

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

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**WEST PORT ENERGY, LLC  
6619 N. SCOTTSDALE RD.  
SCOTTSDALE, ARIZONA 85250**

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BLM YUMA FIELD OFFICE  
2014 NOV 4 PM 11 46**

**MINE PLAN OF OPERATIONS  
(MPO)**

**WPE PLACER GOLD PROJECT  
LA PAZ COUNTY, ARIZONA  
October 31, 2014**

**BY: CRAIG WIITA, MEMBER  
WEST PORT ENERGY, LLC**

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

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## EXECUTIVE SUMMARY

**This Mine Plan of Operations is being submitted to the Bureau Land Management (BLM) by West Port Energy LLC for the WPE Gold Project in order for West Port Energy to be granted permission by the BLM to operate a quarrying operation on an area not to exceed five acres on its WPE #1 and #2 Claims located in La Paz County, Arizona.**

### **SCOPE**

The proposed mining or quarrying operations will be comprised of excavating ore material, then concentrating the excavated material down to 50%. Therefore two tons will now be one ton of ore material that will be trucked off-site away from the BLM land to be further processed on private commercially zoned property in Ehrenberg also in La Paz County, Arizona.

When the ore material is trucked offsite all processed ore material that has only been subjected to gravity separation and no chemicals will be returned to the BLM land to be back filled into its original trench.

It is the intent of West Port Energy, LLC to have an ongoing system of excavation and backfilling reclamation with no milling or processing on BLM land to have the absolute minimum net effect to the land, wildlife habitat while providing up to 60 new jobs in La Paz County in Arizona.

### **VALIDATION FOR REQUEST TO OPERATE:**

- The West Port gold property is a past producing gold property from alluvial-placer and altered host rock sources
- The phase 2 exploration and sampling program was completed during April to June 2014 and provided strong indications of an economically viable ore body.
- An inferred mineral resource under N.I. 43-101 of 2,437,500 tons has been calculated to be in situ

## EXECUTIVE SUMMARY

### LOCATION AND CLAIM DESCRIPTION

The project is accessible by 2 miles of dirt access roads off of paved roads accessed by the I-10 which is 20 miles east of Blythe CA. Palm Springs is a 140 miles west of the site and Phoenix is 130 miles east. West Port Gold is located 7 miles south of the Copperstone Gold Mine where during 1987 and 1993 Cyprus Gold profitably open pit mined over 500,000 ounces of gold.

The West Port Gold Project consists of the WPE #1, #2, Claims of federal placer gold and sub-surface mining claims in the heart of the Middlecamp Mining District, located near Quartzite AZ. WPE #1 AMC 365305 and WPE #2 AMC 364925 were both recorded August 28<sup>th</sup>, 2013. The claims are 660 feet east to west by 1320 feet north to south 20 acres. These claims are located in an un-surveyed area of Section 28 Township 4 North Range 20 West. Therefore, due to this area being not having a completed survey, West Port Gold contracted Mark Sidler a Registered Professional Land Surveyor in AZ, CA NM and NV and a Certified Federal Surveyor (CFedS) of Lemme Engineering Inc. to perform the survey.

### GEOLOGY

The Middlecamp and Dome Rock Mountains that surround the property are comprised of Precambrian and Mesozoic granitic rocks in complex association to intensely folded Paleozoic and Mesozoic strata over metamorphosed Mesozoic sedimentary, volcanic and granitic rocks. Quartz diorite to rhyodacite intrusives are prevalent across the area.

Quartz epidote schists seen may have been derived from metamorphic deformation of the quartz diorite. The Middlecamp Quartz Monzonite is the most prevalent outcroppings in the area and is the second oldest rock unit in the Quartzsite area, and is believed to be middle Jurassic age (172 to 165 million years old) based on similarity to plutons of this age in the same region (e.g., Crawl, 1979; John, 1981; Yeats, 1985).

### INFRASTRUCTURE

Infrastructure is not existent on the WPE #1 & #2 Claims, though necessary services are readily available in Blythe and or Ehrenberg, some 20 and 7 miles away.

### CLIMATE

Generally the climate of the region is extremely arid, having an average of 4.5 inches of rainfall per year. The summers are extremely hot and have moderate winters, with an average mean temperature of 70.9 degrees. Typical desert scrub and cactus is prevalent across the arroyos and washes, with the Mountains incised by washes up to an elevation of 2,000 feet. The property sits in a broad wash where alluvial cover is prevalent. The climatic conditions and the accessibility readily allows for at least 300 days of onsite operations per year.

## **EXECUTIVE SUMMARY**

### **HISTORY**

It is known that there was mining activities in the district as early as 1866. The Middlecamp District was inspected by mining engineer George D. Stonestreet around 1917. His work indicated that there were considerable reserves of gold and a large total volume of material. In 1929 another mining engineer named F. W. Remy examined the district with similar conclusions. In 1932 there were two small companies that attempted working the placers on a large scale. The American Coarse Gold Corporation built a plant that included a dragline excavator and two Cottrell concentrating tables. This operation lasted only a few weeks, as more water than anticipated had to be hauled to the site from Quartzsite due to losses when washing the gravels.

