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APR 0 8 2022

DIVISION OF MINERALS

STATE OF NEVADA
COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
400 W. King Street, Suite 106
Carson City, Nevada 89703
(775) 684-7040 | Fax (775) 684-7052
http://minerals.nv.gov

Date Received 4/8/2022
County Esmeralda
NDOM Permit Number W0013
FOR DIVISION USE ONLY

DISSOLVED MINERAL RESOURCE EXPLORATION WELL PERMIT APPLICATION

Applicant/Operator Name: Lone Mountain Resources, LLC. (LMR)
Street Address: 1700, 20th Street
City: Oakland State/Prov.: California
Country: United States of America Zip Code: 94607
hereby makes application for a dissolved mineral resource exploration well permit.

(if applicant is a corporation, show state and date of incorporation; if a partnership, list names of partners.)

LMR is a wholly owned subsidiary of Gibbs Development Corporation, LLC, which is a Delaware limited liability company formed on April 14, 2020.

Well Name Alkali Lake 1

This application is for a: ☒ New Exploration Well ☐ Borehole to Well Conversion
☐ Permit Extension (NDOM Permit # _____) (Indicate below any changes to original permit)
Permit Extension Reason:

Applicant is: ☐ Land Owner ☒ Lease/Claim Holder

Land Status (choose one):

☒ Federal *(BLM, USFS, etc…)*
Mining Claim: NMC# NV101958829
Project Name: Alkali Lake NVN# 101165

☐ Non Federal
APN#: Land Owner:
Bond Type: Issued by:
Amount: Number:

Groundwater Basin Name and Number	Area With Limitations?
Alkali Spring Valley 142	☒ Y ☐ N

(Well proposed to be drilled within areas with limitations may require Blowout Prevention Equipment, per NAC 534B)

Location of Well:

County: Esmeralda

SW ¼ of the NW ¼ of 8 Sec., Township 1 ☐N ☒S, Range 41 E

UTM East: 464374 or Longitude:
UTM North: 4191467 Latitude:
☒ NAD83 ☐ WGS84 *M.D.B.& M.*

Drilling Contractor (if known): Harris Exploration Drilling & Associates, Inc.

Address: 19 Sheckler Cutoff

City, State Zip: Fallon, Nevada 89406

Purpose of Well: Dissolved mineral resource exploration

Drill Rig Type: Maxi drill core rig, or equivalent drill setup

Surface Hole Diameter: 20", then 10 3/4", 6 1/4 "

Expected Total Depth: 1,800 feet

Casing Size/Length: 16" for 50', 7 5/8" for 150'

Casing Weight/Gauge: Weight: 26.4lbs/ft

Casing Schedule/Grade Grade: J-55

Blowout Prevention Equipment Rating: ☒ None ☐ 2000 psi ☐ 3000 psi ☐ 5000 psi

Fluid Management Plan - NAC 534B.140(1)(C):

Please see specifications included in Attachment 2.

(Describe Here or Attach Additional Pages)

Contamination Prevention/Cementing Plan - NAC 534B.140(1)(D):

Please see specifications included in Attachment 2.

(Describe Here or Attach Additional Pages, must include Well Schematic)

Flow Monitoring and Plugging Plan - NAC 534B.140(1)(E):

Please see specifications included in Attachment 2.

(Describe Here or Attach Additional Pages)

Drilling will commence approximately on: mid April through late May 2022

Signature of Applicant/Agent:

Printed Name/Title: Thomas Wilson

Date: March 29, 2022

An application submitted without a signature and date will not be considered for approval.

- - - - -Attach $1,000.00 Application Fee Per NAC 534B - - - - -

- - - - - TO BE COMPLETED BY DIVISION - - - - -

CONDITIONS OF PERMIT

1. **All permittees must comply with appropriate sections of the Dissolved Mineral Resource Regulations of the Division of Minerals and with applicable rules and regulations of state and federal agencies.**

2. **For a well located on non-federal land, a bond in an amount determined by the Division to be necessary to properly plug the well in accordance with NAC 534B must be included.**

3. **Well Permit Expires two (2) years from date of approval.**

4. **See attached Conditions of Approval.**

5. **Send any required reports to: .... ndom@minerals.nv.gov**

6. **Additional Conditions/Comments**

A.	Unless the well is cased to T.D., the well must be plugged and abandoned pursuant to NAC 534B.180 within 60 days of completion of the well.
B.	
C.	

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal, and local agencies.

PERMIT APPROVAL

Approved 04/08/2022 with the conditions noted above.
Date

Permit Number W0013

Administrator
Division of Minerals

DISSOLVED MINERAL RESOURCE
EXPLORATION WELL
CONDITIONS OF APPROVAL

Operator: Lone Mountain Resources, LLC
Project Name: Alkali Lake
Well: Alkali Lake 1
Permit# W0013

Submit forms and correspondence to: Nevada Division of Minerals
400 West King Street
Suite 106
Carson City, NV 89703

Communications with the Division shall be directed to:

Cortney Luxford, Fluid Minerals Program Manager
Office 775-684-7045 Email cluxford@minerals.nv.gov
Cell 775-721-1774
Fax 775-684-7052

Michael Visher, Division Administrator
Office 775-684-7044 Email mvisher@minerals.nv.gov
Cell 775-721-7625
Fax 775-684-7052

Dustin Holcomb, Field Specialist - Geologist
Office 775-684-7046 Email dholcomb@minerals.nv.gov
Cell 775-721-2726
Fax 775-684-7052

Voicemail is available on all cell phones and office phones. Please leave a message if you are unable to speak to someone and we will return your call as quickly as possible.

