United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Las Cruces Field Office
1800 Marquess
Las Cruces, New Mexico 88005
www.nm.blm.gov

TAKE PRIDE IN AMERICA

IN REPLY REFER TO:

NMNM 108813
3809 (03000)

MAR 30 2005

RECEIVED
MAR 30 2005
CHINO MINES COMPANY
ENVIRONMENTAL SERVICES-AOC

20050330-101

CERTIFEID MAIL -- RETURN RECEIPT REQUESTED
7003 1680 0002 3113 3648

Mr. Rick N. Mohr
General Manager
Phelps Dodge Mines
P. O. Box 7
Hurley, NM 88043

Dear Mr. Mohr:

Based on the Plan of Operations (POO) and enclosed Decision Record (DR) for the Copper Mountain Project Environmental Assessment (EA) EA NM-030-2002-0102, approval of your POO is hearby granted. A complete and final POO for Phelps Dodge's Copper Mountain Project was submitted in accordance with the Bureau of Land Management (BLM) regulations found at 43 Code of Federal Regulation (CFR) 3809, and received by the Las Cruces Field Office on June 21, 2004.

Mining will occur on a mix of private and public lands. Fourteen acres of public land will be disturbed related to the development of a single open pit mine in Grant County, New Mexico. Public land to be disturbed by the proposed action is administered by the BLM Las Cruces Field Office and is located in Sections 21 and 28, T. 19 S., R. 15 W., NMPM.

The proposed Federal action is consistent with the Las Cruces Field Office Mimbres Resource Management Plan. The proposed action is to extract approximately 72 million pounds of recoverable copper. Potential environmental impacts associated with the Mine Plan were analyzed in the EA. Based on the impact analysis, the proposed action will not have a significant impact to the human environment and conclude that no environmental impact statement is necessary. Mitigation measures identified for the proposed action in the environmental impacts section of the EA have been formulated into stipulations which are attached to the DR.

Based on a review of reclamation cost calculations submitted by Phelps Dodge, the bond amount is $170,874 for 31 acres of possible surface disturbance (private and public land).

Approval of the POO will not serve as a determination as to the ownership or validity of any mining claim to which it may relate. Modification to the POO must be coordinated with and approved by the Authorized Officer. Surface occupancy related to the POO is reasonably incidental to the mining operation. Should you have any questions, please contact Buzz Todd, Geologist, at (505) 525-4351.

You have the right of appeal to the BLM New Mexico State Director in accordance with *43 CFR 3809.4*. If you exercise this right, your appeal must comply with provisions found at *43 CFR 4.470 et. seq.*, and shall be filed in writing at the BLM, Las Cruces Field Office, 1800 Marquess, Las Cruces, New Mexico 88005 within 30 days after the date of receiving this decision. Our decision will remain in effect during the appeal unless a written request for a stay is granted.

Sincerely,

Edwin L. Roberson
Field Manager

1 Enclosure

cc:
David R. Ohori
Mr. Keith Ehlert

DECISION RECORD AND
FINDING OF NO SIGNIFICANT IMPACT

Decision:

It is my decision to implement the proposed action in Environmental Assessment (EA) NM-030-2002-0102 which is to authorize the extraction of approximately 72 million pounds of recoverable copper, located in Sections 21 and 28, T. 19 S., R. 15 W., NMPM. Mitigation measures identified for the proposed action in the environmental impacts section of the EA have been formulated into stipulations. This decision incorporates by reference the attached stipulations.

Finding of No Significant Impact:

Based on our analysis of the potential environmental impacts contained in EA NM-030-2002-0102, I have determined that impacts on the human environment are not expected to be significant and an Environmental Impact Statement is not required.

Rationale for Decision:

The decision to implement the proposed action does not result in any undue or unnecessary environmental degradation and conforms to the Mimbres Resource Management Plan, approved on April 30, 1993.

Compliance and Monitoring:

The attached compliance and monitoring plan has been developed for this project and is incorporated by reference into this decision.

Edwin L. Roberson

Field Manager

3-28-2005

Date

MITIGATION MEASURES (STIPULATIONS)

The Mine Plan of Operations (MPO)/Closure Closeout Plan (CCP) for Copper Mountain includes actions that will mitigate potential impacts to the environment. The following mitigations are in addition to MPO/CCP mitigations and will further reduce the potential for environmental impacts.

NOXIOUS WEEDS

Noxious weeds observed in and near the mine at the start of operations will be treated with herbicides or physically removed to prevent seeds blowing into disturbed areas during mining operations.

Periodic surveys will take place during the mining operation period to identify and treat noxious weeds that may have developed.

Fertilizer will not be used in seeded areas because it can enhance the growth of noxious weeds at the expense of desired vegetation.

Certified weed-free mulch will be used for reclamation and weed-free straw bales will be used for sediment barriers. Topsoil or growth media used for reclamation will be assessed for presence and abundance of noxious weeds. Media must be from weed-free sources or be treated by spraying to prevent seed establishment.

SPECIAL STATUS SPECIES

Upon discovery of any special status plant, Phelps Dodge will inform the BLM Authorized Officer (special plant specialist), who will coordinate any mitigation, such as transplanting, that is undertaken.

Should any underground openings be encountered during mining, Phelps Dodge will notify the New Mexico Department of Game and Fish in addition to New Mexico Mines Division and the BLM. Potential bat mitigation may include bat surveys and the installation of bat friendly gates.

If nesting raptors are found, land clearing activities would be timed to avoid the breeding season to avoid impacts to active nests, and a depredation permit would be obtained from the U. S. Fish and Wildlife Service for land clearing to permit the take of inactive nests.

WATER USE:

Other substances, such as lignites, may be used for dust control as an alternative to water.

MONITORING:

Phelps Dodge will conduct an annual review of acid producing material in the pit walls and will prepare an assessment/alternative plan to address the issue, if necessary.