



PUBLIC NOTICE

U.S. ARMY CORPS OF ENGINEERS
LOS ANGELES DISTRICT

BUILDING STRONG®

RECEIPT OF APPLICATION FOR A CORPS PERMIT, NOTICE OF INTENT TO PREPARE A DRAFT EIS AND HOLD A PUBLIC SCOPING MEETING

Lone Star Ore Body Development Project

Public Notice/Application No.: SPL-2014-00065-MWL

Project: Lone Star Ore Body Development Project

Comment Period: January 5, 2015 to February 20, 2015

Project Manager: Michael Langley; 602-230-6953; Michael.W.Langley@usace.army.mil

Applicant

Brian Musser
Freeport-McMoRan Safford Inc.
P.O. Box 1019
Safford, AZ 85548

Contact

Thomas Klimas
WestLand Resources, Inc.
4001 E. Paradise Falls Drive
Tucson, Arizona 85712

Location

The Lone Star copper ore body proposed for development is located within the boundary of the existing Safford Mine Facility, north of the City of Safford, Arizona. The Safford Mine Facility is located in portions of Sections 35 and 36, Township 5 South, Range 25 East; portions of Sections 19-22 and 26-36, Township 5 South, Range 26 East; portions of Sections 31-33, Township 5 South, Range 27 East; portions of Sections 1, 2, and 11-14, Township 6 South, Range 25 East; portions of Sections 1-18, 23-26, 35, and 36, Township 6 South, Range 26 East; portions of Sections 3-10, 17-20, 30, and 31, Township 6 South, Range 27 East; and portions of Sections 5 and 6, Township 7 South, Range 27 East.

Activity

To discharge fill materials into approximately 90.27 acres of waters of the U.S. associated with Coyote Wash, Watson Wash, Peterson Wash, and unnamed washes to construct a copper heap leach stockpile, development rock stockpiles, the ore haulage/conveyance route between the pit and crusher, additional power distribution infrastructure, an expanded clay borrow pit, and additional stormwater management facilities (see attached drawings). For more information, see page 4 of this notice.

Interested parties are hereby notified that an application has been received for a Department of the Army permit for the activity described herein and shown on the attached drawing(s). We invite you to review today's public notice and provide views on the proposed work. By providing substantive, site-specific comments to the Corps Regulatory Division, you provide information that support the

Corps' decision-making process. All comments received during the comment period become part of the record and will be considered in the decision. This permit will be issued, issued with special conditions, or denied under Section 404 of the Clean Water Act.

Written comments should be mailed to:

U.S. Army Corps of Engineers, Los Angeles District
Arizona Regulatory Branch
ATTN: SPL-2014-00065-MWL
3636 N. Central Ave, Suite 900
Phoenix, AZ 85012-1939

Alternatively, comments can be sent electronically to: Michael.W.Langley@usace.army.mil.

The mission of the U.S. Army Corps of Engineers Regulatory Program is to protect the Nation's aquatic resources, while allowing reasonable development through fair, flexible and balanced permit decisions. The Corps evaluates permit applications for essentially all construction activities that occur in the Nation's waters, including wetlands. The Regulatory Program in the Los Angeles District is executed to protect aquatic resources by developing and implementing short- and long-term initiatives to improve regulatory products, processes, program transparency, and customer feedback considering current staffing levels and historical funding trends.

Corps permits are necessary for any work, including construction and dredging, in the Nation's navigable water and their tributary waters. The Corps balances the reasonably foreseeable benefits and detriments of proposed projects, and makes permit decisions that recognize the essential values of the Nation's aquatic ecosystems to the general public, as well as the property rights of private citizens who want to use their land. The Corps strives to make its permit decisions in a timely manner that minimizes impacts to the regulated public.

During the permit process, the Corps considers the views of other Federal, state and local agencies, interest groups, and the general public. The results of this careful public interest review are fair and equitable decisions that allow reasonable use of private property, infrastructure development, and growth of the economy, while offsetting the authorized impacts to the waters of the United States. The permit review process serves to first avoid and then minimize adverse effects of projects on aquatic resources to the maximum practicable extent. Any remaining unavoidable adverse impacts to the aquatic environment are offset by compensatory mitigation requirements, which may include restoration, enhancement, establishment, and/or preservation of aquatic ecosystem system functions and services.

Evaluation Factors

The decision whether to issue a permit will be based on an evaluation of the probable impact including cumulative impacts of the proposed activity on the public interest. That decision will reflect the national concern for both protection and utilization of important resources. The benefit, which reasonably may be expected to accrue from the proposal, must be balanced against its reasonably foreseeable detriments. All factors which may be relevant to the proposal will be considered including the cumulative effects thereof. Factors that will be considered include conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, flood plain values, land use, recreation, water supply and conservation, water quality, energy needs, safety, food production and, in general, the needs and welfare of the people. In addition, if the

proposal would discharge dredged or fill material, the evaluation of the activity will include application of the EPA Guidelines (40 CFR Part 230) as required by Section 404 (b)(1) of the Clean Water Act.

The Corps of Engineers is soliciting comments from the public; Federal, state, and local agencies and officials; Indian tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps of Engineers to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. In this case, comments are used in the preparation of an Environmental Impact Statement (EIS) pursuant to the National Environmental Policy Act. Comments are also used to determine the overall public interest of the proposed activity.

Preliminary Review of Selected Factors

EIS Determination- A determination has been made that an EIS is required for the proposed activities, based on the Corps's independent determination that the proposed action could potentially result in significant impacts. The Draft EIS is expected to be published in late 2015.

Water Quality- The applicant is required to obtain water quality certification, under Section 401 of the Clean Water Act, from the Arizona Department of Environmental Quality. Section 401 requires that any applicant for an individual Section 404 permit provide proof of water quality certification to the Corps of Engineers prior to permit issuance.

Cultural Resources- Based on information collected thus far, the project will adversely impact cultural resources that are eligible for listing on the National Register of Historic Places. Consultation with Native American Tribes and the State Historic Preservation officer will occur with respect to cultural resources impacts associated with this project. Native American Tribes will also be consulted regarding the presence of any traditional cultural properties that could potentially be affected by this project.

Endangered Species- Preliminary determinations indicate that the proposed activity would potentially affect federally-listed endangered or threatened species, or their critical habitat. Therefore, formal consultation under Section 7 of the Endangered Species Act is required at this time.

Public Hearing- The Corps is conducting a public scoping meeting to solicit input from the public about the proposed project and the preparation of the EIS. This meeting will be held on Wednesday evening, February 4, 2015 at the Manor House Convention Center, 415 E. U.S. Highway 70, Safford, Arizona, 85546 from 6:00 to 9:00 PM (Arizona time). A presentation will be given by representatives from the Corps and Freeport-McMoRan Safford Inc. starting at 7:00 PM (Arizona time).

The meetings will consist of an open house and presentation. During approximately the first hour of the meeting, attendees will have the opportunity to view displays provided by the Corps and the applicant that provide information on various aspects of the project, environmental resources in the project area, and the Clean Water Act Permitting and NEPA processes. Technical experts will be available at these displays to answer questions about the project. After this initial open house period, a presentation will be provided by the Corps Project Manager and a representative from Asarco. This presentation will provide background information about the proposed project and information about the Corps permitting and EIS processes. Information will also be provided regarding various ways to

provide input to the project manager for inclusion in the administrative record. After the presentation concludes, the open house will continue until the meeting ends.

