



COPPER MOUNTAIN SOUTH PIT EXPANSION MINE PLAN ENVIRONMENTAL ASSESSMENT SCOPING NOTICE

The Bureau of Land Management (BLM), Las Cruces Field Office, is reviewing a Mine Plan submitted by Phelps Dodge Tyrone Inc. (PDTI) for the proposed Copper Mountain South Pit Expansion Project. The project is located approximately 10 miles south of Silver City, New Mexico, adjacent to the existing Copper Mountain Pit, which is part of the Tyrone Mine complex (see Map 1).

PDTI began mining oxide ore from the Copper Mountain Pit in July 1990. Mining of the original Copper Mountain Pit was completed in February 1994, and a small extension on private land was mined from

April 2000 until January 2002. The expansion project would mine copper-bearing ore from the Pit and would process the ore at existing facilities at the Tyrone Mine.

BLM policy is to make mineral resources available for development in accordance with the Mining and Minerals Policy Act of 1970, and to ensure that mineral development occurs in a manner that minimizes environmental damage. The BLM is conducting an Environmental Assessment (EA) of PDTI's Mine Plan and is seeking public comment on the project.

ALTERNATIVES

During the planning process for expanded mining at the Copper Mountain South Pit, several configurations of an expanded pit, and alternative mining methods were considered. The proposed Mine Plan is the result of the planning analysis and is the mining alternative considered to be logistically and economically feasible. The BLM is considering the following two alternatives for analysis in the EA:

Proposed Mine Plan Alternative

The Copper Mountain South Pit Expansion would be developed to continue the processing of copper-bearing ore at the Copper Mountain Mine. The copper mineralization within the proposed expansion area is predominantly copper oxide mineralization (e.g., *chrysocolla*) and is economically recoverable by acid leaching techniques, followed by processing via solution extraction/electrowinning (SX/EW) to produce cathode copper.

To implement the proposed Mine Plan, PDTI proposes to expand the existing permit boundary by 74 acres. The actual area of development would be 31.1 acres, which would include both patented land controlled by PDTI and 14 acres of BLM land. This represents less than 1% of the total disturbance at the Tyrone Mine. Mining would use conventional open pit mining techniques and equipment and is estimated to take up to 4 years to complete. Mining would produce approximately 36 million tons of ore producing 72 million pounds of recoverable copper.

Main elements of the proposed activities for the Copper Mountain South Pit Expansion include:

- Layback of the southwest edge of the existing Copper Mountain Pit
- Removal of a historic leach stockpile left by previous operators
- Placement of barren material on existing waste stockpiles or reclamation areas

- Leaching of the ore on existing stockpiles to extract copper in solution
- Processing of the solution at the Tyrone SX/EW Plant and production of copper cathode
- Use of existing PDTI mining facilities, including the truck shop, change rooms, water supply, electrical substation, power distribution system, etc. to support the mining of the pit

There would be no new permanent development on site, except for fences with gates and signs around the perimeter of the

expansion area. Existing facilities and developments would be used to support the mining expansion. Temporary on-site development would include electric supply lines, water lines, and a water fill-up station.

No Action Alternative.

Under the No Action Alternative, the BLM would not permit the expanded mining activity on BLM land. This would likely result in no expansion of the Copper Mountain Pit since without mining on BLM land the project would be logistically and economically unfeasible.

ANTICIPATED ISSUES

The BLM has identified water quality as the resource requiring emphasis during analysis. Additional issues may be identified through public input.

PUBLIC PARTICIPATION

Public participation activities for the project will include: mailings, media notices, informal contacts, and consultation with other agencies. A project website is also available at <http://www.blm.nm.gov>. The website contains general project information, the Copper Mountain South Pit Expansion Mine Plan of Operation and Closure/Closeout Plan, and notices and updates on the project. The Mine Plan and

Closure/Closeout Plan are also available for public review at the Las Cruces Field Office.

The attached pre-addressed and postage paid comment form can be used to submit written comments at any time during the scoping period that ends September 21, 2004. We anticipate that the EA will be available for public review and comment about December 2004.

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