Elevations, alignments and gradients shall be surveyed as often as necessary to control excavation and fill placement.

When the Contractor reports to the Owner that all Included Work has been completed, the Owner may perform an acceptance survey to determine if line and grade requirements

have been satisfied. The Owner may survey the alignments and elevations and the slope gradients at intervals selected by the Owner.

On-site sources of CWCA cover soils have been identified and tested during site characterization investigations, and ample quantities of clay and loam soils have been classified as CH, CL, SC with some minor amounts of other soils.

If a defect is found in the compacted soil, a person from the Contractor's quality department shall determine the extent of the deficient area through additional testing, observations, record review, or other appropriate means. The Contractor shall correct the deficiency of the cover soil.

5 EARTHWORK DOCUMENTATION

5.1 Documentation by Contractor

The Contractor shall record and report, in a format acceptable to the Owner, the following information:

- Daily journal containing a list of equipment and materials used.
- Daily Work Summary listing all pay items and quantities. Submit by the start of the next working day.
- Survey notes for line and grade control (verbally report results immediately, and submit copy to the Owner within 24 hours).
- Written notifications to the Owner of unexpected conditions, conditions that prevent conformance with specifications, or disputes over acceptance of Contractor's work. Verbally notify the Owner immediately upon discovery or identification, submit in writing within 24 hours.
- Written notification to the Owner of any lost-time injury of Contractor or subcontractor personnel.

Documentation by the Owner

The Owner will create and maintain the following documentation that relates to the Included Work:

- Field inspection notes of Contractor's performance, work accomplished, and variances from the specifications observed by the Owner.
- Records of all field and laboratory tests performed by the Owner and its testing service.
- Photographic and video records of the Included Work.
- Chronological record of notifications to the Contractor of variances from specifications, unacceptable work performance, discrepancies in payment quantities claimed by the Contractor, and all related resolutions thereto.
- Survey notes and calculations of the acceptance survey.

- As-built drawings of completed work.