Attendees who wish to comment on this project can do so during the meeting by providing written comments that can be left with Corps staff or submitted at a later date. *There will be no provisions made for public oral comments during the course of these meetings.*

The Corps will be receiving scoping comments until the close of the comment period on February 20, 2015.

Proposed Activity for Which a Permit is Required

Basic Project Purpose- The basic project purpose comprises the fundamental, essential, or irreducible purpose of the proposed project, and is used by the Corps to determine whether the applicant's project is water dependent (i.e., requires access or proximity to or siting within the special aquatic site to fulfill its basic purpose). Establishment of the basic project purpose is necessary only when the proposed activity would discharge dredged or fill material into a special aquatic site (e.g., wetlands, pool and riffle complex, mudflats, coral reefs). Because no special aquatic sites would be impacted, identification of the basic project purpose is not necessary. The project is not water dependent.

Overall Project Purpose- The overall project purpose serves as the basis for the Corps' 404(b)(1) alternatives analysis and is determined by further defining the basic project purpose in a manner that more specifically describes the applicant's goals for the project, and which allows a reasonable range of alternatives to be analyzed. The overall project purpose for the proposed project is the construction of mining facilities, including an open pit mine and attendant development rock stockpiles and heap leach facilities, which will allow continued mining at the Safford Mine Facility through the development of the mineral resources associated with the Lone Star ore body using conventional open-pit mining, heap leaching techniques, and solution extraction/electrowinning (SX/EW) processing, and utilizing as much of the existing Safford Mine Facility infrastructure and processing facilities as practicable, for the purpose of producing copper.

Additional Project Information

Background – Located in eastern Arizona, the Safford Mine Facility has been in operation for almost 7 years under the ownership of the applicant, formerly Phelps Dodge Safford Inc. The applicant owns and manages approximately 36,050 acres of privately held lands within and surrounding the existing Safford Mine Facility, north of the City of Safford, Graham County, Arizona. The Safford Mine Facility is located within the Safford Mining District, and lands within the district have been used for mining activities by various entities for more than a century. The applicant (or its predecessors) first began development of an underground copper mining operation in the district in the 1960s, and later purchased other copper mining operations in the vicinity.

Between 1994 and 1996, the applicant initiated discussions to obtain authorization from the Bureau of Land Management (BLM) and the Corps to develop open pit copper mining operations in the district, and in May 1996, formally initiated National Environmental Policy Act (NEPA) review of these proposals through submission of a Mine Plan of Operations (MPO) to the BLM. NEPA review of the project, termed the Dos Pobres/San Juan Project (DP/SJ Project) after the ore bodies proposed for development, involved the publication of a Draft Environmental Impact Statement (DEIS) in September 1998, a Final Environmental Impact Statement (FEIS) in December 2003, and a BLM Record of Decision (ROD; No. 1793 [AZ-040] AZA-31133) in June 2004. As a component of the

NEPA review, the Corps completed a Section 404(b)(1) Alternatives Analysis in October 1997 and issued a Section 404 Individual Permit (No. 964-0202-MB) for impacts to waters of the U.S. from development of the DP/SJ Project on September 27, 2004.

The Safford Mine Facility is currently an open-pit copper mining operation consisting of two pits: the Dos Pobres Pit and the San Juan Pit. The handling, processing, and support infrastructure for mineral resources recovered from the two pits is integrated into a single system consisting of a three-stage crushing system, two drum agglomerators, a single heap leach pad, SX/EW processing facility, and support facilities. Each of the pits has an associated development rock stockpile: for Dos Pobres immediately west of the pit, and for San Juan immediately south of the pit. A clay borrow pit is located in the southeastern portion of the Safford Mine Facility.

Project Description – The applicant has proposed the development of the mineral resources associated with the Lone Star ore body, located on the applicant's privately owned lands and proximate to the existing Safford Mine Facility. Development of the Lone Star copper ore body (the Lone Star Project) was considered as a Reasonably Foreseeable Future Action (RFFA) and was included in the NEPA review of cumulative impacts for the 2003 FEIS. The applicant has designed the proposed Lone Star Project to make use of as much of the existing Safford Mine Facility infrastructure as is practicable. Although the location of the open pit for the Lone Star Project is tied to the physical location of the mineral resource, the locations of the remaining project elements have been optimized to continue using existing infrastructure wherever possible. New elements anticipated as necessary for the development of the Lone Star Project include the open pit, a heap leach stockpile and associated solution management systems, development rock stockpiles, the ore haulage/conveyance route between the pit and crusher, additional power distribution infrastructure, an expanded compactible soil borrow source, and additional stormwater management facilities.

The Lone Star Project proposes discharges to waters of the U.S. for the development and operation of the heap leach stockpile, the development rock stockpiles, the haul road, and for the expansion of the clay borrow pit. Continued use of the existing facilities including the existing crushing facilities, SX/EW facilities, the majority of the existing support infrastructure for the current leach pad, and the mine access road are not anticipated to require the discharge of fill to waters of the U.S. Construction and operation of the remaining Lone Star Project elements including the open pit and power distribution infrastructure are not anticipated to require the discharge of additional fill to waters of the U.S.

Issues – There are a number of potential issues that will be addressed in the Draft EIS. Additional issues may be identified during the scoping process. Issues initially identified for evaluation in the EIS as potentially significant include:

- Aesthetics and Visual Resources
- Air Quality
- Cultural and Historic Resources
- Surface Water Hydrology and Watershed Resources
- Groundwater Hydrology
- Land Use/Planning
- Blasting Noise and Vibration
- Socioeconomics
- Soils and Geology Resources
- Transportation
- Environmental Justice
- Biological Resources

- Cumulative Impacts

Alternatives – Several alternatives are being considered for the proposed action. The Draft EIS will include a co-equal level of analysis of the No Action Alternative and the project alternatives considered. Alternatives are currently being developed to address the alternatives evaluation requirements under both the 404(b)(1) alternatives analysis guidelines required for evaluation of the Section 404 permit and the NEPA process. These alternatives will be further formulated and developed during the scoping process and assessed in the Draft EIS.

Proposed Mitigation – The proposed mitigation may change as a result of comments received in response to this public notice, the applicant's response to those comments, and/or the need for the project to comply with the 404(b)(1) Guidelines. In consideration of the above, the proposed mitigation sequence (avoidance/minimization/compensation), as applied to the proposed project is summarized below:

Avoidance/Minimization – According to the applicant, the project was designed to avoid impacts to waters of the U.S. to the extent practicable. The continued use of existing operational infrastructure wherever possible was considered a general criterion of this minimization. Proposed elements of the Project include the continued use of the existing facilities including the existing crushing facilities, SX/EW facilities, the majority of the existing support infrastructure for the current leach pad, and the mine access road.

Compensation – The applicant proposes compensatory mitigation for unavoidable impacts to waters of the U.S. through permittee-responsible habitat restoration, contribution to an in-lieu fee program, or a combination thereof.

Proposed Special Conditions

Special Conditions have not yet been developed and will be based on the results of the EIS and 404 permit analysis.