YOUR APPLICATION TO DRILL THE **ALKALI FLAT 1** EXPLORATION WELL IS APPROVED SUBJECT TO THE FOLLOWING PERMIT CONDITIONS

1. These conditions of approval (COA's) and the minimum Blowout Prevention Equipment (BOPE) requirements, if required by the Division or utilized, shall be posted at the well site and read by all company personnel associated with the subject well.

2. If the well is located within a boundary designated by the Division as an "area with limitations" as delineated on the map maintained by the Division and titled, "Oil, Gas, and Geothermal Resources and Groundwater Basins with High Temperature Gradients" must:
   (a) Not be drilled to a depth greater than 3,000 feet without the use of blowout prevention equipment meeting the requirements discussed below;
   (b) Have the temperature of the mud that is returned up the hole monitored continuously by the operator during the drilling of the well whenever temperatures of the drilling fluids at the surface reach 125 degrees Fahrenheit. The temperature of the mud must be recorded by the well driller after each joint of the pipe is drilled; and
   (c) Be designed, drilled and operated so as not to degrade an aquifer, or an oil, gas or geothermal resource.

3. The operator shall ensure that blowout prevention equipment is installed on any dissolved mineral resource exploration well where temperatures may exceed 200 degrees Fahrenheit. An operator and well driller shall take all necessary precautions to keep a dissolved mineral resource exploration well under control and operating safely at all times. Well control and wellhead assemblies used in any dissolved mineral resource exploration well must meet the minimum specifications for assemblies prescribed by the American Petroleum Institute, or its successor organization, in Standard 53, "Blowout Prevention Equipment Systems for Drilling Wells," Fourth Edition, which is available by mail from Global Engineering Documents, 15 Inverness Way East, Englewood, Colorado 80112-5776, by telephone at (800) 854-7179 or at the Internet address http://global.ihs.com, for the price of $155, or such specifications as may be prescribed by the Administrator. Blowout prevention equipment capable of shutting in a dissolved mineral resource exploration well during any operation must be installed on the surface casing and be maintained in good operating condition at all times. Such equipment must have a rating for pressure greater than the maximum anticipated pressure at the wellhead. The minimum accepted rating of blowout prevention equipment is 2M, or capable of holding 2,000 psig. Certain drilling conditions may require 3M or 5M blowout prevention equipment.

4. An operator shall:
   (a) Test the blowout prevention equipment under pressure. The results of each test must be recorded by the well driller in the well log.
   (b) Submit, on a form designated by the Division, the pressure data and supporting

information for the blowout prevention equipment as soon as practicable after the conclusion of the test conducted pursuant to paragraph (a).

(c) A 24-hour notification is required prior to testing BOPE. The 24-hour BOPE notification may be made by telephone or email to the Fluid Minerals Program Manager. Please refer to the contacts list on page one of this notice. Operator must have access to email or fax in order to receive the Division's BOPE Test Form that will be sent to the operator within this 24-hour period.

5. When drilling a dissolved mineral resource exploration well, a well driller shall:

(a) Isolate zones of varying water quality to prevent the migration of fluids between aquifers;

(b) Prevent the contamination or waste of groundwater; and

(c) Minimize damage to the environment, ground and surface waters, property and any known oil, gas or geothermal resources.

6. The following standards apply to the construction of a dissolved mineral resource exploration well:

(a) The top of the casing must be at least 18 inches above the surface of the ground;

(b) The surface casing must:

(1) Provide for the control of formation fluids and protection of groundwater, including, without limitation, setting sufficient casing to reach a depth below all known or reasonably estimated levels of good quality water to protect the aquifer and prevent blowouts or uncontrolled flows; and

(2) Provide a minimum 2-inch annular space;

(c) There must be a minimum 50-foot surface seal using neat cement;

(d) If an intermediate string of casing is used which does not extend to the surface, the top of the liner must overlap the bottom of the surface casing by at least 100 feet; and

(e) If thermoplastic casing is used:

(1) The thermoplastic casing must be clearly marked as well casing.

(2) The thermoplastic casing must comply with the standards adopted by ASTM International, designated as ASTM F480-14 for polyvinyl chloride casing and F2686-14 for glass fiber reinforced casing or the current designation at the time of installation. These publications are hereby adopted by reference. A copy of the standards may be obtained by mail from ASTM International at 100 Barr Harbor Drive, P.O. Box C700, West Conshohocken, Pennsylvania 19428-2959, by telephone at (610) 832-9585 or at the Internet address http://www.astm.org for the price of $67 and $46, respectively.

