

**EL CAPITAN PRECIOUS METALS, INC.
PLAN OF OPERATIONS FOR AN EXPLORATION
DRILLING PROJECT ON U.S. FOREST SERVICE LANDS
SMOKEY BEAR RANGER DISTRICT**



PREPARED BY:



**GL ENVIRONMENTAL, INC.
P.O. BOX 1746
LAS VEGAS, NEW MEXICO 87701
(505) 259-3004
(505) 454-0830**

Submitted by: Denise Gallegos
Title: Principal, GL Environmental, Inc.
Date: July 12, 2007
Plan Received By:
Title:
Date:

INTRODUCTION

As per U.S. Forest Service letter dated April 23, 2007, this Plan was originally prepared as a Plan of Operation for abatement activities and a proposed exploration project. As per U.S. Forest request made verbally on January 11, 2008, the Plan of Operation was modified removing discussions of abatement activities. The Plan of Operation is solely for the proposed exploration drilling project. The project anticipates drilling one hundred twelve (112) holes, in five (5) phases. Existing access roads will be used when possible. Some access roads will have to be constructed.

I. GENERAL INFORMATION

Name of Mine/Project: El Capitan Precious Metals, Inc. Exploration Drilling Project

Type of Operation: Exploration Drilling

This is a Plan of Operation for a drilling exploration project.

Proposed start up: October 1, 2007

Expected duration of the project is three (3) years.

Project may be seasonal with annual reclamation occurring during the months of September and May.

II. PRINCIPALS

A. Name and address of the operator:

El Capitan Precious Metals, Inc.
1325 Airmotive Way, Suite 276
Reno, Nevada 89502
Telephone (775) 786-6444
Fax (775) 201-0186

B. Name and address of the authorized field representative:

GL Environmental, Inc.
Denise Gallegos, Principal
P.O. Box 1746
421 Bibb Industrial Drive
Las Vegas, New Mexico 87701
Telephone (505)454-0830
Cell (505) 259-3004
Fax (505) 454-8093

C. Name, phone number and address of owners of the claims:

El Capitan Precious Metals, Inc.
1325 Airmotive Way, Suite 276
Reno, Nevada 89502
Telephone (775) 786-6444

Fax (775) 201-0186

D. Name, phone number and address of surface owners:

El Capitan Precious Metals, Inc.
1325 Airmotive Way, Suite 276
Reno, Nevada 89502
Telephone (775) 786-6444
Fax (775) 201-0186

III. PROPERTY OR AREA

Name of Claims and legal land description where the operation will be located.

MC #	Name	Section	Township	Range
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Please Refer To Spread Sheet Labeled “MINE CLAIM INFORMATION”.

PROJECT LOCATION

The project area encompasses portions or all of Sections 9, 10, 11, 13, 14, 15, and 16, T.8 S., R.14 E. (Please refer to Map labeled “El Capitan Precious Metals, Inc. Plan of Operation”).

IV. DESCRIPTION OF THE OPERATION

A. ACCESS

EXPLORATION DRILLING

Drill sites will be accessed on existing U.S. Forest Service roads where possible. (Please refer to Map labeled “El Capitan Precious Metals, Inc. Plan of Operation”). A reverse circulation (RC) drilling rig will be used. The drilling rig is tire mounted/track mounted. Drill rigs will access sites overland, where possible, without constructing a road. Roads will not be constructed on steep grades to minimize erosion.

Roads will be constructed to a width of twelve (12) feet and will follow topographical contours, in accordance with the Bureau of Land Management, Standards and Guidelines, Gold Book. Material removed will be stock piled on site for use in road reclamation. Stock piles will be seeded. A front-end loader/bull dozer may be used for road construction. Water bars will be constructed every fifty (50) feet on roads with a grade greater than 5% and in accordance with U.S. Forest Service specifications for road construction. Waddles will be used at discharge points on the turn outs to reduce the potential of sediment loading away from the road.

The loader will be tire mounted. The loader and bull dozer will be used to remove tree stumps and construct roads where necessary.

Material removed for road construction will be returned to the road bed. The road will be reclaimed in a manner which returns the site to original topography. Material removed during road construction will be stock piled on site and re-vegetated for stabilization. This same material will be used to reclaim the road upon completion of activity on the road.

Roads will be located to minimize disturbance to land, wildlife and enhance stability. Roads will be constructed and maintained to control erosion. Engineering designs will be submitted to the Smokey Bear Ranger District if roads have to be constructed in or across intermittent or perennial streams. Culverts used in road crossings will be sized, based on engineering practices. Site specific designs will be submitted prior to construction. Section 404 permits will be obtained if any road crosses "Waters of the US".

Roads to remain permanent must be approved by the Smokey Bear Ranger District and must be stabilized to control erosion.

There are no cuts, pits, trenches, shafts or tunnels proposed in this scope of work.

Several trees may have to be removed in some locations to access drill sites. Several proposed drill sites in Section 16 are located on a flat ridge with dense tree cover. Trees which are removed will be limbed or left on site whole to create micro-habitat for small mammals.

Drill holes in Section 16, on the west side of New Mexico State Highway 246 will be accessed from U.S. Forest Service Road 9836. Short access roads may be constructed from this U.S. Forest Road, if necessary to access drill sites. Where possible the drill rig will access drill sites over land, without constructing a road.

Drill holes in the southwest portion of Section 15 will be accessed from an existing road, on the east side of New Mexico State Highway 246, immediately east of the intersection of highway and U.S. Forest Service Road 9836. There is a U.S. Forest Service gate on the road. The road does not have a U.S. Forest Service road number and does not appear on the U.S. Forest map. The road intersects U.S. Forest Road 489, approximately three thousand (3,000) feet north. The road will not be improved. Short access roads may be constructed from this U.S. Forest Road, if necessary to access drill sites. Where possible the drill rig will access drill sites over land, without constructing a road.

Drill holes in the eastern portion of Section 15 and those on the west side of Section 14, will be accessed from a road off of U.S. Forest Road 489, which appears on topographic maps, but does not appear on U.S. Forest Service maps. The road heads south along the ridge back. The road will not be improved. Short access roads may be constructed from

this U.S. Forest Road, if necessary to access drill sites. Where possible the drill rig will access the drill holes over land, without constructing a road.

Drill holes on the east side of Section 13 and those on the west side of Section 14 will be accessed by U.S. Forest Roads 9827 and 9063A. Short access roads may be constructed from this U.S. Forest Road, if necessary to access drill sites. Where possible the drill rig will access drill sites over land, without constructing a road.

Total length and width of roads to be constructed:

Length (ft)	64,416	Width (ft)	12
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Total length of extending or widening existing roads is:

Length (ft)	6,013.92	Width (ft)	12
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Total number of acres to be disturbed by new road construction and extending or widening existing roads:

19.85 acres

Drill sites, access roads to the pads and surface disturbances will be reclaimed upon completion of drilling each hole, by the drilling contractor. Access roads will be reclaimed upon withdrawing from an area. All disturbed areas will be scarified, seeded with a mixture approved by the Smokey Bear Ranger District, mulched and tackified. Seed mixtures and mulch will be certified “Free of Noxious Weeds”. Seeding and scarifying will be conducted against the contour, not with the contour to minimize erosion. If the topography has to be slightly altered for an access road or drill pad it will be returned to its natural topography. Re-vegetation efforts will be monitored. Areas which fail will be re-seeded.