For additional information please call Michael Langley of my staff at 602-230-6953 or via e-mail at Michael.W.Langley@usace.army.mil. This public notice is issued by the Chief, Regulatory Division.



Regulatory Program Goals:

- To provide strong protection of the nation's aquatic environment, including wetlands.
- To ensure the Corps provides the regulated public with fair and reasonable decisions.
- To enhance the efficiency of the Corps' administration of its regulatory program.

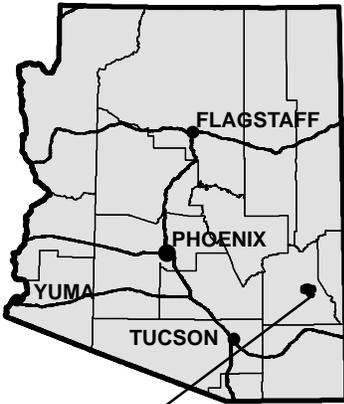
U.S. ARMY CORPS OF ENGINEERS – LOS ANGELES DISTRICT

3636 N. Central Ave, Suite 900

Phoenix, AZ 85012-1939

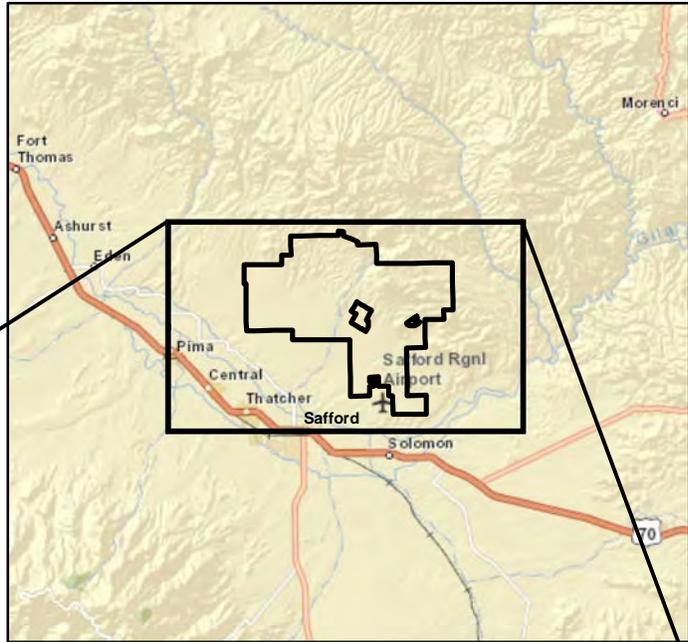
WWW.SPL.USACE.ARMY.MIL

ARIZONA

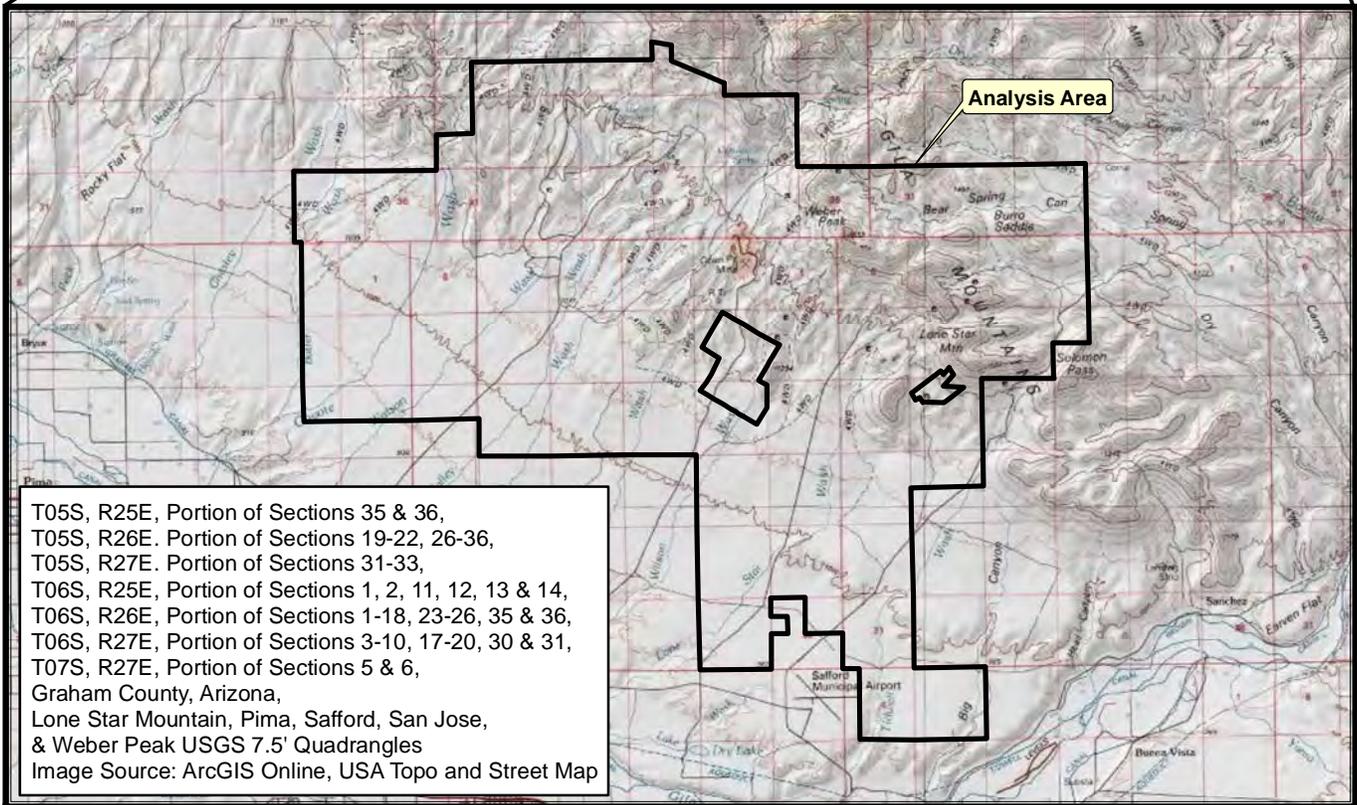


PROJECT LOCATION

GRAHAM COUNTY



