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Item 66

Preliminary Scoping Document
for
Westmont Gold, Inc.

Proposed

Mount Hamilton Mine Development

Purpose and Need (Introduction)

On May 4, 1988 the Ely Ranger District of the Humboldt National Forest and the Egan Resource Area of the Bureau of Land Management received a plan of operatons describing the proposed Mount Hamilton Mine development project. This proposal was submitted by Westmont Mining, Inc. The company has since been divided into two separate entities and the mine would be built and administered by Westmont Gold, Inc. (Westmont). Westmont is proposing to construct and operate an open pit gold mine and cyanide heap leach gold recovery facility in White Pine County on the West slope of the White Pine Range located approximately 65 miles west of Ely, Nevada. The proposed project study area is specifically located in the Mt. Diablo Meridian, T16N, R57E, sections 5, 6, 7, 8, 9, 15, 16, 17, 21, and 22 and T17N, R57E, section 32 as shown on the attached map. Lands administered by the Forest Service (FS) and the Bureau of Land Management (BLM) would be directly impacted by this proposal.

The FS will act as lead agency in coordinating the environmental analysis and preparation of an environmental document. Surface resource management direction provided in the Humboldt National Forest Land and Resource Mangement Plan (pages IV-10, IV-52-57, and IV-87) and the BLM Egan Resource Area Management Plan will be complied with. The environmental document will address public issues and agency concerns in an evaluation of the proposal's potential socio-economic and environmental impacts. A determination of whether an Environmental Impact Statement is needed will be done during this analysis.

Proposal

Westmont proposes to excavate ore from two open pits located on land administered by the FS at an average elevation of 9,000 feet. The ore would be transported to a conventional cyanide heap leach facility approximately two miles down slope to an area that straddles the FS/BLM boundary. Three ore transportation methods are presently being considered by Westmont:

1) Haul trucks
2) Overland Conveyor System
3) Incline/Vertical Raise/Conveyor System

Patented land, unpatented mining, and mill-site claims constitute the project study area. About 833 acres of surface disturbance is proposed.

Currently, the mine life is expected to be seven years with possible expansion dependent upon successful exploration efforts. Ore would be mined by an open-pit method at the rate 1,100,000 tons per year, to annually produce between 30,000 and 40,000 ounces of gold and 200,000 to 400,000 ounces of silver through a cyanide heap leach process. The mining and processing operational periods are anticipated to last an average of nine to ten months respectively each year.

Westmont proposes to hire 112 employees to operate the mine and plant facility. They would be employed either by Westmont or by a contractor. The employees would commute from the surrounding communities, since living quarters at the mine site are not proposed.

An eight foot high chain-link/barbed wire fence is proposed to be constructed around the processing plant and solution pond area. The leach pads would be enclosed with a 42 inch high, four-strand barbed-wire fence. Access into the mine and processing plant areas would be controlled for public safety and security.

At closure, an approved reclamation plan designed to meet the administrating agencies' post mining land use objectives would be implemented. Also, interium reclamation would be conducted when appropriate to the standards specified in the reclamation plan.

Management Concerns

1. Management and Administration

   a. Would the project components meet the standards and guidelines developed in the Humboldt National Forest Land and Resource Management Plan and the Egan Resource Management Plan?

   b. How would monitoring be done to assure compliance with the plan of operations and any mitigation that would be required?

2. Biological Resources

   a. Are there sensitive species of plants or animals within or near the project site, and if so how would they be affected?

   b. What impact would the project have on mule deer, elk, and antelope, particularly their spring/summer range?

   c. What direct and/or indirect impact would the project have on other wildlife, such as; migratory waterfowl, chukars, sage grouse, ferruginous hawks etc?

   d. How will wild horses in the area be affected?

   e. What impact will the project have on aspen communities, and the wildlife associated with them?

3. Cultural, Social, and Economic Effects

   a. What is the significance of cultural resources that may exist within the project area, particularly those in Seligman Canyon, and how could impact be avoided or mitigated?

   b. What effect would the project have on population, employment housing, local school system, and demand for services in White Pine and Eureka counties?

   c. How would increased activity from the project effect the local intensity of law enforcement (eg. game, county/state agencies) regarding poaching, overharvests, etc?

4. Reclamation

   How would the site be reclaimed to ensure adequate stabilization and revegetation to guard against unnecessary or undue degradation of the land?

5. Water Resources/Geotechnical Engineering

   a. How would the proposed facilities and roads be affected by a potential flash flood, particularly in the Seligman Canyon drainage?

   b. How would toxic materials be handled to avoid contamination of the environment?

   c. What will be the effect of Hoppe Spring on the stability of the proposed waste dump below?

   d. How will the waste dumps be designed, and where should they be located for proper stability?

6. What would be the effects of cumulative impacts, if any, caused by the project on the surrounding area, i.e., visual impact of mine pits and waste dumps and roads, wild horse displacement, water consumption, etc.?

<u>Opportunities</u>

Additional employment and tax revenue would be added to the White Pine and Eureka County economies and the Nation's economy.

<u>Data Available</u>

1. Standards and Guidlines for the White Pine Management Area and the Forest wide standards and guidelines are outlined in the Humboldt National Forest Land and Resources Management Plan.

2. Range environmental analysis data collected in 1964 for the Treasure Hill Allotment will help in determining a change in grazing capacity, if any, as a result of mining on the Forest.

3. Visual quality information is on hand for the land administered by the FS.

4. Monte Cristo Wild Horse Territory Management plan prepared July 20, 1977.

5. There is little wildlife study data on hand for lands administered by the FS and BLM, most of the available data is big game data.