(3) The differential pressures and temperatures that may occur during the installation of the casing, the development of the well and the operation of the well must be considered by the well driller and the person responsible for designing the well.

(4) The joint couplings must form a watertight seal.

(5) For polyvinyl chloride casing, in each case, the standard dimension ratio must equal the outside diameter divided by the wall thickness and the wall thickness must:

(I) For nominal diameters that are 6 inches or less, conform to a rating of schedule 40 or heavier; and

(II) For nominal diameters that are more than 6 inches, conform to an ASTM International standard dimension ratio of schedule 21 or heavier.

7. If an artesian condition is encountered in a dissolved mineral resource exploration well, such that water is flowing at the surface, the well driller shall ensure that an unperforated casing extends through the confining strata above the artesian zone. The annular space between the casing and the walls of the well bore must be sealed by placing neat cement, cement grout or bentonite chips by tremie pipe in an upward direction from the top of the artesian zone to the level necessary to prevent the leakage of artesian water above or below the surface.

8. Any flow of artesian water must be stopped completely using any necessary valves, plugs or other appliances to prevent or control the flow of water from the dissolved mineral resource exploration well and prevent the loss of groundwater above or below the ground surface before the drill rig is removed from the drill site.

9. The operator of a dissolved mineral resource exploration well shall:
   (a) Install a water meter capable of measuring the total withdrawal of water from the dissolved mineral resource exploration well.
   (b) Maintain an accurate record of meter readings, including the serial number of the meter.
   (c) Submit to the Division, on a form designated by the Division, a monthly report which includes the serial number of the meter and the meter readings from the dissolved mineral resource exploration well. The monthly report:
      (1) Is required for each month beginning with the commencement of drilling operations until the later of the expiration of the permit or until the dissolved mineral resource exploration well is plugged; and
      (2) Must be filed with the Division on or before the last day of the month following the month in which the meter is read.
   (d) Ensure the total withdrawal of water from the dissolved mineral resource exploration well project does not exceed 5 acre-feet.
   (e) Comply with the appropriation procedures of chapters 533 and 534 of NRS if water is pumped from the dissolved mineral resource exploration project in excess of 5 acre-feet.

10. The well driller shall:
   (a) Keep a record of the depth, thickness and character of the different strata penetrated and the location of the water-bearing strata;
   (b) Keep an accurate record of the work, including, without limitation:
      (1) A statement of the date that work begins;
      (2) The date of completion of the dissolved mineral resource exploration well;
      (3) The name and the type of machine used to drill;
      (4) The length, size and weight of the casing and how it is placed, including, without limitation, a description of any perforations;
      (5) The size of the hole that is drilled for the dissolved mineral resource exploration well;
      (6) Identification of the water-bearing strata;
      (7) The maximum temperature of the water in the dissolved mineral resource exploration well measured in degrees Fahrenheit; and
      (8) If a seal was installed, the interval sealed off and the type of seal; and

(c) Submit a report of the record of the work to the Administrator on a form designated by the Division. The report must be provided by the well driller to the Administrator for every dissolved mineral resource exploration well that is drilled not later than 30 days after the well is completed.

11. A dissolved mineral resource exploration well must be plugged by:
(a) A well driller before the expiration of the permit, unless a waiver or permit is issued by the State Engineer to change the status of the dissolved mineral resource exploration well.
(b) Placing neat cement, cement grout or bentonite grout by tremie pipe in an upward direction from the bottom of the well to 100 feet above the uppermost perforated casing or to the surface of the dissolved mineral resource exploration well.
(c) Removing the pump and any debris from the well bore with appropriate equipment.
(d) Cement plugs must:
(1) Be placed in the uncased portion of all dissolved mineral resource exploration wells to protect all subsurface resources.
(2) Extend a minimum of 100 lineal feet above the producing formations and 100 lineal
feet below the producing formations or to the total depth drilled, whichever is less.
(3) Be placed to isolate formations and to protect the fluids in those formations from interzonal migration.
(e) A well driller may use uncontaminated fill from the top of the plug installed in accordance with subsection 1 to within 20 feet of the surface of the dissolved mineral resource exploration well. The well driller shall place a surface plug in the dissolved mineral resource exploration well consisting of neat cement, cement grout or concrete grout from a depth of at least 20 feet to the surface of the dissolved mineral resource exploration well.
(f) All casing strings must be cut off below ground level and the casing stub must be permanently capped.
(g) The surface must be restored as near as practicable to its original condition.
(h) If conditions are encountered which prevent compliance with this section, the operator or well driller must submit an alternative plugging plan to the Division for the approval of the Division.
(i) The operator or well driller shall file a plugging report to the Division on a form designated by the Division and available on the Internet website of the Division. The report must be signed by the well driller documenting proper plugging of the dissolved mineral resource exploration well not later than 30 days after completion of the work.
(j) The owner and lessor of the land on which the dissolved mineral resource exploration well is located, the operator and the well driller are jointly and severally responsible for plugging the dissolved mineral resource exploration well pursuant to this chapter.