Approximate Scale 1 Inch = 10 Miles



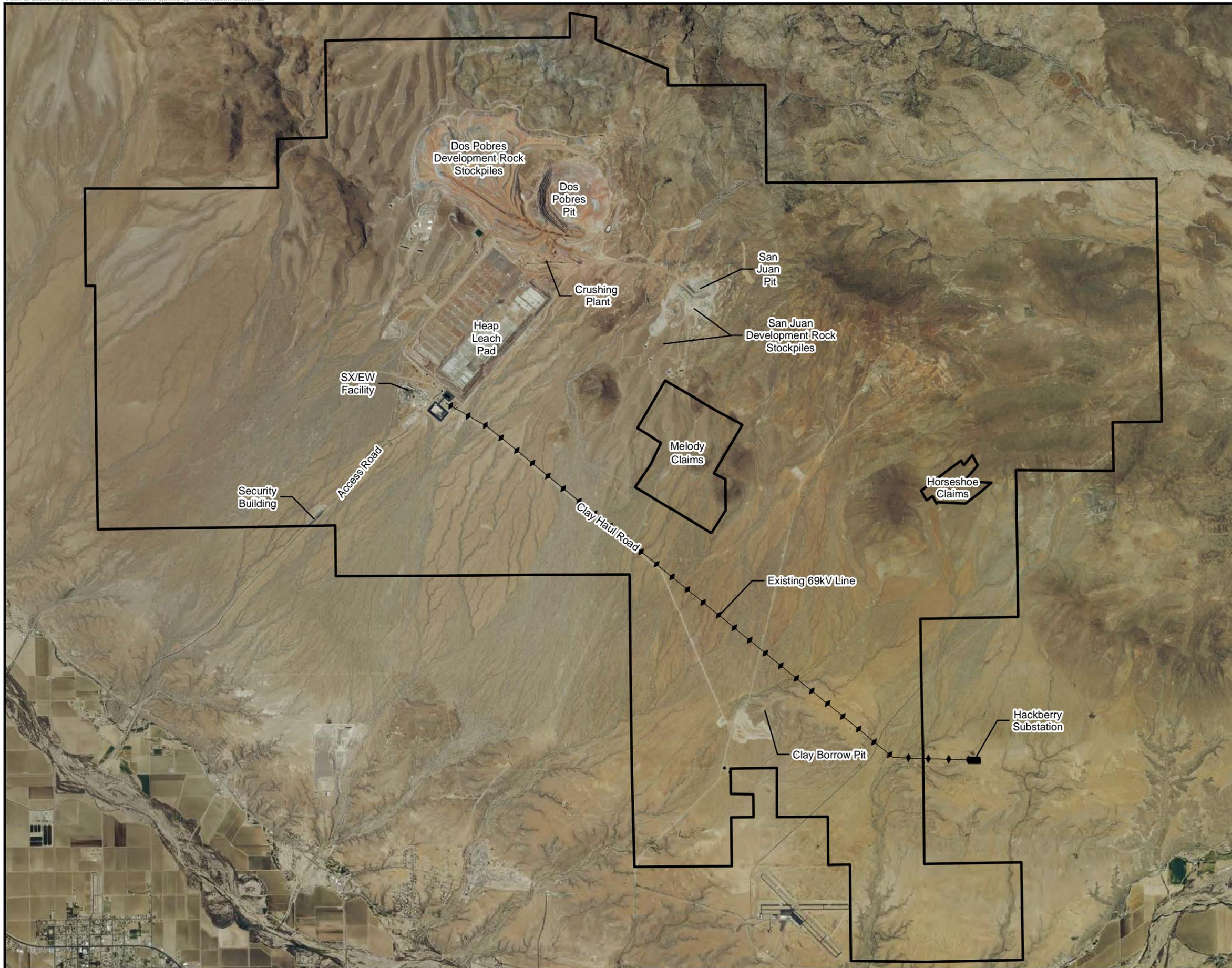
LONE STAR ORE BODY DEVELOPMENT PROJECT
CWA Section 404 Permit Application

Vicinity Map
Figure 1



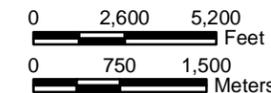
0 1.5 3 Miles

0 2 4 Kilometers



Legend

Analysis Area

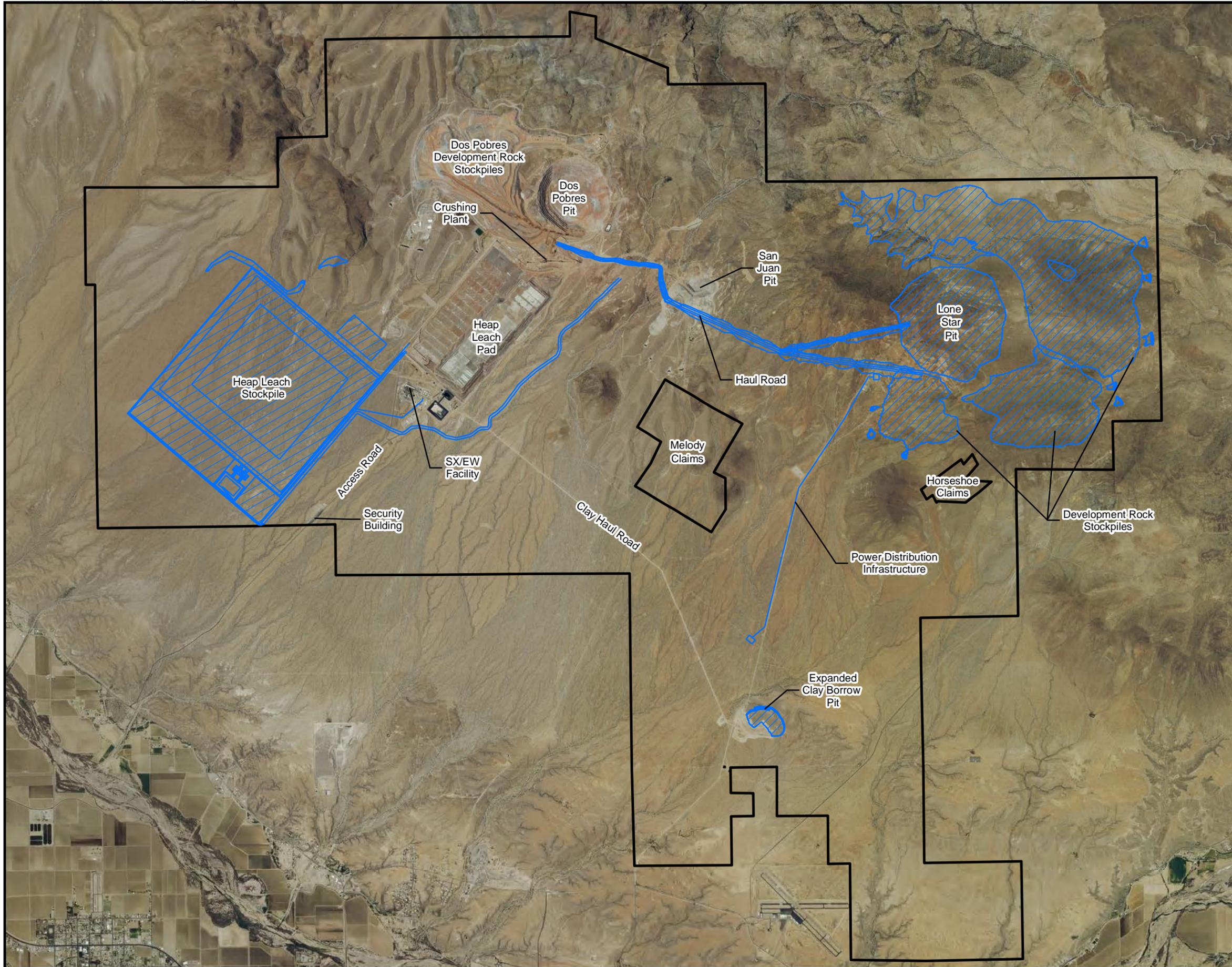


T05S, R25E, Portion of Sections 35 & 36,
 T05S, R26E, Portion of Sections 19-22, 26-36,
 T05S, R27E, Portion of Sections 31-33,
 T06S, R25E, Portion of Sections 1, 2, 11, 12, 13 & 14,
 T06S, R26E, Portion of Sections 1-18, 23-26, 35 & 36,
 T06S, R27E, Portion of Sections 3-10, 17-20, 30 & 31,
 T07S, R27E, Portion of Sections 5 & 6,
 Graham County, Arizona,
 Lone Star Mountain, Pima, Safford, San Jose,
 & Weber Peak USGS 7.5' Quadrangles
 Image Source: NAIP 2013



