

Southwest Resources, Inc.  
4011 Mesa Verde Ave. NE  
Albuquerque, NM 87110



New Mexico Mining and Minerals Division

March 14, 2019

Attn: Clint Chisler

1220 South St. Francis Drive

Santa Fe, NM 87505

Re: Response to New Mexico Mines and Minerals Division Letter to Southeast Resources, Inc.

Dear Mr. Chisler,

This letter is in response to New Mexico Mines and Minerals Division's (MMD) letter to Southwest Resources, Inc. (SRI) dated January 18, 2019.

Following the meeting with MMD on January 18, 2019, SRI started an evaluation of the Section 12 Mine mineral value. SRI wants to make sure that going forward with the "Option 2" Operational Permit pathway is defensible and economically feasible.

SRI hasn't been able to complete the mineral value study due to a number of circumstances including; gaps in exploration/development data (drill hole sample data and electric log data), incomplete mineral reserve reports, fragmented production data reports from the various Section 12 Mine operators, incomplete historical fact, in part, due to George Lotspeich's declining health and misplaced Section 12 Mine reports, records, files, maps and surveys.

For all of the above reasons, SRI is requesting an extension of 90 days to address the current matters raised by MMD and NMED so that SRI can continue to facilitate the permit process.

Thank you for considering the request. Please confirm if accepted or do not hesitate to contact me should you wish to discuss the matter or have further questions or concerns.

Respectfully submitted,

Frank Welker for George O. Lotspeich

A handwritten signature in black ink that reads "Frank Welker".

(505) 321-0605