12. The operator of a dissolved mineral resource exploration well shall:
(a) Install a water meter capable of measuring the total withdrawal of water from the dissolved mineral resource exploration well.
(b) Maintain an accurate record of meter readings, including the serial number of the meter.
(c) Submit to the Division, on a form designated by the Division, a monthly report which

includes the serial number of the meter and the meter readings from the dissolved mineral resource exploration well. The monthly report:

(1) Is required for each month beginning with the commencement of drilling operations until the later of the expiration of the permit or until the dissolved mineral resource exploration well is plugged; and

(2) Must be filed with the Division on or before the last day of the month following the month in which the meter is read.

(d) Ensure the total withdrawal of water from the dissolved mineral resource exploration well project does not exceed 5 acre-feet.

(e) Comply with the appropriation procedures of chapters 533 and 534 of NRS if water is pumped from the dissolved mineral resource exploration project in excess of 5 acre-feet.

13. A permit to drill a dissolved mineral resource exploration well may be modified, suspended or revoked in whole or in part for any violation of this chapter and may be grounds for an action for enforcement. Any person who willfully violates any provision of this chapter or an order of the Division issued pursuant to this chapter is subject to a penalty of not more than $1,000 for each act or violation and for each day that the violation continues.

14. A permit to drill a dissolved mineral resource exploration well expires 2 years after the date on which it was issued. If requested in writing by the operator, on a form designated by the Division, the permit may be extended once for an additional 2 years by the Administrator if the permit is determined to be in compliance with the provisions of this chapter. An application for an extension must be filed not later than 60 days before the expiration of the permit. A permit to drill a dissolved mineral resource exploration well may be assigned, subject to the conditions of the permit, upon the written approval of the Administrator.

EM STRATEGIES
A WestLand Resources Inc. Company

March 30, 2022

via Federal Express (7764 4468 5363)

Mr. Cortney Luxford
Fluid Minerals Program Manager
Nevada Division of Minerals
400 West King Street, Suite 106
Carson City, Nevada 89703

RE: Dissolved Mineral Resource Exploration Well Permit Application for Lone Mountain Resources, LLC.'s Alkali Lake Exploration Project, Esmeralda County, Nevada

Dear Mr. Luxford:

Enclosed please find the $1,000.00 application fee (per Nevada Administrative Code 534B) and Dissolved Mineral Resource Exploration Well Permit Application (Application) prepared by EM Strategies, a Westland Resources Inc. Company (EMS) for Lone Mountain Resources, LLC. (LMR's) Alkali Lake Exploration Project (Project). Please provide EMS with a courtesy copy of all correspondence for the Project. If you have any questions or need additional information, please contact our office at (775) 826-8822 or via email at ksweet@westlandresources.com.

Sincerely,

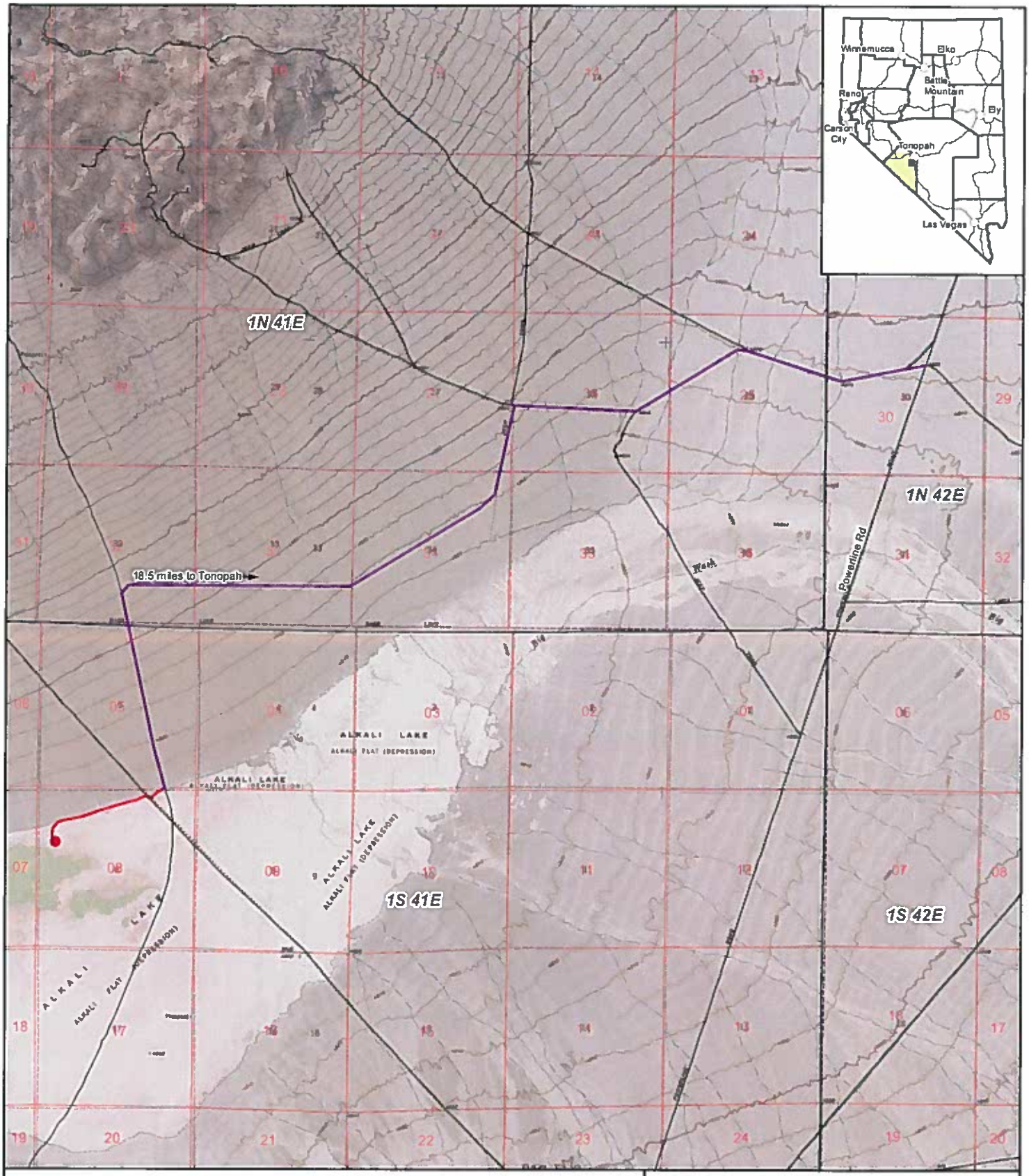
EM Strategies, Inc.

