Via Electronic Delivery

October 28, 2014

Mr. David Mayerson
Mining Environmental Compliance Section
New Mexico Environmental Department
1190 St. Francis Dr.
Santa Fe, NM

RE: DP-1717, Roca Honda Mine Southern Pipeline Alternative

Dear Mr. Mayerson:

Roca Honda Resources (RHR) received NMED's comments regarding the response to comments for the Rio San Jose Workplan submitted to the NMED on October 8, 2014. RHR appreciates the opportunity to address those final comments for this workplan.

Comments and responses from your letter dated October 15, 2014 are given below.

Comments from NMED:

1) 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;
3) Measure and record surface gamma radiation in mRem/hr for each sediment sample that is collected under this workplan.

Responses by RHR:

1) RHR currently does not know the depth to the base of the alluvium in the Rio San Jose in the area of the workplan. A literature search suggested the alluvium could range between 0 and 150 ft thick in this area. RHR proposes obtaining seismic refraction/reflection data or electrical resistivity data from approximately 10 cross-sections of the Rio San Jose to better define both the depth to water and the depth to bedrock within the study area. This survey will be done prior to any sediment or well point work. Following analysis of the seismic reflection/refraction data or resistivity data, RHR will provide NMED with an updated workplan detailing proposed sample depths at each location. As a practical matter, sediment characteristics at depths below the water table would not be expected to influence surface

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water quality within the RSJ as potential mobilization of contaminants, if any present, would have already occurred.

2) RHR will measure and record surface gamma radiation in mRem/hr at each boring or wellpoint location.
3) RHR will measure and record gamma radiation in mRem/hr for each sediment sample that is collected under this workplan.

RHR would like to begin the seismic surveys within the next couple of weeks and invites NMED to provide any comments regarding that survey to RHR. Again, following that survey, additional information will be provided to NMED regarding sampling depths for your review prior to any sediment or water sampling. As requested in your letter, RHR will also submit a summary report of the field activities performed including all the information specified in your letter upon completion of the field investigation.

Again, thanks for the prompt review and guidance regarding this project.

Sincerely,

Michael Neumann

Michael R. Neumann
Manager, New Mexico Operations

cc: Mr. Kurt Vollbrecht
Mr. David Clark, MMD
Mr. Michael Mariano, NMSLO
Mr. Kevin Myers, NMOSE
Mr. Mathew Wonder, NMDG&F
Ms. Diane Tafoya, USFS
Mr. Dan Kapostasy, RHR

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