**LONE STAR ORE BODY
 DEVELOPMENT PROJECT**
 CWA Section 404 Permit Application

EXISTING MINE FACILITY
 Figure 2



Legend
 [Black Outline] Analysis Area



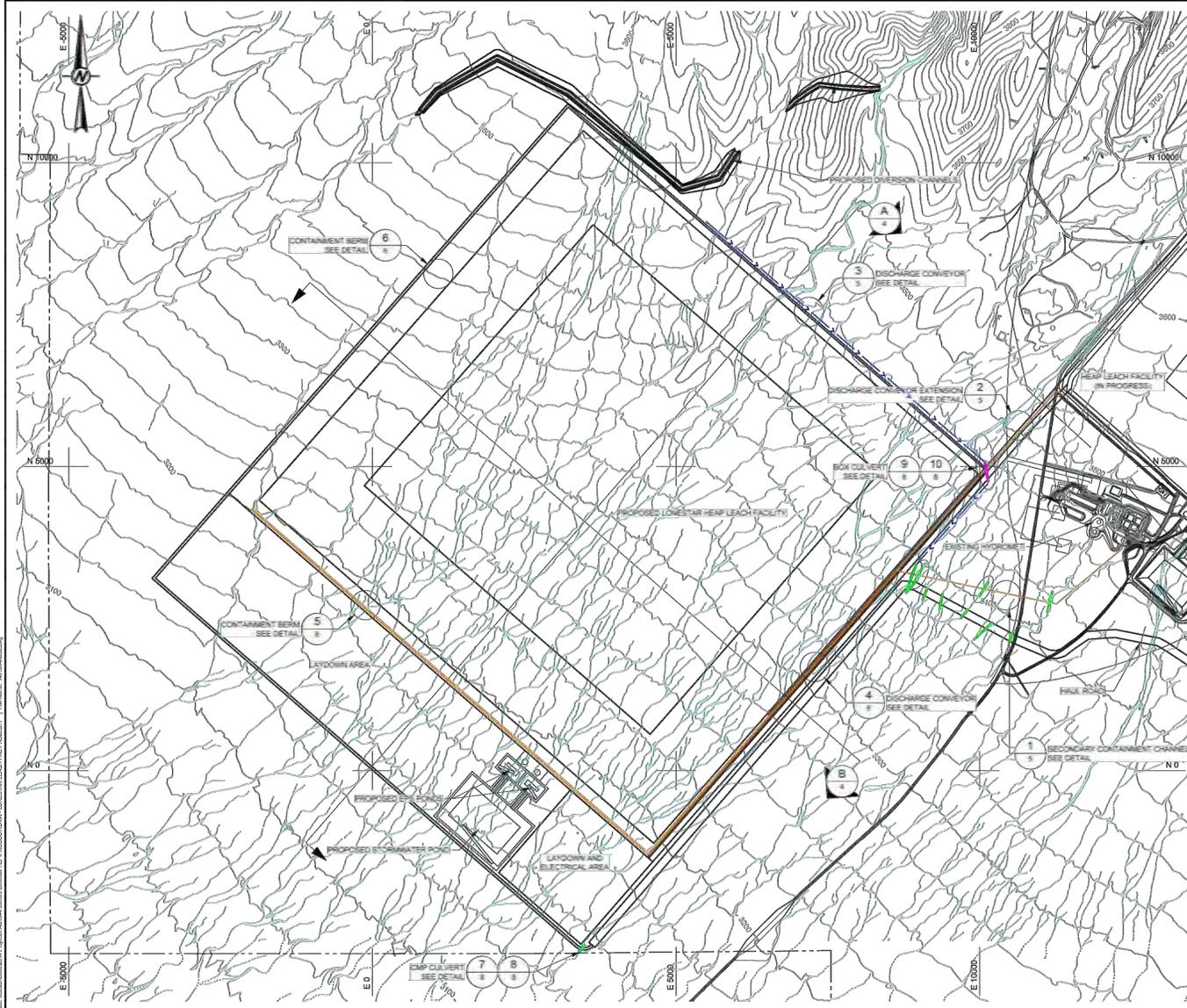
0 2,600 5,200 Feet
 0 750 1,500 Meters

T05S, R25E, Portion of Sections 35 & 36,
 T05S, R26E, Portion of Sections 19-22, 26-36,
 T05S, R27E, Portion of Sections 31-33,
 T06S, R25E, Portion of Sections 1, 2, 11, 12, 13 & 14,
 T06S, R26E, Portion of Sections 1-18, 23-26, 35 & 36,
 T06S, R27E, Portion of Sections 3-10, 17-20, 30 & 31,
 T07S, R27E, Portion of Sections 5 & 6,
 Graham County, Arizona,
 Lone Star Mountain, Pima, Safford, San Jose,
 & Weber Peak USGS 7.5' Quadrangles
 Image Source: NAIP 2013

WestLand Resources, Inc.
 Tucson • Phoenix • Flagstaff
 1750 S. Woodlands Village Blvd., Suite 150
 Flagstaff, Arizona 86001 (928) 225-2218

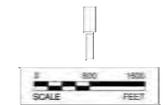
**LONE STAR ORE BODY
 DEVELOPMENT PROJECT**
 CWA Section 404 Permit Application
 PROPOSED PROJECT AREA

Figure 3



- LEGEND**
- EXISTING GROUND CONTOURS (ft. MSL)
 - EXISTING ROADS
 - EXISTING DRAINAGE
 - PROPERTY LINE
 - PROPOSED FACILITIES
 - RAFFINATE/PLS PIPELINE
 - CMP CULVERT
 - BOX CULVERT
 - DIVERSION CHANNEL AND DIRECTION

REFERENCE
 1. PRE-MINE DISTRICT TOPOGRAPHY PROVIDED BY FREEPORT-MCMORAN SAFFORD INC., DATE UNKNOWN.