Kaitlin C. Sweet
Senior Environmental Specialist

Enclosure: Check No. 18329

cc: Mr. Michael Winter - LMR w/enclosure via email: michael.winter.22@gmail.com

Attachment 1
Location Figure and Well Design



Explanation

- Existing Road
- Existing Access

Planned Activities

- Drill Site (1)
- Constructed Road (4,615 feet)

Land Status: All BLM

0 0.5 1 Miles N

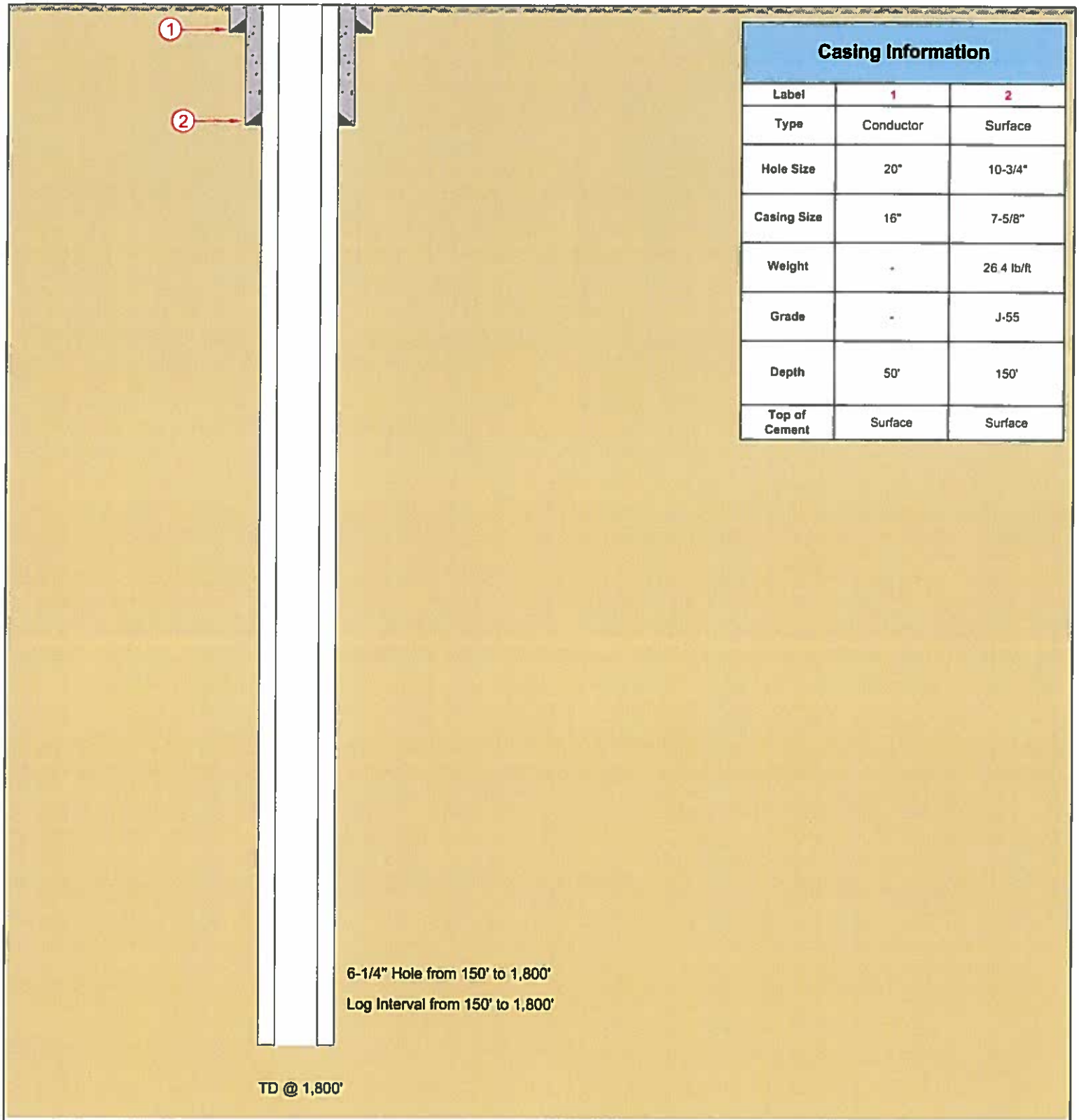
LONE MOUNTAIN RESOURCES, LLC

ALKALI LAKE 1
EXPLORATION PROJECT

Project Location, Access,
Planned Activities and Land Status

Label: Figure 1	Drawn By: TLF
Date: 02/25/2022	Project No.: 4606
Base Map: USGS 100k quad: Goldfield	
File Name: 4606T AlkaliValley Fig1 Notice.mxd	

EM



Casing Information		
Label	1	2
Type	Conductor	Surface
Hole Size	20"	10-3/4"
Casing Size	16"	7-5/8"
Weight	-	26.4 lb/ft
Grade	-	J-55
Depth	50'	150'
Top of Cement	Surface	Surface

LONQUIST FIELD SERVICE

TX License F-9147

12912 Hill Country Blvd. Ste F-200
Austin, Texas 78738
Tel: 512.732.9812
Fax: 512.732.9816

Uncompahgre Ventures

Lithium Test Well - Well Design

Country: USA	**State:** Nevada	**County/Parish:** Esmeralda
Serial: N/A	**API (Status):** N/A (Proposed)	**RKB to GL:** N/A
Field: N/A	**Location:** Alkali Lake - 1	**Lat/Long:** N/A
Section: N/A	**Township:** N/A	**Range:** N/A
Spud Date: N/A	**Completion Date:** N/A	**Revision Date:** 2/21/2022
Drawn: ELR (2/21/2022)	**Reviewed/Approved:** RSC (2/21/2022)	**Notes:**

Attachment 2
Additional Details for the Drilling of
Lone Mountain Resources, LLC
Alkali Flat 1

Additional Details for the Drilling of Lone Mountain Resources, LLC – Alkali Lake 1

Project Description:

Lone Mountain Resources, LLC (LMR) is proposing to conduct mineral exploration activities at the Alkali Lake Project (Project) located in Section 8, Township 1 South (T1S), Range 41 East (R41E), Mount Diablo Base and Meridian, Esmeralda County, Nevada (Project Area). LMR plans to conduct exploration drilling and groundwater chemistry characterization from one aquifer Exploration Test Well (ETW), which will be accessed almost entirely from an existing road network as shown in the attached area map. The ETW is proposed to be drilled to a Total Depth (TD) of 1,800 feet. The total planned surface disturbance associated with the Project will be approximately 2.0 acres.