Surface Disturbance Break Down

- ◆ Total Surface Disturbance From Drill Pads **4.74 acres**
 - Surface Disturbance On Private Land From Pads 0.253 acres
 - Surface Disturbance On U.S. Forest Service Lands 4.487 acres
- ◆ Total Surface Disturbance From Access Roads **19.85 acres**
 - Surface Disturbance on Existing Roads 10 acres
 - Constructed Access Road Disturbance 9.85 acres
 - Surface Disturbance On Private Lands From Roads .0512 acres
 - Surface Disturbance On U.S. Forest Lands From Roads 19.34 acres

With the exception of designated U.S. Forest roads, all roads will be reclaimed, unless instructed differently by letter from the U.S. Forest Service.

Pads will be reclaimed upon completion of drilling activities at individual sites. Access roads will be reclaimed upon completion of drilling activities at individual sites, unless the road can be used to access another drill pad. The number of acres of un-reclaimed surface disturbance is estimated to be a maximum of one and a half (1.5) acres.

B. MAP, SKETCH OR DRAWING. SHOWING LOCATION AND LAYOUT OF OPERATION

EXPLORATION DRILLING

The exploration drilling program will be staged from the shop area. The area associated with staging activities is approximately ten (10) acres in size and is only the area around the shop. (Please refer to Map labeled “El Capitan Precious Metals, Inc. Plan of Operation).

Surface disturbance for each drill pad will be an area approximately thirty (30) by sixty (60) feet. Trees will be removed only when absolutely necessary. Several trees may have to be removed to access drill holes on the top of the ridge in Section 16. Tree removal will consist of removing the tree’s limbs and leaving the tree on site, to create micro-habitat. Trees may also be removed and left on site whole, to create micro-habitat. The exploration drilling program proposes one hundred twelve (112) holes, drilled in five (5) phases. Some holes may not be drilled and are dependent on findings from associated holes.

Surface disturbance such as trenches, pits, settling ponds, stream channels, run-off diversions and waste dumps are not within the scope of the proposed exploration drilling program.

C. PROJECT DESCRIPTION

EXPLORATION DRILLING

The proposed exploration project consists of drilling one hundred twelve (112) holes, in five (5) phases, in portions or all of Sections 9, 10, 11, 13, 14, 15, and 16, T.8 S., R.14 E. Drilling will be conducted with a tire/track mounted RC drilling rig.

Drilling will be conducted in stages. (Please refer to Map labeled “El Capitan Precious Metals, Inc. Plan of Operation)..

The exploration drilling program will be staged from the shop area. The area associated with staging activities is approximately ten (10) acres in size and is only the area around the shop. This area is currently disturbed.

Drill sites will be accessed by existing U.S. Forest Service roads, existing roads, not on the U.S. Forest Service map and two (2) roads constructed during previous exploration activities. Every effort will be utilized to access drill sites over land without constructing access roads. Roads will be constructed using a front-end loader/bull dozer. Every effort will be made to avoid the need to remove or damage trees. Some trees may have to be removed to access drill sites on the ridge in Section 16.

The average drill hole depth will be four hundred (400) feet. Drill diameter will be eight (8) inches or smaller. Drilling activities are proposed to commence in May 2008, (weather permitting) or upon approval of this Plan. Drilling may continue through the winter if weather conditions allow. The length of the project is estimated to be three (3) years. Drilling operations will commence at 7:00 am until 7:00pm, six (6) days a week. Seven (7) days a week if conditions allow.

Exploration activities will have a workforce of no more than ten (10) personnel.

Drill sites will be excavated with a front-end loader/bull dozer. Removed material will be stockpiled on site for use in reclamation. Erosion control methods will be used to prevent erosion on stockpiled material.

Water will be used to support drilling activities. Water will be supplied by the drilling contractor by water tender. Equipment will be fueled by a fuel truck on site. Spill/release kits will be maintained near fuel sources and on the drilling rig. A Spill Prevention and Response Plan will be prepared and initiated prior to the commencement of drilling operations. A copy of the Plan will be provided to the U.S. Forest Service prior to the commencement of drilling. Personnel on site will receive training on the Plan. All new personnel on site will receive training on the Plan during their safety training. De minimus spills will be cleaned up with absorbent materials and the materials disposed of properly. Petroleum contaminated soils will be removed and taken to a certified land farm for remediation. Reportable spills will be reported to the Environmental Protection Agency Spill Reporting Center, U.S. Forest Service, Smokey Bear District and the New Mexico Environment Department.

Diesel fuel will be stored on site in secondary containment in a one hundred (100) gallon tank. The tank will be located at the staging area or shop. A fuel truck will be used to fuel the drilling rig and heavy equipment on site. Hydraulic oil may be stored inside the shop.

Diesel fuel will be contained in a one hundred (100) gallon tank in secondary containment. Diesel fuel is expected to be delivered once a month. The tank is clearly labeled "Diesel Fuel". The tank will be secured with a locking device to prevent unauthorized dispensing. El Capitan Precious Metals, Inc. may have a caretaker on site for added security. The staging area is not fenced. Hydraulic oil will be stored in the shop in a fifty-five (55) gallon container. If the hydraulic oil is stored outside it will be in

secondary containment and have a security device installed to prevent un-authorized dispensing. Hydraulic oil is expected to be delivered once a month.

The drilling rig has its own power source, consisting of a generator. Power exists via rural cooperative at the staging site.

Removed topsoil will be stockpiled on / near each drill site. Stock piles will be seeded to control erosion. Erosion control methods will be implemented to assure topsoil does not wash away or into intermittent streams. Topsoil will be returned the each drill site and the are re-vegetated.

Drill holes encountering water will be sealed in accordance with New Mexico State Administrative Code 19.27.4.36 Requirements for Mine Holes That Encounter Water. Holes encountering water will be filled from the bottom upwards to land surface using a tremie pipe. The hole will be plugged with neat cement slurry or bentonite based plugging material.

Holes that do not encounter water will be plugged by filling the well with drill cuttings or clean native fill to within ten (10) feet of land surface and by plugging the remaining ten (10) feet of the well to land surface with a plug of neat cement slurry or bentonite based plugging materials. Drill cuttings will be disposed of in the hole after obtaining samples for analysis.

The drilling program proposed by El Capitan Precious Metals, Inc. does not include waste rock placement or tailings placement because ore will not be mined during the exploration phase of this project. The proposed exploration project does not contemplate suction dredging, therefore there is no method of gravel replacement discussed in this Plan.

Prior to each drill stage, access roads and drill pads will be identified and clearly marked with surveyor ribbon and stakes. These areas will be surveyed by an archaeologist for deviations from the original survey.