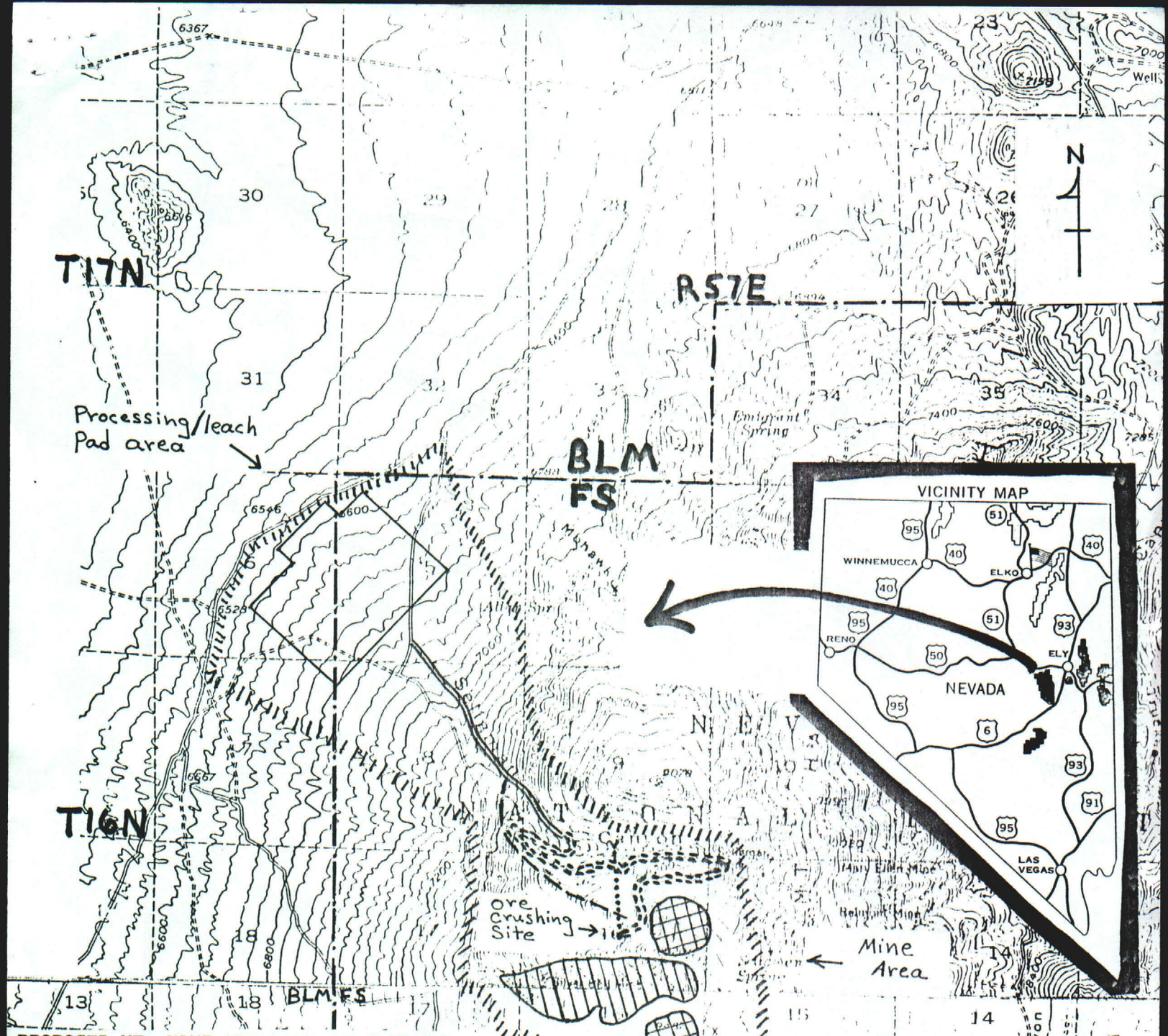
Data Needs/Collection

Technical reports are being prepared to provide supplemental data for cultural resources, threatened and endangered plants and animals, wildlife habitat, soil and water resources, socio-economic conditions, geotechnical engineering, and reclamation potential. This data will be used in the environmental document to address identified issues, concerns, and opportunities.

Public Participation

Interested persons, organizations, and agencies are encouraged to participate in this environmental review process by providing written or verbal comments on the possible issues, concerns, opportunities, and alternatives that should be addressed. Westmont's proposed Mt. Hamilton Mine development Plan of Operations is on file at the Ely Ranger Station, Humboldt National Forest Supervisor's office in Elko, and the Ely District BLM office. This plan may be viewed during business hours (7:30 am to 4:30 pm). All written and verbal comments regarding this proposal should be received by November 14, 1988 at the following address and telephone number:

Mr. Rene P. Demeule
USDA Forest Service
Ely Ranger Station
350 East 8th Street
P.O. Box 539
Ely, Nevada 89301
(702) 289-3031



PROPOSED MT. HAMILTON MINE DEVELOPMENT

Westmont Gold, Inc.
Plan of Operations #12-04-88
White Pine Division
Ely R.D., Humboldt N.F.
White Pine County, NV

Project Study Area bdy. . . . . ////////
Ore processing/leach pad area . . . . . ——
Waste dumps . . . . . ⬭
Open pits . . . . . ⬭
Ore Transportation Methods being considered:
1) Haul road . . . . . ═══
2) Overland conveyor system . . . . — — —
3) Incline/vertical raise/conveyor system • • • •

Scale: Approx. 1 5/16 inches = 1 mile
September 19, 1988
by: S. Wyatt