Proposed Exploration Disturbance:

Disturbance will include existing access roads, one drill pad and sump complex, and approximately 4,615 linear feet of newly constructed road. The drill pad will be constructed with the approximate disturbance dimensions of 150 feet long by 100 feet wide and will be covered in gravel. Up to three sumps may be constructed in sequence with the individual dimensions (including the material piles) of 50 feet long by 20 feet wide, with total sump volume of 150 cubic yards, and will be constructed next to the disturbance footprint of the drill site to contain drill cuttings and manage drilling fluids.

Approximately 4,615 linear feet of new road will be constructed to access the proposed drill site location. The location of the ETW, existing access and total planned surface disturbance are shown on the figure in Attachment 1 of this Application.

The Standardized Reclamation Cost Estimator, Version 1.4.1 Build 17b, and including 2021 cost data was used to generate the required reclamation cost estimate (RCE) included in the Notice.

Description of Planned Operations:

Limitations on Location of Well; Application for Exception (Nevada Administrative Code [NAC] 534B.145):

The ETW is located in the Alkali Spring Valley Basin 142, which is "within a boundary designated by the Division as an 'area with limitations,' as delineated on the map maintained by the Division and titled, "Oil, Gas, and Geothermal Resources and Groundwater Basins with High Temperature Gradients" available on the Internet website of the Division, per NAC 534B.145.2". The proposed depth of the ETW is 1,800 feet and is therefore not subject to the blowout prevention requirements for wells proposed to depths of 3,000 feet and deeper. As consistent with these regulations, LMR will implement the following stipulations and mitigation measures during the Project:

- Temperature of the mud that is returned up the hole will be monitored continuously by the operator during the drilling of the well whenever temperatures of the drilling fluids at the surface reach 125 degrees Fahrenheit. The temperature of the mud will be recorded by the well driller after each string of casing is installed.