D. EQUIPMENT AND VEHICLES

EXPLORATION DRILLING

Equipment to be used on site consists of the following:

- ◆ RC Tire Mounted Drilling Rig
- ◆ Water Tender
- ◆ Light Weight Four (4) Wheel Drive Pick Ups
- ◆ Fuel Truck
- ◆ Front-end Loader

- ◆ Bull dozer

All of the pieces of equipment, with the exception of the front-end loader and bull dozer will be used on a daily basis. The front-end loader and bull dozer will be used for road building and brush/stump removal.

E. STRUCTURES

EXPLORATION DRILLING

The following structures will be used during the exploration drilling program:

- ◆ Shed (Used as a staging area.)
- ◆ One Fueling Station
- ◆ Port-a-Potty
- ◆ Modular Home

The crew will stay in Capitan or Ruidoso, therefore living quarters are not required. The shed will be used for storage. There are no mill buildings required for the exploration program, as well as thickener tanks. Pipelines and water diversions will not be installed or constructed.

Diesel fuel will be contained in a one hundred (100) gallon tank in secondary containment. Diesel fuel is expected to be delivered once a month. The tank will be clearly labeled "Diesel Fuel". The tank will be secured with a locking device to prevent un-authorized dispensing. The staging area is not fenced. Hydraulic oil will be stored in the shop in a fifty-five (55) gallon container. If the hydraulic oil is stored outside it will be in secondary containment and have a security device installed to prevent un-authorized dispensing. Hydraulic oil is expected to be delivered once a month.

A Port-a-Potty will be located at the Staging Area. The facility will be maintained no less than once a week. The facility will be removed when drilling operations cease for the season or during long periods of in activity.

There is a modular home located on patented mine claims owned by El Capitan Precious Metals, Inc. The home may be used as an office during drilling operations.

V. ENVIRONMENTAL PROTECTION MEASURES

A. AIR QUALITY

EXPLORATION DRILLING

A water tender will be used during drilling activities to reduce fugitive emissions from actual drilling. Speed limits of no more than five (5) miles/hour or less will be strictly enforced to minimize fugitive emissions from roads. Water will be used to suppress fugitive emissions from established U.S. Forest Service roads and those roads which will be constructed to access drill site.

Chemical dust suppressants will be used if water and enforced speed limits do not control the emissions. Un-necessary travel on un-paved roads will be limited by El Capitan Precious Metals, Inc.

Light duty vehicles and heavy equipment will be maintained in a manner which reduces carbon and particulate emissions from vehicle exhaust.

Every effort will be made to control fugitive emissions from drilling. Dust covered trees will be shaken to remove dust.

B. WATER QUALITY

EXPLORATION DRILLING

El Capitan Precious Metals, Inc. will be in compliance with state and federal water quality standards during the proposed drilling program. Water will be used for drilling and fugitive emission suppression on access and established U.S. Forest Service roads. Water will be provided in a water tender provided by the drilling contractor. Water will be stored on site in the water tender. There will be no storage water facilities constructed within the scope of work in the proposed drilling project. Water disposal is not anticipated during the proposed drilling program. Conveyance structures will not be constructed as part of the scope of work in the proposed drilling project.

Erosion will be controlled through storm water best management practices on access roads and established U.S. Forest Service roads. Water bars will be constructed on access roads in strategic locations to control erosion by water run off. Surface water run off will be controlled from disturbed sites through the use of storm water best management practices, including but not limited to erosion control devices such as fiber filter pipe.

There are no tailings or waste dumps proposed in the scope of work for the proposed drilling program. Top soil storage areas and stock piles will be protected using storm water best management practices, including but not limited to erosion control devices such as fiber filter pipe.

Surface and ground water monitoring should not be required as part of the scope of work in the proposed drilling program, as surface water and ground water will not be impacted by the project. Drill holes will be plugged, filled with concrete to a depth of ten (10) feet upon obtaining geologic data from the hole. This practice will be conducted to prevent

impacts to ground water and to minimize the potential for the drill hole creating a conduit to ground water.

Depth to ground water is approximately seven hundred (700) feet. This information was obtained from the New Mexico State Engineer's W.A.T.E.R.'s web site. Depth is based on three (3) wells in the area.

Surface disturbed areas such as drill pads will be stabilized through storm water control best management practices during seasonal closures and temporary cessation of operations. Drill holes will be plugged and sealed as previously mentioned upon obtaining geologic data from the hole. Drill holes will not be left open during seasonal or cessation of operation lasting longer than four (4) months. Stabilized surface disturbed areas will be reclaimed and seeded to take advantage of growing and planting seasons.

The El Capitan Precious Metals, Inc. proposed drilling project does not anticipate disposing of water through land application.

C. SOLID WASTES

EXPLORATION DRILLING

Solid waste generated by the proposed drilling project are expected to be minimal and should consist of empty concrete sacks and waste generated by sack lunches brought to the site by the drilling contractors employees. The need for a roll-off bin is not anticipated. Solid waste generated at the site by the proposed drilling project will be removed each day by the drilling contractor's employees and disposed of in an approved solid waste receptacle. The drilling contractor will draft and implement a policy to manage on site solid waste generated by his/her employees. U.S. Forest Service, Smokey Bear District will be provided with a copy of the policy prior to the commencement of drilling activities.

D. SCENIC VALUES

EXPLORATION DRILLING

Scenic values will be protected during the proposed drilling project. Efforts will be made to minimize the visibility of drilling rigs from U.S. Forest road, trails and New Mexico State Highway 243. Slash and stumps removed as part of access and drill pad construction will be left on site in accordance U.S. Forest Service policies on creation of micro-habitat.

Drill sites, access roads and surface disturbances will be reclaimed no later than the end of September following the surface disturbing activity. Surface disturbance will not be un-reclaimed more than one (1) year to minimize impacts to the scenic value of the area.

E. FISH AND WILDLIFE

EXPLORATION DRILLING

The proposed exploration drilling program will not have an adverse impact on fish and wildlife in the area. An environmental scientist will be on site to consult with prior to the construction of access roads and drill pads, to assure that the Endangered Species Kuenzler hedgehog cactus (*Echinocereus fendleri var. kuenzlerii*) and the Sensitive Species Kerr's milkvetch (*Astragalus kerrii*), and Scarlet penstemon (*Penstemon cardinalis ssp. cardinalis*) and other plant or wildlife species will not be impacted. A bird nest survey will be conducted of access roads routes and drill pads prior to commencement of activity if the activity occurs during the month of May and June. Bird nests identified by the survey will not be impacted. An alternate route or hole will be drilled, until which time the nest is vacated.

There are no fisheries in the area of the proposed drilling project, therefore fisheries will not be impacted. Wildlife in the area may temporarily re-locate due to noise and human encroachment, but will return to the area. A five (5) mile/hour speed limit will be strictly enforced to minimize the potential of collisions with wildlife.

The following species may use the project area on an incidental basis, but do not depend upon the area resources for continued existence. The species' life histories or their habitat requirements preclude measurable or detectable effects to individuals, habitats, or populations. Thus, they will not be evaluated in detail.