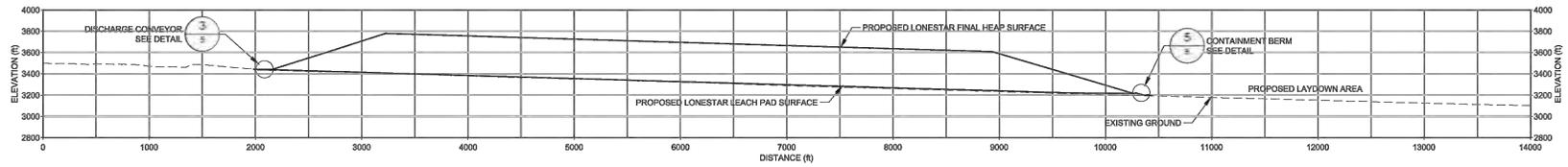
CLIENT
 FREEPORT-MCMORAN SAFFORD INC.
 SAFFORD, ARIZONA

PROJECT
 LONESTAR LEACH PAD PROJECT

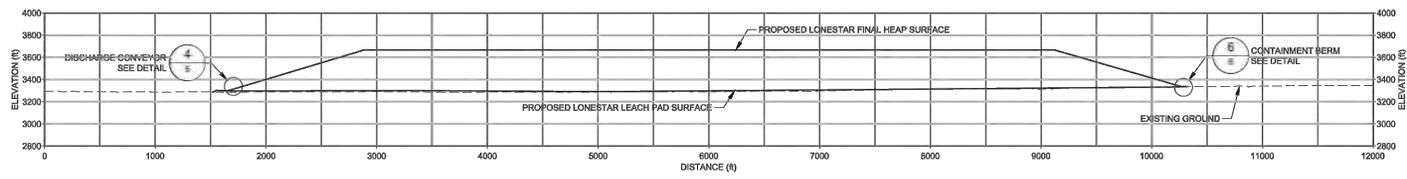
TITLE
 LEACH PAD ALTERNATIVE 1 PLAN

CONSULTANT	YYYY-MM-DD	2014-05-02
	PREPARED	NIL
	DESIGN	DMW
	REVIEW	DMW
	APPROVED	MJG

PROJECT No. 1401044 Rev. E FIGURE 2



SCALE A **A** CROSS-SECTION A
4



SCALE A **B** CROSS-SECTION B
4



CLIENT
FREEPORT-McMORAN SAFFORD INC.
SAFFORD, ARIZONA

PROJECT
LONESTAR LEACH PAD PROJECT

TITLE
LEACH PAD ALTERNATIVE 1 CROSS-SECTIONS

CONSULTANT	YYYY-MM-DD	2014-04-18
	PREPARED	NIL
	DESIGN	DMW
	REVIEW	DMW
	APPROVED	MJG

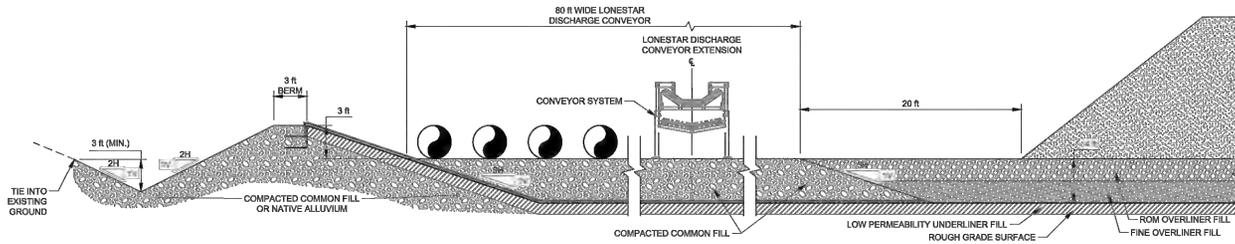
PROJECT No.
1401044

Rev.
E

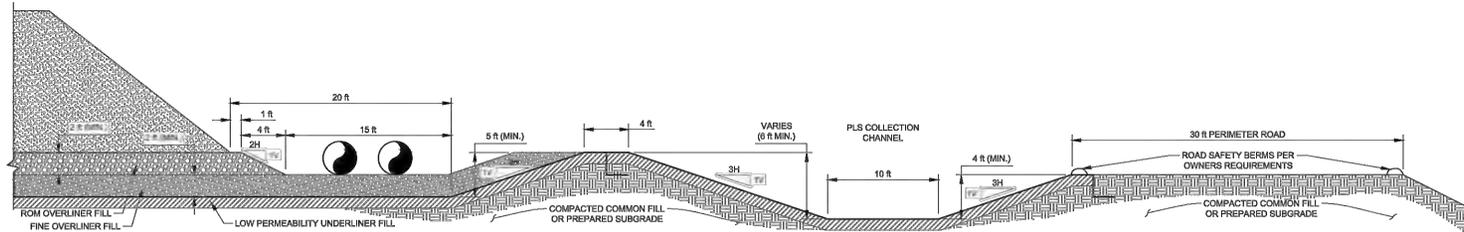
FIGURE
4

P:\2014\201.26\404_Application\DWG\Figures\Figures4-7and9-11.dwg

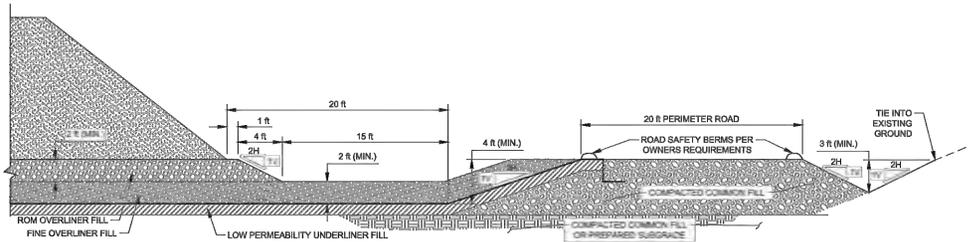
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NOT TO SCALE 4 TYPICAL EAST CONVEYOR DETAIL