Fluid Management Plan (NAC 534B):

Water will be purchased from a nearby, privately-owned water well or from the town of Tonopah. Drill cuttings and mud will be maintained within the mud system of the rig. Multiple sumps will be constructed next to the disturbance footprint of the drill site to contain drill cuttings and manage drilling fluids. See

Attachment 1 of this Application for a general depiction of the well design. Best Management Practices (BMPs) for sediment control will be utilized during construction, operation, and reclamation to minimize sedimentation from disturbed areas. Sediment control structures are outlined under Section 8 of the Notice.

Contamination Prevention/Cementing Plan (NAC 534B.160):

The first 50 feet of the borehole will have a diameter of 20 inches with a 16-inch diameter conductor casing set 18 inches above the ground surface. Between 50 to 150 feet below ground surface (bgs) the borehole will have a diameter of 10 ¾ inches with a 7 ⅝-inch diameter surface casing. The surface casing will control formation fluids and protect groundwater. This casing plan ensures that casing will be set below all known or reasonably estimated levels of good quality water, protect freshwater aquifers and prevent blowouts or uncontrolled flows. A surface seal with a minimum length of 50 feet will be set using neat cement. The liner of the intermediate string of casing will overlap the bottom of the surface casing string by a minimum of 100 feet. The depth to fresh water in the vicinity of LMR's proposed drilling is reviewed in *Open-File Report 81-962: Lithology and Lithium Content of Sediments in Basin Surrounding Clayton Valley, Esmeralda and Nye Counties, Nevada*, completed by the United States Geological Survey in 1981. The report includes results from two test wells drilled in Alkali Valley where no fresh water was referenced, and lithium brine was noted to be analyzed at depths of 100 feet. Therefore, LMR believes the cased length of 150 feet is a conservative measure for preventing potential freshwater aquifer contamination. The proposed well design is included in Attachment 1 in this Application.

From 150 feet bgs to the maximum TD of 1,800 feet, the borehole will be open. In order to isolate zones of varying water quality and prevent migration of formation fluids between disparate aquifers, LMR will take a number of preventative measures including utilizing bentonite clay-based drilling mud. LMR and its contractors will also consistently monitor the flow of fluid to ensure no remedial measures are required after drilling operations have begun to prevent unwanted vertical migration of formation fluid. In the event the envisioned open hole design construct is not able to adequately control/mitigate the migration of formation fluid between discrete water quality/aquifer zones, LMR will coordinate with the Nevada Division of Minerals (NDOM) to incorporate different methods or abandon the ETW in an expedited fashion per pursuant to NAC 534B.180.

LMR will maintain open communication with the NDOM in real-time regarding results from drill cuttings and wireline logging analysis and will be cooperative in the event NDOM recommends any immediate remedial or corrective measures be taken during the drilling process. LMR is committed to working closely with the relevant regulatory authorities in all respects and will heed the advice of the authorities with respect to any corrective/remedial measures and/or expedited abandonment timelines ultimately required by the authorities before the ETW is drilled.

Flow Monitoring and Plugging Plan (NAC 534B.180):

Water extracted during the drilling process will be managed in the sump and/or frac tanks; the volume will be estimated and recorded. After completion of the ETW, water volume will be recorded using a flow meter. The ETW will be abandoned pursuant to NAC 534B.180. All necessary reports and documentation will be provided to the relevant regulatory authorities as soon as practicable and, in all cases, within the permissible timeline.

Surface & Groundwater – Erosion Prevention and Control

LMR will conduct exploration operations in a manner that minimizes soil erosion. Equipment will not be operated when ground conditions are such that excessive resource damage or increased sediment transport will occur. BMPs will be utilized to control erosion and sedimentation.

BMPs for sediment control will be employed as needed during construction, operation, and reclamation to minimize sedimentation of disturbed areas. Sediment control structures will include, but not be limited to, fabric and/or certified weed free straw bale filter fences, siltation or filter berms, mud sumps and downgradient drainage channels to prevent unnecessary or undue degradation to the environment. Sediment traps (sumps), constructed as necessary adjacent to drill sites, will be used to settle drill cuttings and prevent uncontrolled release of drill cuttings. To control erosion from roads and drill sites, and from the unlikely event of drill cuttings being released, weed-free straw bales and silt fences will be placed in drainages to capture sediment, where required.

Surface & Groundwater – Stormwater and Control

Sediment controls such as straw or hay bales, filter fences, or other controls, will be implemented as necessary. Where straw or hay bales are required, only certified, weed-free product will be used.

While not anticipated due to the environment and generally flat terrain, stormwater controls will be constructed or installed where necessary to prevent or minimize erosion and sedimentation. Drainage structures will consist of, but not be limited to, water bars, borrow ditches, contour furrows, and/or culverts sized to handle maximum seasonal water flows. Disturbed areas will be broadcast-seeded with an approved weed-free seed mix to reduce erosion immediately after construction. Once an area has been revegetated, notices and/or signs may be posted to reduce or restrict vehicular traffic to allow vegetation to establish.

