State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin
Cabinet Secretary

Tony Delfin Deputy Cabinet Secretary Fernando Martinez, Director Mining and Minerals Division



7012 0470 0000 0880 6399

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 15, 2016

Mr. Rocky Torgrimson, Operations Manager Dicaperl Minerals Corporation P.O. Box 1436 Socorro, NM 87801

RE: Permit Modification Fee Required, Site Wide Closeout Plan Update, El Grande Mine, Modification 16-1, Permit No. TA002RE

Dear Mr. Torgrimson,

The New Mexico Mining and Minerals Division ("MMD") received an application to modify Permit No. TA002RE from Dicaperl Minerals Corporation ("Dicaperl") titled, "Dicaperl Minerals Corp, El Grande Mine, Permit No. TA002RE, Permit Modification Application", dated December 23, 2014 ("Application"). MMD provided comments to Dicaperl in a letter dated May 4, 2015. Dicaperl submitted a Permit Modification Application Response on July 4, 2015. MMD provided additional comments in a letter dated October 23, 2015. Representatives from MMD and Dicaperl met on November 12, 2015 at MMD's Santa Fe offices and on November 13, 2015 at the El Grande mine site. During these meetings an agreement was reached to process the proposed changes to Dump 1Ea under Modification 14-1 and to process the Site Wide Closeout Plan Update as a separate modification or revision. Dicaperl addressed MMD's October 23, 2015 comments in a response dated February 5, 2016 "Dicaperl Mineral Corp, El Grande Mine Permit No. TA002RE Permit Modification Application Response".

Based on a preliminary review of Dicaperl's February 5, 2016 Application Response, MMD will begin processing the Site Wide Closeout Plan Update as a Modification. If, upon further review, MMD determines that the Site Wide Closeout Plan Update must be processed as a Revision, as defined in NMAC §19.10.5.505, Dicaperl will be notified and will be subject to the requirements and fees applicable for Permit Revisions.

Dicaperl shall submit the permit modification fee of \$1000.00 for Modification 16-1 to Permit TA002RE, as required by NMAC \$19.16.2.201.H, within 30 days of receipt of this letter.

Please contact me at (505) 476-3425 or at davena.crosley@state.nm.us if you have any questions.

Sincerely,

Davena Crosley, Permit Lead 6

Mining Act Reclamation Program ("MARP")

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cc: Holland Shepherd, Program Manager, MARP David Ohori, Senior Reclamation Specialist, MARP Allen Norris, El Grande Mine Manager Mine File (TA002RE)