NOT TO SCALE 5 TYPICAL SOUTH CONTAINMENT BERM DETAIL



NOT TO SCALE 6 TYPICAL WEST CONTAINMENT BERM DETAIL

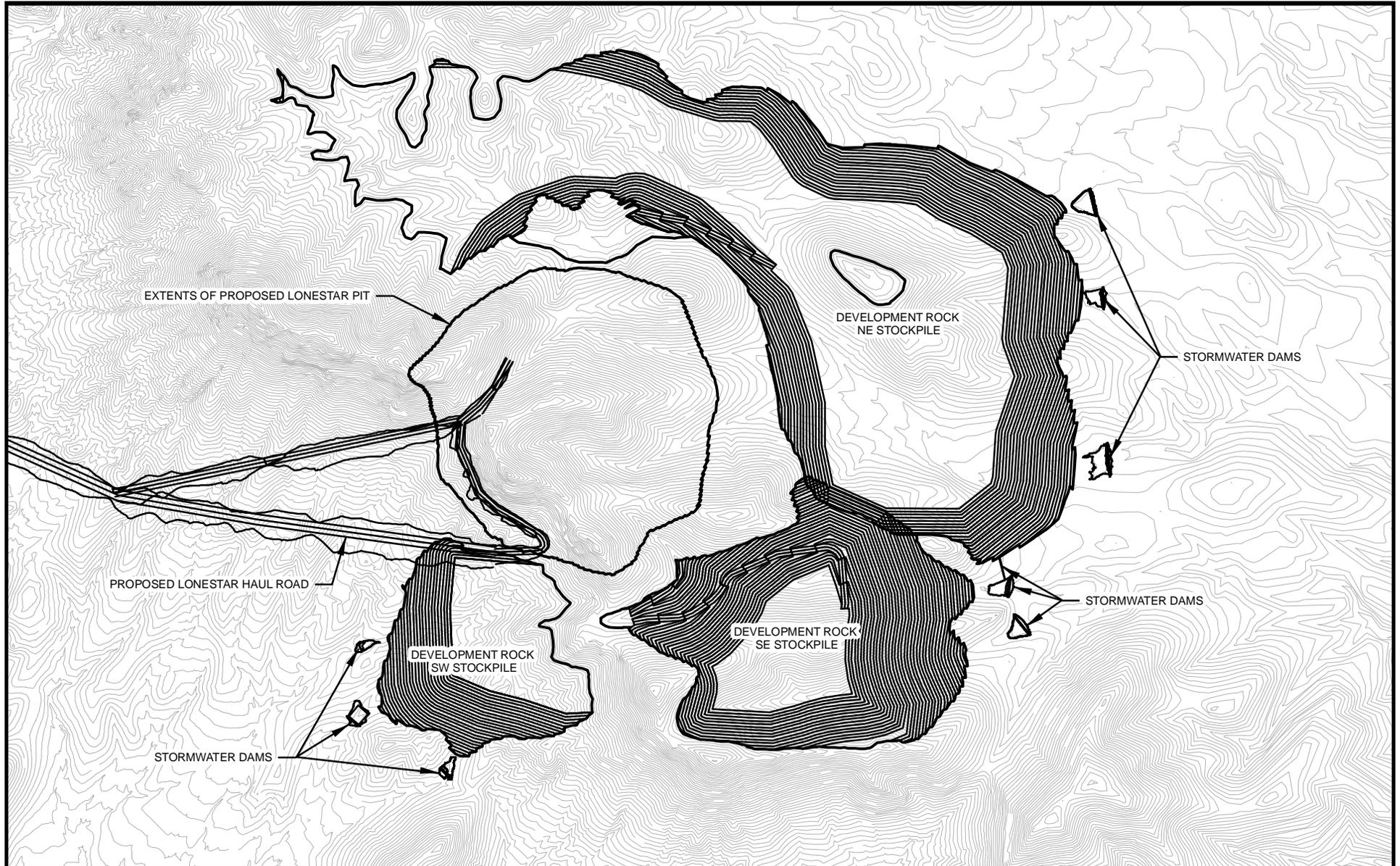
CLIENT
FREEPORT-McMORAN SAFFORD INC.
SAFFORD, ARIZONA

PROJECT
LONESTAR LEACH PAD PROJECT

TITLE
LEACH PAD ALTERNATIVE 1 DETAILS (2 OF 2)

CONSULTANT	YYYY-MM-DD	2014-04-18
	PREPARED	NIL
	DESIGN	DMW
	REVIEW	DMW
	APPROVED	MJG

PROJECT No. 1401044 Rev. E FIGURE 6

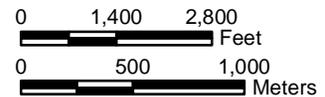


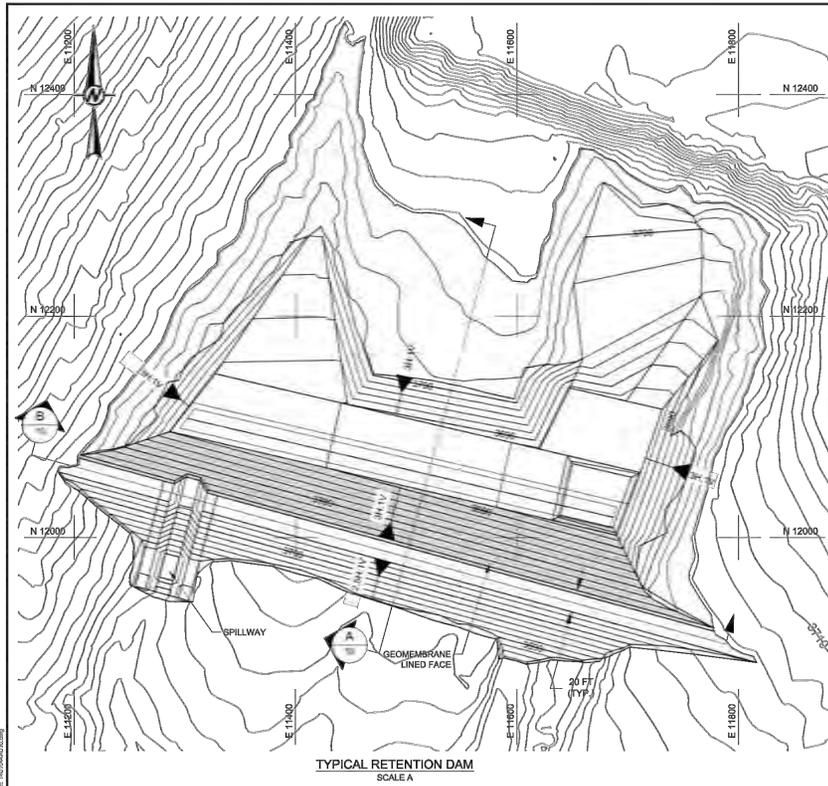
**LONE STAR ORE BODY
DEVELOPMENT PROJECT**