Scientific Name	Common Name	Comments
<i>Accipiter gentiles</i>	Northern Goshawk	Species present only for occasional foraging. Project area does not contain habitat suitable for nesting.
<i>Falco peregrinus anatum</i>	American Peregrine Falcon	Species present only for occasional foraging. Project area does not contain habitat suitable for nesting.
<i>Haliaeetus leucocephalus</i>	Bald Eagle	Species present only for occasional foraging. Project area does not contain habitat suitable for nesting.
<i>Strix occidentalis lucida</i>	Mexican Spotted Owl	Project area does not contain mixed conifer habitat. The project is not on critical Spotted Owl habitat.

F. CULTURAL RESOURCES

EXPLORATION DRILLING

A cultural resources survey will be conducted of the proposed drilling project area. The survey will be conducted during mid-July and early August 2007.

The following tasks will be undertaken by WCRM: 1) Pre-survey meetings, file search, and fieldwork authorization request; 2) Class III inventory; and 3) Class III inventory report. WCRM will coordinate with cultural resource personnel in the Smokey Bear Ranger District.

Drilling activities will not commence until such time that all cultural resources have been identified and authorization is given by U.S. Forest Service to commence activities.

Any cultural resources identified will be avoided or mitigated.

G. HAZARDOUS SUBSTANCES

EXPLORATION DRILLING

1.

The proposed drilling program will not be using cyanide, solvents, laboratory agents or mill processing. Diesel fuel will be stored on site in secondary containment in a one hundred (100) gallon tank. The tank will be located at the staging area or shop. A fuel truck will be used to fuel the drilling rig and heavy equipment on site. Hydraulic oil may be store inside the shop.

2.

Diesel fuel will be contained in a one hundred (100) gallon tank in secondary containment. Diesel fuel is expected to be delivered once a month. The tank is clearly labeled "Diesel Fuel". The tank will be secured with a locking device to prevent unauthorized dispensing. El Capitan Precious Metals, Inc. will have a caretaker on site for added security. The staging area is not fenced. Hydraulic oil will be stored in the shop in a fifty-five (55) gallon container. If the hydraulic oil is stored outside it will be in secondary containment and have a security device installed to prevent un-authorized dispensing. Hydraulic oil is expected to be delivered once a month.

3.

Spill kits will be maintained on site at the staging area and on the drilling rig. A Spill Prevention and Response Plan will be prepared and initiated prior to the commencement of drilling operations. A copy of the Plan will be provided to the U.S. Forest Service prior to the commencement of drilling. Personnel on site will receive training on the Plan. All new personnel on site will receive training on the Plan during their safety training. Deminimus spills will be cleaned up with absorbent materials and the materials disposed of properly. Petroleum contaminated soils will be removed and taken to a certified land farm for remediation. Reportable spills will be reported to the Environmental Protection Agency Spill Reporting Center, U.S. Forest Service, Smokey Bear District and the New Mexico Environment Department.

It is not anticipated that toxic substances will be used during the proposed drilling program.

H. RECLAMATION

EXPLORATION DRILLING

Drill sites, access roads and surface disturbances will be reclaimed no later than the end of September following the surface disturbing activity. These areas will be inventoried and accounted for and a list provided to U.S. Forest Service at the end of each drilling program. (There may be seasonal cessation due to inclement weather in the winter.) Reclamation will be conducted by a subcontractor specializing in reclamation activities. All disturbed areas will be scarified, seeded with a mixture approved by U.S. Forest Service, mulched and tackified. Seed mixtures and mulch will be certified "Free of Noxious Weeds". Seeding and scarifying will be conducted against the contour, not with the contour to minimize erosion. If the topography has to be slightly altered for an access road or drill pad it will be returned to its natural topography. Re-vegetation efforts will be monitored. Areas which fail, will be re-seeded.

El Capitan Precious Metals, Inc. does not anticipate the installation of culverts or construction of bridges as part of the scope of work for the proposed exploration drilling project. A "Special Use" permit will be submitted to U.S. Forest Service for the shed and access road.

Mine tailing, sludges and waste rock will not be generated by the exploration drilling project. Therefore there is no threat to the environment from these materials. Standing water is not expected to be generated from the activities in the proposed action.

Vegetation is characterized primarily by a piñon-juniper forest habitat type. Notable species observed in the vegetation community were recorded. Dominant tree species included *Pinus edulis* (Pinyon Pine) and *Juniperus monosperma* (Juniper). A significant shrub layer was present and included a scrub form of *Quercus gambelii* (Gambel oak) mixed with *Quercus undulata* (Wavyleaf oak) as well as *Cercocarpus montanus* (Mountain mahogany). Sub-shrub species *Opuntia polyacantha* (Plains prickly pear), *Cylindropuntia imbricata* (Tree cholla), *Echinocereus pectinatus* (NM Rainbow Cactus), *Gutierrezia sarothrae* (Snakeweed) and *Yucca baccata* (Banana yucca) were observed in significant quantities. The grass community was dominated by *Bouteloua gracilis* (Blue grama). Some *Bouteloua eriopoda* (Black grama), *Bouteloua curtipendula* (Side-oats grama), *Scleropogon brevifolius* (Burro grass), *Pleuraphis jamesii* (Galleta grass), and *Elymus longifolius* (Squirreltail) were also present.

Drainages present in the project area included species that were not present in the upland communities. The plant community was relatively diverse and observed species included:

Scientific name	Common name
<i>Ambrosia artemisifolia</i>	Annual ragweed

<i>Astragalus flexuosus</i>	Flexile milkvetch
<i>Astragalus humistratus</i>	Groundcover milkvetch
<i>Astragalus nuttallianus</i>	Small-flowered milkvetch
<i>Baileya</i> sp.	Desert marigold
<i>Castilleja</i> sp.	Indian paintbrush
<i>Chenopodium</i> sp.	Goosefoot
<i>Cirsium</i> sp.	Thistle
<i>Convolvulus</i> sp.	Bindweed
<i>Dalea polygonoides</i>	Six-weeks prairie clover
<i>Dimorphocarpa</i> sp.	Spectacle pod
<i>Elymus canadensis</i>	Wild rye
<i>Erigeron</i> sp.	Fleabane daisy
<i>Geranium caespitosum</i>	Piney-woods geranium
<i>Grindelia squarrosa</i>	Curlycup gumweed
<i>Hymenopappus</i>	Hymenopappus
<i>Ipomopsis aggregata</i>	Scarlet gilia
<i>Krascheninnikovia lanata</i>	Winterfat
<i>Machaeranthera</i> sp.	Tansy aster
<i>Melilotus officinalis</i>	Yellow sweet clover
<i>Penstemon thurberi</i>	Thurber's penstemon
<i>Phlox nana</i>	Santa Fe phlox
<i>Poa pratensis</i>	Kentucky Bluegrass
<i>Rudbeckia</i> sp.	Coneflower
<i>Senecio flaccidus</i>	Threadleaf ragwort
<i>Solidago</i> sp.	Goldenrod
<i>Solanum elaeagnifolium</i>	Silverleaf nightshade
<i>Symphotrichum</i> sp.	Aster
<i>Verbena neomexicana</i>	Hillside vervain
<i>Verbascum thapsus</i>	Common mullein
<i>Viguiera</i> sp.	Goldeneye

Soils in the area are sixty-five percent (65%) Reventon Loam, zero (0) to five percent (5%) slopes and fifteen percent (15%) Sampson Loam, zero (0) to five percent (5%) slopes. The Reventon Loam is on piedmonts and valley sides. The Sampson soil is on valley floors and valley sides.

