

SUSANA MARTINEZ Governor

JOHN A. SANCHEZ Lieutenant Governor

NEW MEXICO ENVIRONMENT DEPARTMENT

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CERTIFIED MAIL—RETURN RECEIPT REQUESTED

October 15, 2014

Michael Neumann, Manager, New Mexico Operations Roca Honda Resources LLC 4001 Office Court Drive, Suite 107 Santa Fe, NM 87507

RE: Roca Honda Mine/Discharge Permit DP-1717—Additional NMED comments on Roca Honda Resources LLC's "Work plan for evaluation of the potential effects of discharge along the Rio San Jose" (August 2014)

Dear Mr. Neumann:

The New Mexico Environment Department (NMED) previously reviewed and provided comments to Roca Honda Resources LLC (RHR) (September 10, 2014; "RE: Roca Honda Mine/DP-1717—Comments on 'Work plan for evaluation of the potential effects of discharge along the Rio San Jose'") on the above-referenced workplan, which RHR submitted under cover letter dated August 5, 2014 ("RE: DP-1717, Roca Honda Mine southern pipeline alternative;" herein "workplan"). RHR's workplan proposes to characterize the alluvial hydrologic and sedimentary chemistry in the Rio San Jose to assist RHR's consideration of changing the discharge location for treated mine water from the proposed Roca Honda Mine. Subsequently RHR submitted responses to NMED's comments (October 8, 2014; "RE: DP-1717, Roca Honda mine southern pipeline alternative"), as well as three replacement pages to RHR's original workplan.

NMED requests that RHR include the following activities in its final workplan:

- Collect an alluvial sediment sample from as close to the base of the alluvium as
 possible at each proposed well point location; the samples should be processed
 and analyzed as detailed in the workplan;
- 2. Measure and record surface gamma radiation in millirems per hour (mRem/hr) at each boring or wellpoint location;
- Measure and record gamma radiation in mRem/hr for each sediment sample that is collected under this workplan.

Michael Neumann, Roca Honda Resources LLC New Mexico Operations Manager

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NMED requests RHR to submit a summary report on its activities under this workplan to NMED that comprises a brief summary of the field activities performed, including any deviations from the workplan; tabulations of all analytical results; and copies of all laboratory analytical reports. NMED will consider this information in its review of RHR's application for discharge permit DP-1717 and the subsequent development of a draft discharge permit. Please note that, after reviewing the summary report for these activities, NMED may require RHR to perform additional characterization work for the potential discharge location.

Please contact me at (505) 476-3777 or david.mayerson@state.nm.us if you should have any questions on this letter.

Sincerely,

Dávid L. Mayerson

Mining Environmental Compliance Section

Ground Water Quality Bureau

New Mexico Environment Department

Electronic copies:

David Clark, MMD

Kurt Vollbrecht, NMED MECS