State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Fernando Martinez, Director Mining and Minerals Division



Matthias Sayer Deputy Cabinet Secretary

July 13, 2018

Ms. Katie Emmer New Mexico Copper Corporation 4253 Montgomery Blvd NE, Suite 130 Albuquerque, NM 87109

RE: Approvable Permit Application Package, Copper Flat Mine, Sierra County, Permit Tracking No. SI027RN

The Mining and Minerals Division ("MMD") has reviewed the latest submittal from New Mexico Copper Corporation ("NMCC") dated July 5, 2018, regarding establishment of a pit water quality statistical performance standard, and has reviewed the Permit Application Package ("PAP") for the Copper Flat Mine, Sierra County, New Mexico. MMD has also prepared a Draft Environmental Evaluation in accordance with 19.10.6.605.D NMAC. After technical review of the PAP and Draft Environmental Evaluation, NMCC is hereby notified that the PAP is approvable in accordance with 19.10.6.605.E NMAC.

As required by 19.10.6.605.F NMAC, NMCC is hereby instructed to submit a proposal for financial assurance under 19.10.12 NMAC within 30-days after receipt of this letter.

Numerous requests for a public hearing have been received by MMD, therefore a public hearing on the PAP, Financial Assurance Proposal, and Draft Environmental Evaluation will be conducted by MMD in accordance with 19.10.9 NMAC. Details of the public hearing, such as date, time, duration, etc. will be forthcoming.

If you have any questions, please contact me at (505) 476-3434 or by email at david.ennis@state.nm.us.

Sincerely,

David J. ("DJ") Ennis, P.G.

Reclamation Specialist/Permit Lead

cc: Holland Shepherd, Mining Act Program Manager Fernando Martinez, Mining and Minerals Director

Brad Reid, NMED Permit Lead