Other soils in the area are Tortugas soils on limestone knobs, slick spots in sodium-affected areas. Plack soils on narrow ridges and Dioxice soils on valley sides.

The Reventon soil is very deep and well drained, formed in alluvium derived from mixed sources. The surface layer is typically brown loam about seven (7) inches thick. The

subsoil is brown and strong brown clay loam about thirty-three (33) inches thick. The substratum, to a depth of sixty (60) inches or more, is light brown loam.

Permeability of the Reventon soil is moderately slow. Rooting depth is sixty (60) inches or more. Runoff is medium, with a moderate hazard of water erosion. Blowing hazard is moderate.

Sampson soil is very deep and well drained. It derives from mixed sources. The soil layer is typically dark brown loam, approximately six (6) inches thick. The upper fifteen (15) inches of the subsoil is dark brown loam. The lower twenty-six (26) inches is dark brown clay loam. The substratum to a depth of sixty (60) inches is brown loam.

Permeability of the Sampson soil is moderate. Rooting depth is sixty (60) inches. Water capacity is very high. Runoff is medium and the erosion hazard associated with this soil is moderate. The hazard of blowing is high.

The unit is used for livestock grazing and wildlife habitat.

The Manzano loam is also found in valley bottoms. The soil formed from mixed sources. The surface layer is brown loam, approximately twenty-four (24) inches thick. The subsoil is brown silty caly loam, approximately twenty-four (24) inches thick. The substratum to a depth of sixty (60) inches is yellowish brown clay loam. Drainage ways may be gravelly soils.

Permeability of the Manzano soil is moderately slow. Rooting depth is sixty (60) inches or more. Water capacity is very high. Runoff is medium and the water erosion hazard is moderate. Blowing hazards for this soil is moderate.

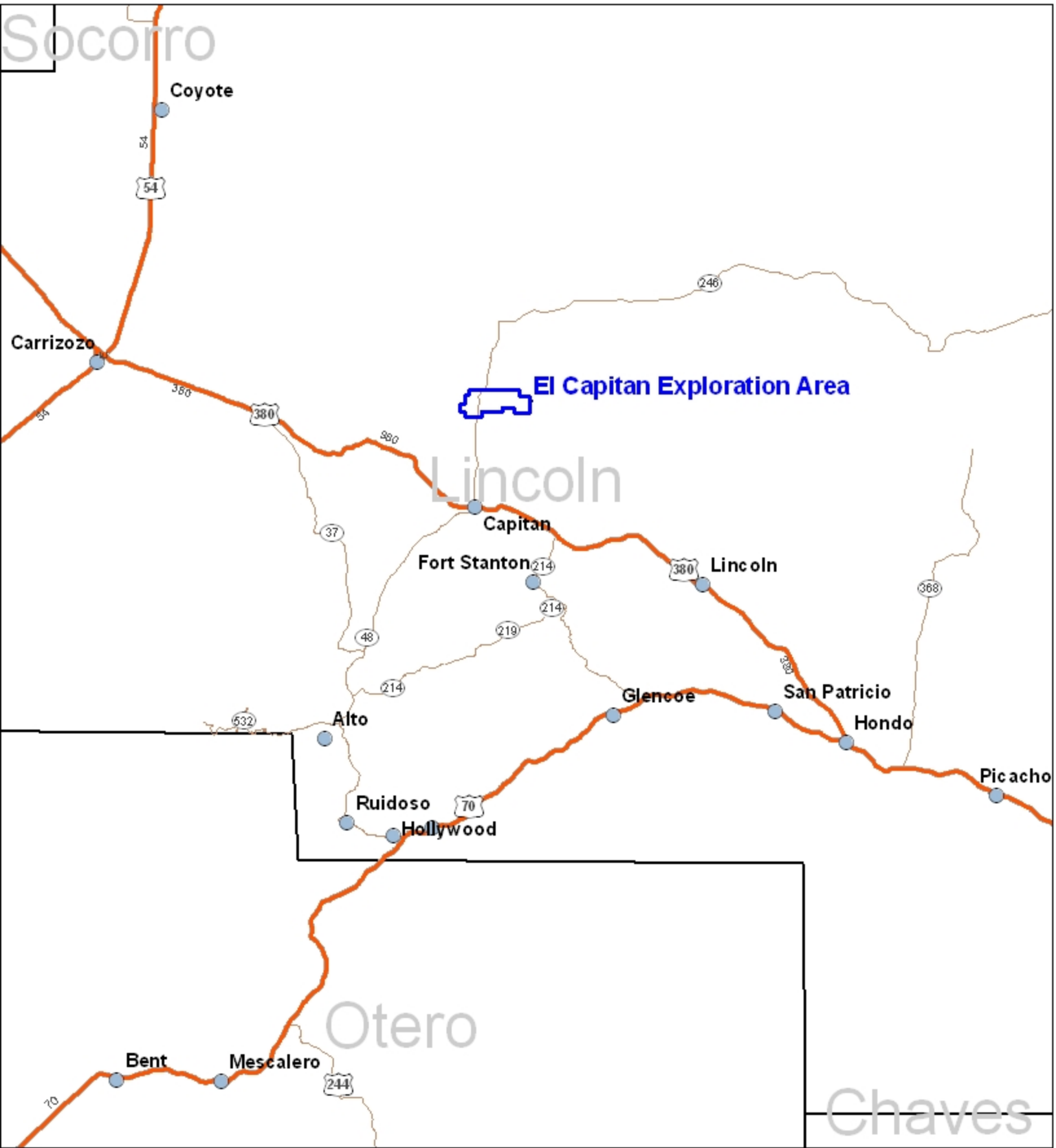
The unit is used for livestock grazing and wildlife habitat.

El Capitan Precious Metals, Inc. will obtain approval of the seed mixture prior to commencing re-vegetation. The following application rate will be used in re-vegetation practices:

Plant Name	Seeding Rate (lb/ac.)
Blue grama	4.0
Sideoats grama	3.0
Galleta grass	3.0
Bottlebrush squirrel tail	3.0
Mountain brome grass	2.0
Slender wheatgrass	2.0
Mountain mahogany	2.0

Application rate will be 19.0PLS per acre.

