



January 5, 2018

Mr. David Ennis  
Reclamation Specialist/Permit Lead  
New Mexico Energy, Minerals and Natural Resources Department  
Mining and Minerals Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

**Re: Response to MMD Technical Comment December 27, 2017  
New Mexico Copper Corporation  
New Mine Permit S10227RN**

Dear Mr. Ennis,

New Mexico Copper Corporation reviewed Figures 8-37 and 9-1 that appear in NMCC's June 2012 Baseline Data Report. These figures were generated from information contained in the June 2011 Mine Plan of Operations prepared by SRK Consultants for THEMAC Resources Group, as referenced in the 2012 BDR. NMCC's review of the referenced figures confirms MMD's observation that the figures show the presence of "waste rock pile and mill site fill" near the proposed laydown yard and concentrator within the plant area.

We note that as a matter of sequence of events in development of the mine by Quintana Minerals, the area in question would have been constructed in advance of developing the Quintana open pit. Logistically, the plant site would be contoured, graded and plant facilities constructed in the early stages of project development. I was employed as mine engineer by Quintana before construction began at site, and was at site from pre-construction through construction, pit development, and subsequent operation. During this time, I was actively involved in development, construction, and operating activities. The earthworks and grading of the plant was completed before mining started at the open pit. Construction of the plant site was accomplished by "cut and fill" of the un-mineralized andesite bedrock that exists at the plant site. Ability to anchor building foundations on solid bedrock, especially the concentrator, would be maximized. In addition, Quintana mining crews were used to construct the Grayback Arroyo Diversion, which was necessary to complete before beginning to mine the pit. Therefore, although there is fill in the plant site area, it is unlikely that "mine waste" was used for bulk fill at the plant site. Instead, it is more likely that the area of interest outlined in the referenced figures is a surface layer of material that developed when the concentrator foundation was covered.

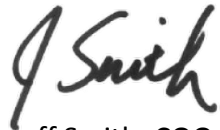
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Nonetheless, NMCC commits to characterizing the area identified in your December 27, 2107 letter for the presence of rock mined from the open pit prior to NMCC reclamation of the area. If mine rock is found to be present, NMCC will either remove the material to expose non-mine material, place it in the waste rock stockpile and cover the area with 6 inches of growth media; or NMCC will place 36 inches of growth media cover over the area if the mine rock is not removed.

NMCC measurements show the referenced area has a surface area of approximately 6.7 acres. For the purpose of producing a reclamation cost estimate and eventual financial assurance, NMCC will assume that 10 acres within the plant site area placement will require 36 inches of reclamation cover, while assuming 6 inches of cover over the balance of the plant site area. The additional cover depth on 10 acres adds approximately 40,000 cubic yards of growth media to the current estimate. Review of our estimates and plans for sources of cover material, project needs, and storage capacity show this addition is easily accommodated in the current plans.

I trust this sufficiently addresses your final technical comment and will now allow the MMD to determine that NMCC's Mine Operations and Reclamation Plan is technically approvable. Please do not hesitate to contact me if you require any clarification or additional information.

Sincerely,



Jeff Smith, COO

New Mexico Copper Corporation

cc: Holland Shepherd, Mining Act Program Manager  
Brad Reid, NMED Permit Lead