CWA Section 404 Permit Application

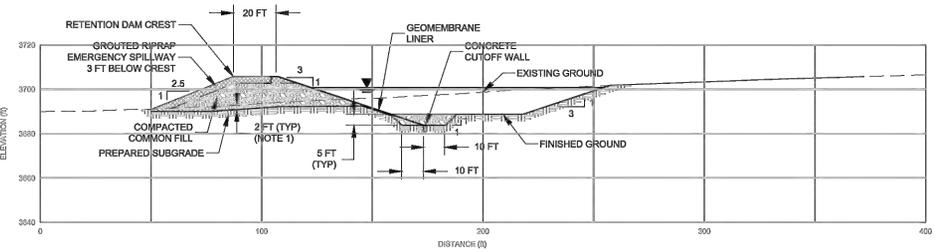
DEVELOPMENT ROCK STOCKPILE PLAN VIEW

Figure 8

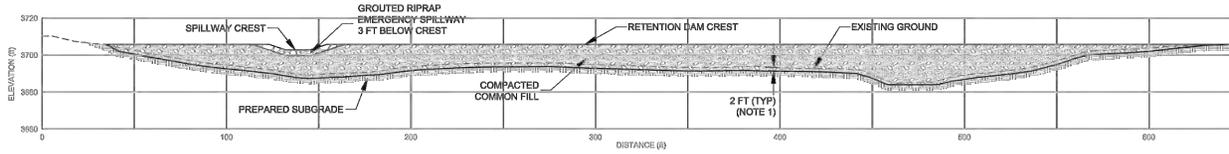




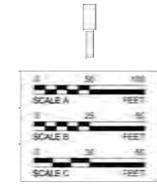
TYPICAL RETENTION DAM
SCALE A



SCALE B **A** TYPICAL CROSS-SECTION A
10



SCALE C **B** TYPICAL CROSS-SECTION B
10



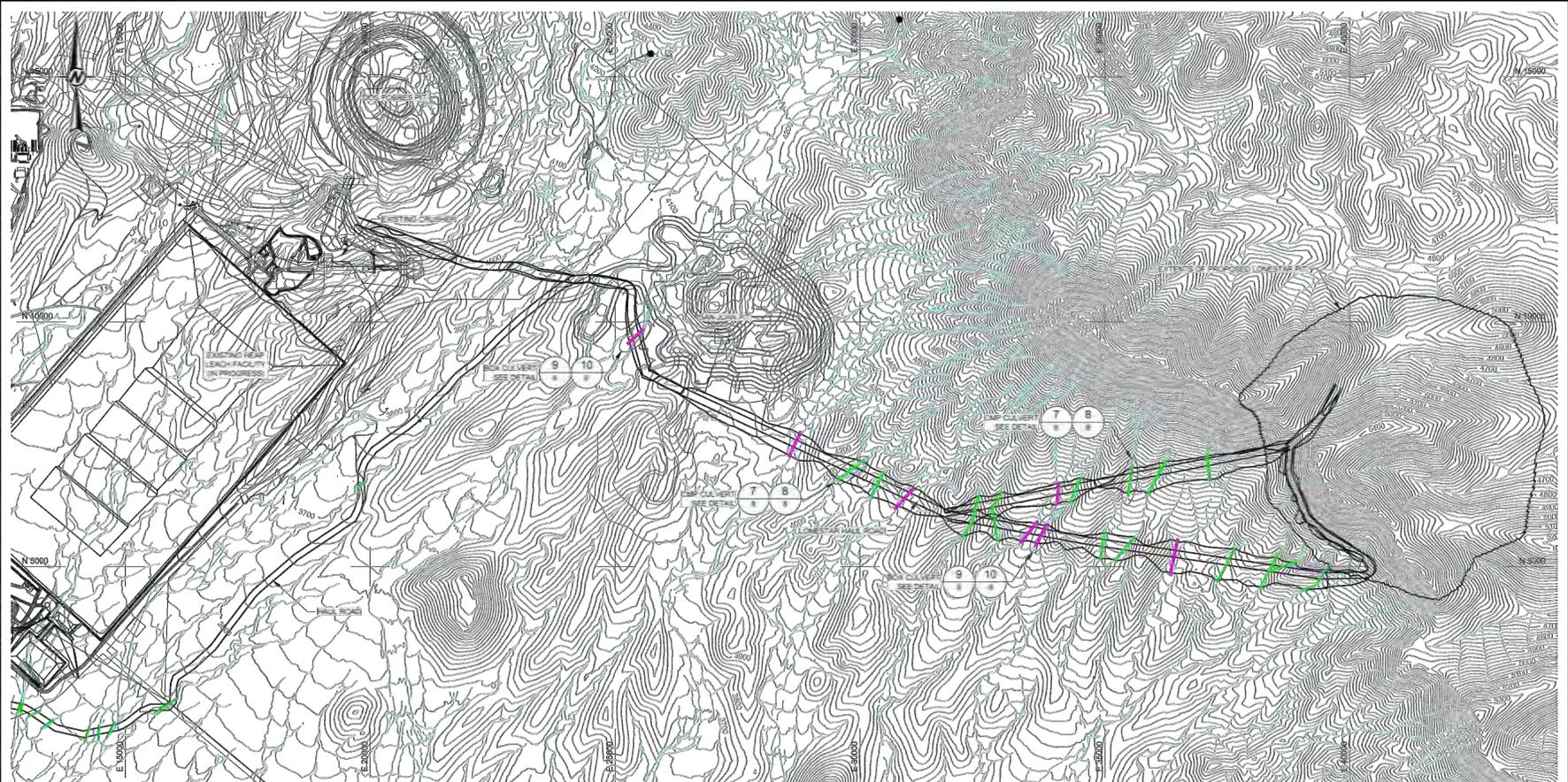
CLIENT
FREEPORT-McMORAN SAFFORD INC.
SAFFORD, ARIZONA

PROJECT
LONESTAR LEACH PAD PROJECT

TITLE
TYPICAL RETENTION DAM AND CROSS-SECTIONS

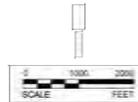
CONSULTANT	YYYY-MM-DD	2014-02-27
	PREPARED	NIL
	DESIGN	WK
	REVIEW	WK
	APPROVED	MJG

PROJECT No. 1401044 Rev. E FIGURE 10



- LEGEND**
- EXISTING GROUND CONTOURS (ft-MSL)
 - EXISTING ROADS
 - EXISTING DRAINAGE
 - PROPOSED FACILITIES
 - CMP CULVERT
 - BOX CULVERT

REFERENCE
 1. PRE-MINE DISTRICT TOPOGRAPHY PROVIDED BY FREEPORT-MCMORAN SAFFORD INC., DATE UNKNOWN.



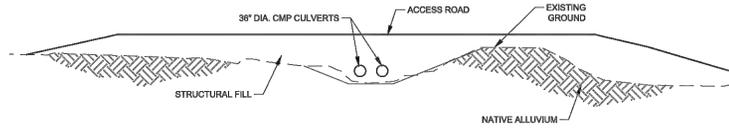
CLIENT
 FREEPORT-MCMORAN SAFFORD INC.
 SAFFORD, ARIZONA

PROJECT
 LONESTAR LEACH PAD PROJECT

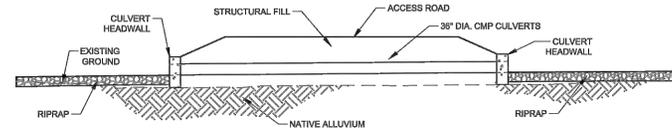
TITLE
 CULVERT LOCATIONS ALONG HAUL ROAD

CONSULTANT	YYYY-MM-DD	2014-04-18
	PREPARED	NIL
	DESIGN	WK
	REVIEW	WKC/MW
	APPROVED	MJG

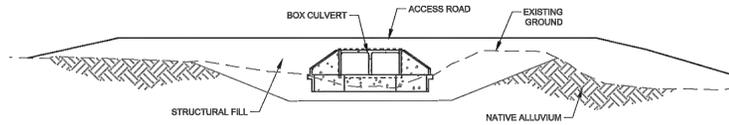
PROJECT No. 1401044 Rev. E FIGURE 7



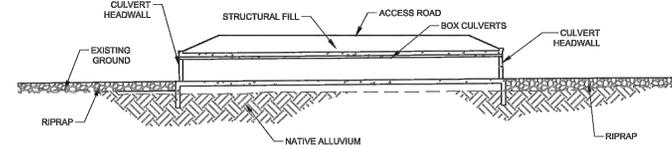
NOT TO SCALE $\frac{7}{7}$ TYPICAL CMP CULVERT CROSSING DETAIL



NOT TO SCALE $\frac{8}{7}$ TYPICAL CMP CULVERT PROFILE



NOT TO SCALE $\frac{9}{7}$ TYPICAL BOX CULVERT CROSSING DETAIL



NOT TO SCALE $\frac{10}{7}$ TYPICAL BOX CULVERT PROFILE

CLIENT
FREEPORT-MGMORAN SAFFORD INC.
SAFFORD, ARIZONA

PROJECT
LONESTAR LEACH PAD PROJECT

TITLE
CULVERT DETAILS

CONSULTANT	YYYY-MM-DD	2014-04-18
	PREPARED	NIL
	DESIGN	WK
	REVIEW	WK/GMMW
	APPROVED	MJG

PROJECT No. 1401044
Rev. E
FIGURE 8

LONE STAR ORE BODY
DEVELOPMENT PROJECT
CWA Section 404 Permit Application
HAUL ROAD CROSS-SECTION
Figure 11