ATTACHMENT A
EL CAPITAN MINE SITE LOCATION



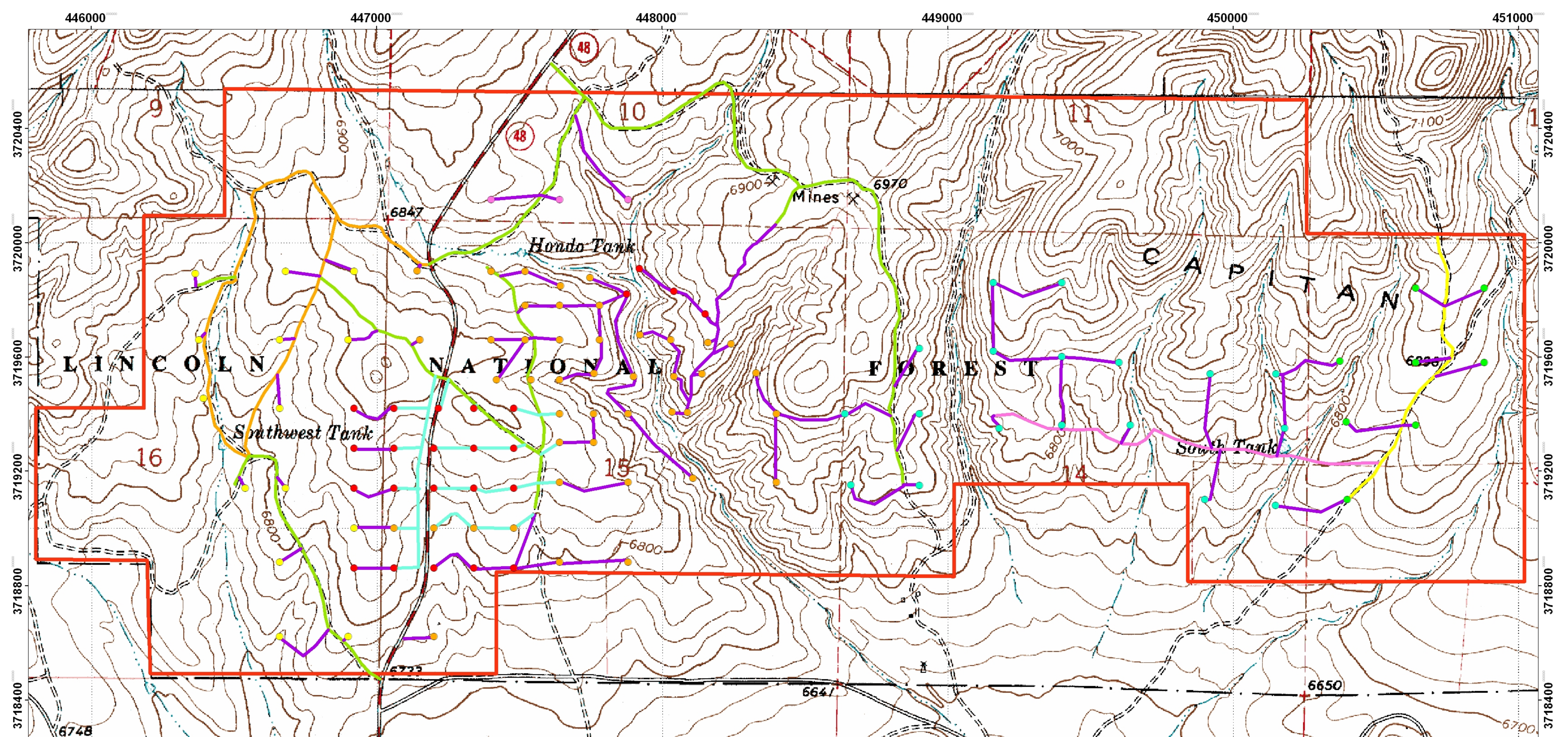
El Capitan Exploration Area Site Location



