

July 5, 2018

Mr. David J. Ennis, P.G. 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: Pit Water Quality Statistical Performance Standard Copper Flat Mine, Sierra County, Permit Tracking No. SI027RN

Dear Mr. Ennis,

Thank you for the opportunity to comment on MMD's proposed statistical performance standard to demonstrate minimization of change to the hydrologic balance and similarity to pre-mining conditions of the future Copper Flat pit water.

New Mexico Copper Corporation is motivated to have the MMD conclude the technical review of NMCC's Mine Permit Application Package (PAP). To this end, NMCC feels that MMD's proposed statistical performance standard for the future Copper Flat pit water is appropriate under 19.10.6.603.C.4 NMAC, but we request that MMD remove the prefatory language relating to release of financial assurance. Release of financial assurance is not a subject of 19.10.6.603.C.4, and instead is covered by other parts of the MARP Regulations. NMCC will accept the proposed text regarding statistical performance measure as a license condition, but feels it should simply read:

Post-closure pit water quality samples shall be less than the upper limit of a 95% confidence interval of pre-mining pit water quality. In addition to this statistical evaluation of the pit water quality, other qualitative and quantitative factors of the hydrologic balance, as contained in 19.10.6.603.C.(4) NMAC, shall be considered.

I trust this sufficiently addresses your final technical comment and will now allow the MMD to determine that NMCC's Mine PAP is technically approvable.

Sincerely,

Jeff Smith Chief Operating Officer New Mexico Copper Corporation

cc: Holland Shepherd, Mining Act Program Manager