Drilling Effluent Management

Drilling fluid products used during drilling and abandonment operations will be contained and deposited in tanks with overflow to sumps to ensure environmental protection.

Overflow and mud sumps for drill water, fluids and cuttings will be excavated within the footprint of the drill site using a backhoe. Anticipated sump dimensions, including the material piles, will be up to 50 feet long by 20 feet wide with a total sump volume of 150 cubic yards. One end of each sump will be sloped to provide escape routes for wildlife and/or other animals.

Sumps will be backfilled after completion of drilling. If mud tanks are cleaned at the site, the contents will be contained in the sump and covered with backfilled soil materials.

Solid and Hazardous Substances

Non-hazardous Project-related exploration refuse will be collected in approved trash bins and/or containers and hauled from the site by LMR or their contractors for disposal at an approved landfill on a regular basis. The bins and/or containers will be equipped with lids. Debris that may have a hazardous characteristic, residue, or fluids, will not be disposed of in the trash bins. To minimize impacts during precipitation events, trash bins will be regularly inspected for leaks, and the lids will remain closed except when depositing debris. The trash bins will not contain materials that may attract wildlife (food items, etc.) and will be emptied on a regular basis.

Hazardous substances employed for the Project will include diesel fuel, gasoline, hydraulic fluid and lubricating grease. Approximately 300 gallons of diesel fuel and gasoline will be stored in fuel delivery systems on drill rigs and support vehicles. Approximately 50 pounds of lubricating grease and 35 gallons of hydraulic fluid will be stored on the drill rig or transported by drill trucks. Transportation of these materials will be conducted in accordance with applicable regulatory guidelines.

Schedule for the Project and Reclamation

Drilling success will determine the reclamation schedule. Disturbance will be reclaimed at the earliest opportunity unless economically viable resources are identified.

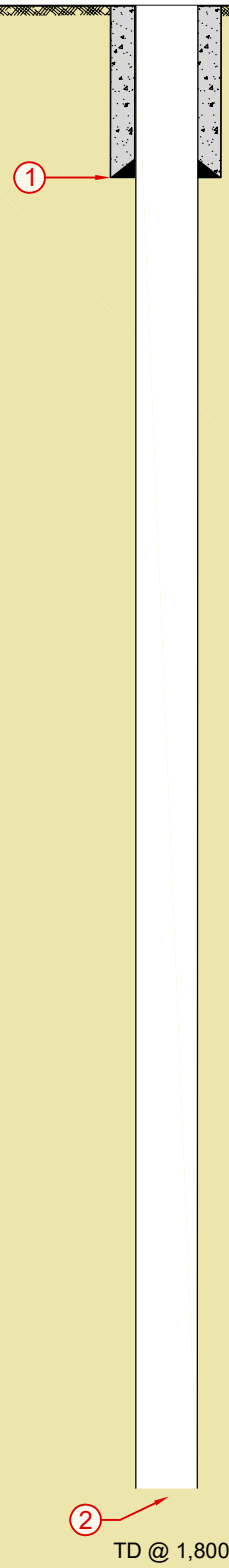
Earthwork and revegetation activities are limited by the time of year during which such activities can be effectively implemented. Site conditions and/or yearly climatic variations may require that this schedule be modified to achieve revegetation success. Reclamation activities will be coordinated with the BLM as necessary. Monitoring of revegetation success will be conducted annually for a minimum of three years or until revegetation standards have been met.

Drill Hole or Well Abandonment

The exploration drill hole will be plugged in accordance with Nevada regulations as described in NAC 534B.180. A drill rig with appropriate support equipment will be used to abandon the drill holes before the drill rig leaves the drill site. The abandonment costs included in the Notice RCE are for the single ETW.

Resource Logging Plan

During the drilling process, LMR will deploy a suite of wireline logging tools to effectively analyze and record the depth, thickness and character of the different strata penetrated and the location of the water-bearing strata. LMR will submit the results of these analyses to the relevant regulatory authorities in a timely fashion and in accordance with all regulatory requirements.



Casing Information		
Label	1	2
Type	Surface Casing	Open Hole Section
Hole Size	14-3/4"	8-1/2"
Casing Size	9-5/8"	N/A
Weight	36 lb/ft	N/A
Grade	J-55	N/A
Depth	150'	1,800'
Top of Cement	Surface	N/A

LONQUIST FIELD SERVICE

TX License F-9147

12912 Hill Country Blvd. Ste F-200
Austin, Texas 78738
Tel: 512.732.9812
Fax: 512.732.9816

Uncompahgre Ventures	Lithium Test Well - Well Design	
Country: USA	**State:** Nevada	**County/Parish:** Esmeralda
Serial: N/A	**API (Status):** N/A (Proposed)	**RKB to GL:** N/A
Field: N/A	**Location:** Alkali Lake - 1	**Lat/Long:** N/A
Section: N/A	**Township:** N/A	**Range:** N/A
Spud Date: N/A	**Completion Date:** N/A	**Revision Date:** 06/14/2022
Drawn: CRL (06/14/2022)	**Reviewed/Approved:**	**Notes:**