**ATTACHMENT B
DRILL HOLE LOCATION**

Combined with Attachment C

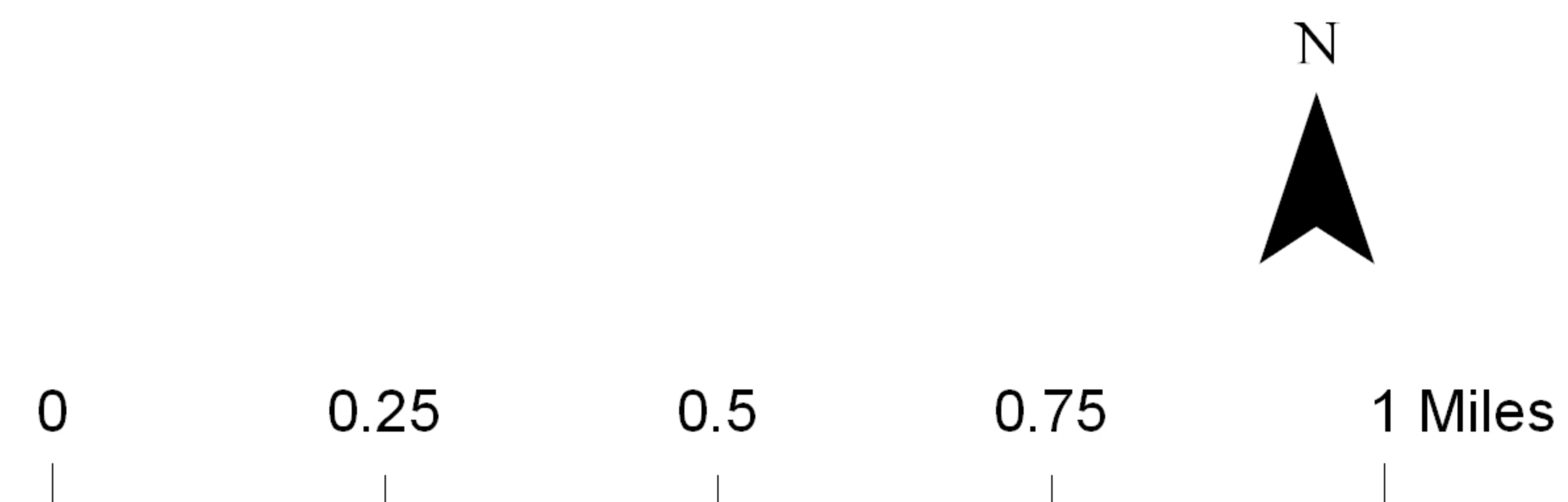
ATTACHMENT C
ACCESS ROADS



El Capitan Exploration Area POO Proposed Drill Sites and Access Roads

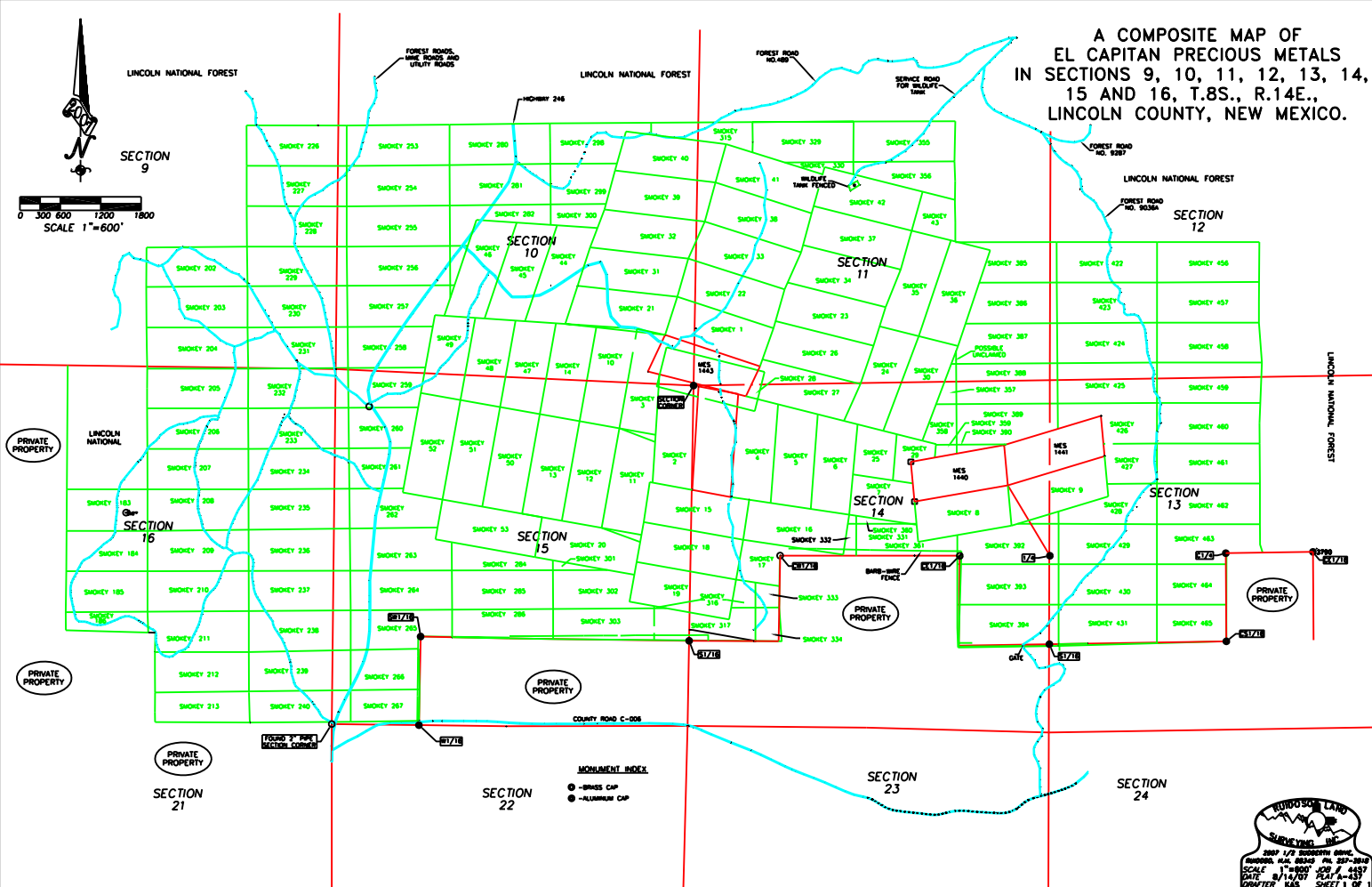
UTM, NAD 27, Zone 13

- Exploration Area Boundary
- Existing Roads
- Over-land Routes
- Over-land Routes or Temporary Roads
- Fire Break
- USFS Road 9036A
- USFS Road 9032E
- A Drill Series
- B Drill Series
- C Drill Series
- H Drill Series
- I Drill Series
- K Drill Series



MINE CLAIM INFORMATION

A COMPOSITE MAP OF
EL CAPITAN PRECIOUS METALS
IN SECTIONS 9, 10, 11, 12, 13, 14,
15 AND 16, T.8S., R.14E.,
LINCOLN COUNTY, NEW MEXICO.



NAME	NUMBER	TOWNSHIP	SECTION	RANGE
Smokey	1	8S	10,11,14,15	14E
Smokey	2	8S	10,11,14,15	14E
Smokey	3	8S	10,11,14,15	14E
Smokey	4	8S	14	14E
Smokey	5	8S	14	14E
Smokey	6	8S	14	14E
Smokey	7	8S	14	14E
Smokey	8	8S	14	14E
Smokey	9	8S	13,14	14E
Smokey	10	8S	15	14E
Smokey	11	8S	15	14E
Smokey	12	8S	15	14E
Smokey	13	8S	15	14E
Smokey	14	8S	15,10	14E
Smokey	15	8S	15,14	14E
Smokey	16	8S	14	14E
Smokey	17	8S	14	14E
Smokey	18	8S	15,14	14E
Smokey	19	8S	14,15	14E
Smokey	20	8S	15	14E
Smokey	21	8S	10	14E
Smokey	22	8S	10,11	14E
Smokey	23	8S	11	14E
Smokey	24	8S	11,24	14E
Smokey	25	8S	14	14E
Smokey	26	8S	11	14E
Smokey	27	8S	11,14	14E
Smokey	28	8S	11,14,15,10	14E
Smokey	29	8S	14	14E
Smokey	30	8S	11,4	14E
Smokey	31	8S	10	14E
Smokey	32	8S	10	14E
Smokey	33	8S	11	14E
Smokey	34	8S	11	14E
Smokey	35	8S	11	14E
Smokey	36	8S	11	14E
Smokey	37	8S	11	14E
Smokey	38	8S	11	14E
Smokey	39	8S	11,10	14E
Smokey	40	8S	11,10	14E
Smokey	41	8S	11	14E
Smokey	42	8S	11	14E
Smokey	43	8S	11	14E
Smokey	44	8S	10	14E
Smokey	45	8S	10	14E
Smokey	46	8S	10	14E
Smokey	47	8S	10,15	14E
Smokey	48	8S	10,15	14E
Smokey	49	8S	10,15	14E
Smokey	50	8S	15	14E
Smokey	51	8S	15	14E

NAME	NUMBER	TOWNSHIP	SECTION	RANGE
Smokey	52	8S	15	14E
Smokey	53	8S	15	14E
Smokey	148	8S	5,8,9,4	14E
Smokey	149	8S	8,9	14E
Smokey	150	8S	8,9	14E
Smokey	151	8S	8,9	14E
Smokey	152	8S	8,9	14E
Smokey	153	8S	8,9	14E
Smokey	154	8S	8,9	14E
Smokey	155	8S	8,9	14E
Smokey	156	8S	8,9	14E
Smokey	171	8S	4,9	14E
Smokey	172	8S	9	14E
Smokey	173	8S	9	14E
Smokey	174	8S	9	14E
Smokey	175	8S	9	14E
Smokey	176	8S	9	14E
Smokey	177	8S	9	14E
Smokey	178	8S	9	14E
Smokey	179	8S	9	14E
Smokey	180	8S	9,16	14E
Smokey	181	8S	16	14E
Smokey	182	8S	16	14E
Smokey	183	8S	16	14E
Smokey	184	8S	16	14E
Smokey	185	8S	16	14E
Smokey	186	8S	16	14E
Smokey	196	8S	4,9	14E
Smokey	197	8S	9	14E
Smokey	198	8S	9	14E
Smokey	199	8S	9	14E
Smokey	200	8S	9	14E
Smokey	201	8S	9	14E
Smokey	202	8S	9	14E
Smokey	203	8S	9	14E
Smokey	204	8S	9	14E
Smokey	205	8S	9,16	14E
Smokey	206	8S	16	14E
Smokey	207	8S	16	14E
Smokey	208	8S	16	14E
Smokey	209	8S	16	14E
Smokey	210	8S	16	14E
Smokey	211	8S	16	14E
Smokey	212	8S	16	14E
Smokey	213	8S	16	14E
Smokey	223	8S	4,9	14E
Smokey	224	8S	9	14E
Smokey	225	8S	9	14E
Smokey	226	8S	9	14E
Smokey	227	8S	9	14E
Smokey	228	8S	9	14E

NAME	NUMBER	TOWNSHIP	SECTION	RANGE
Smokey	229	8S	9	14E
Smokey	230	8S	9	14E
Smokey	231	8S	9	14E
Smokey	232	8S	16	14E
Smokey	233	8S	16	14E
Smokey	234	8S	16	14E
Smokey	235	8S	16	14E
Smokey	236	8S	16	14E
Smokey	237	8S	16	14E
Smokey	238	8S	16	14E
Smokey	239	8S	16	14E
Smokey	240	8S	16,21	14E
Smokey	250	8S	3,10	14E
Smokey	251	8S	10	14E
Smokey	252	8S	10	14E
Smokey	253	8S	10	14E
Smokey	254	8S	10	14E
Smokey	255	8S	10	14E
Smokey	256	8S	10	14E
Smokey	257	8S	10	14E
Smokey	258	8S	10	14E
Smokey	259	8S	15	14E
Smokey	260	8S	15	14E
Smokey	261	8S	15	14E
Smokey	262	8S	15	14E
Smokey	263	8S	15	14E
Smokey	264	8S	15	14E
Smokey	265	8S	15	14E
Smokey	266	8S	15	14E
Smokey	267	8S	15,22	14E
Smokey	277	8S	10	14E
Smokey	278	8S	10	14E
Smokey	279	8S	10	14E
Smokey	280	8S	10	14E
Smokey	281	8S	10	14E
Smokey	282	8S	10	14E
Smokey	283	8S	10	14E
Smokey	284	8S	15	14E
Smokey	285	8S	15	14E
Smokey	286	8S	15	14E
Smokey	295	8S	3,10	14E
Smokey	296	8S	10	14E
Smokey	297	8S	10	14E
Smokey	298	8S	10	14E
Smokey	299	8S	10	14E
Smokey	300	8S	10	14E
Smokey	301	8S	15	14E
Smokey	302	8S	15	14E
Smokey	303	8S	15	14E
Smokey	312	8S	3,10,11,2	14E
Smokey	313	8S	10,11	14E

NAME	NUMBER	TOWNSHIP	SECTION	RANGE
Smokey	314	8S	10,11	14E
Smokey	315	8S	10,11	14E
Smokey	316	8S	15,14	14E
Smokey	317	8S	15,14	14E
Smokey	326	8S	2,11	14E
Smokey	327	8S	11	14E
Smokey	328	8S	11	14E
Smokey	329	8S	11	14E
Smokey	330	8S	11	14E
Smokey	331	8S	14	14E
Smokey	332	8S	14	14E
Smokey	333	8S	14	14E
Smokey	334	8S	14	14E
Smokey	352	8S	2,11	14E
Smokey	353	8S	11	14E
Smokey	354	8S	11	14E
Smokey	355	8S	11	14E
Smokey	356	8S	11	14E
Smokey	357	8S	11,14	14E
Smokey	358	8S	14	14E
Smokey	359	8S	14	14E
Smokey	360	8S	14	14E
Smokey	361	8S	14	14E
Smokey	379	8S	2,11	14E
Smokey	380	8S	11	14E
Smokey	381	8S	11	14E
Smokey	382	8S	11	14E
Smokey	383	8S	11	14E
Smokey	384	8S	11	14E
Smokey	385	8S	11	14E
Smokey	386	8S	11	14E
Smokey	387	8S	11	14E
Smokey	388	8S	11,14	14E
Smokey	389	8S	14	14E
Smokey	390	8S	14	14E
Smokey	391	8S	14	14E
Smokey	392	8S	14	14E
Smokey	393			
Smokey	394			
Smokey	398			
Smokey	416	8S	1,12	14E
Smokey	417	8S	12	14E
Smokey	418	8S	12	14E
Smokey	419	8S	12	14E
Smokey	420	8S	12	14E
Smokey	421	8S	12	14E
Smokey	422	8S	12	14E
Smokey	423	8S	12	14E
Smokey	424	8S	12	14E
Smokey	425	8S	12,13	14E
Smokey	426	8S	13	14E

NAME	NUMBER	TOWNSHIP	SECTION	RANGE
Smokey	427	8S	13	14E
Smokey	428	8S	13	14E
Smokey	429	8S	13	14E
Smokey	430	8S	13	14E
Smokey	431	8S	13	14E
Smokey	432			
Smokey	433			
Smokey	434			
Smokey	435			
Smokey	436			
Smokey	437			
Smokey	438			
Smokey	439			
Smokey	440			
Smokey	441			
Smokey	442			
Smokey	443			
Smokey	444			
Smokey	445			
Smokey	446			
Smokey	447			
Smokey	448			
Smokey	449			
Smokey	450	8S	1,12	14E
Smokey	451	8S	12	14E
Smokey	452	8S	12	14E
Smokey	453	8S	12	14E
Smokey	454	8S	12	14E
Smokey	455	8S	12	14E
Smokey	456	8S	12	14E
Smokey	457	8S	12	14E
Smokey	458	8S	12	14E
Smokey	459	8S	12,13	14E
Smokey	460	8S	13	14E
Smokey	461	8S	13	14E
Smokey	462	8S	13	14E
Smokey	463	8S	13	14E
Smokey	464	8S	13	14E
Smokey	465	8S	13	14E
Smokey	469			
Smokey	474			
Smokey	488	8S	1,12	14E
Smokey	489	8S	12	14E
Smokey	490	8S	12	14E
Smokey	491	8S	12	14E
Smokey	492	8S	12	14E
Smokey	493	8S	12	14E
Smokey	494	8S	12	14E
Smokey	495	8S	12	14E
Smokey	496	8S	12	14E
Smokey	497	8S	12,13	14E

NAME	NUMBER	TOWNSHIP	SECTION	RANGE
Smokey	498	8S	13	14E
Smokey	499	8S	13	14E
Smokey	500	8S	13	14E
Smokey	501	8S	13	14E
Smokey	502	8S	13	14E
Smokey	503	8S	13	14E
Smokey	505	8S	14	14E