In 1985 a company called Desert Gold Properties, out of Littleton, Colorado got approval through BLM to operate a “Proprietary Dry Concentrator” at Middlecamp. Meyer Resources of Nevada took over the lease of the property, and began operations about 1986. They operated through 1988 when again the price of gold could not support a dry operation with only an estimated 60% recovery. In recent history, the Copperstone gold mine operated between 1987 and 1993 Cyprus Gold profitably open pit mined over 500,000 ounces of gold. American Bonanza Corporation has just re-opened the Copperstone Mine for its lode gold reserves.

### **PREVIOUS EXPLORATION WORK:**

Wiita Mining of Blythe Ca has worked the property intermittently since acquisition in 2005. West Port undertook the Phase 1 property due diligence and thorough sampling program October 5<sup>th</sup> through 7<sup>th</sup> of 2012. During which time, mini-bulk samples of potentially gold bearing placer gravels were taken across the 2640 foot X 660 foot alluvial gold bearing channel observed on the claim.

Approximately 65 lbs. per bucket of material was dug and shipped in sealed buckets to Rare Metals LLC Independent testing facility in 29 Palm, CA. A total of 16 buckets were shipped. Additionally, 18 random grab samples were acquired from the mini-bulk sample sites on the property.

### **MINESTAFFING**

The number of mine operations employees (excludes off site processing Plant and Administration) will vary depending on processing plant through put, though is expected to create an additional 40-60 good paying jobs in La Paz County, AZ. At peak operations the total mining staff associated with the WPE Placer Gold Project is estimated between 65-100 employees. The majority of these positions are expected to be filled by the local labor pool. Positions where the local labor pool does not have the skill set will be offered to available labor pools in surrounding areas.

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## **INTRODUCTION**

The subject of this Mine Plan of Operations (MPO) is the WPE Placer Gold Project. West Port Energy, LLC holds 100% leasehold interest in the WPE Placer Gold Project. West Port Energy, LLC is the leaseholder of the mining claims. The project herein is referred to as the WPE Placer Gold Project.

The United States operating entity for the WPE Placer Gold Project is West Port Gold which is 100% owned by Westport Energy, LLC.

West Port Energy LLC is proposing the development of a 500 ton per day (150,000 ton per year) above ground, open pit operation that will produce between 5,000 – 10,000 ounces of gold per year for 10 – 15 years.

Recent exploration activities have confirmed, and identified the availability of 2.4375 million tons (MT) of gold bearing alluvial gravels, which based on 150,000 tons per year gives the project an approximate 16 year life. (See New Project Overview Section)

Approximately 24 – 30 people will be employed full time during the construction of the haul roads, and construction of the wash plant, which will be located on private property. These 24 – 30 employees will be employed year round upon start of operations. The majority of the construction and mine crews are expected to come from the local area; however, some may also come from other areas depending on skill levels available in the local communities.

The proposed WPE Placer Gold Project will be designed and operated to minimize potential direct, indirect, and cumulative impacts related to land use, population density or growth, and related effects on air, water, and other natural systems. Haul roads will utilize existing roads where possible. The processing plant will be set up off site on private property.

## **ENVIRONMENTAL JUSTICE**

West Port Energy, LLC makes reference to the BLM Environment Justice to be applicable to the WPE Placer Gold Project in La Paz County, AZ.

Executive Order (EO) 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, directs federal agencies to identify and address disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority and low-income populations. Executive Order (EO) 13045, Protection for Children from Environmental Health Risks and Safety Risks, directs federal agencies to identify and address environmental health risks or safety risks that may disproportionately affect children.

Low-income populations are present within La Paz County and the Town of Quartzite, but not at levels (i.e., 10 percent over the national poverty level) that warrant their classification as such for purposes of environmental justice considerations (BLM 2006). Minorities constitute approximately 36 percent of the total population of La Paz County, which exceeds the state minority population by 10 percent, therefore meeting the standard for having a minority environmental justice population (BLM 2006).

The proposed WPE Placer Gold Project is located just over 1 mile east of the eastern boundary of the CRIT Reservation. The CRIT economy is centered on agriculture, recreation, government, and light industry. In 2000, approximately 2000 people lived on the reservation. Approximately 27 percent of CRIT residents are below the poverty threshold. No children live in the vicinity of the WPE Placer Gold Project site. The site perimeter is currently marked and will be fenced with security staff prior to operations commencing pending the approval of the Mining Plan of Operations.

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

**OWNER AND OPERATOR**

**LEASE HOLDER:**                   **WEST PORT ENERGY, LLC.**  
**6619 N. SCOTTSDALE RD.**  
**SCOTTSDALE, AZ 85250**

**OPERATOR:**                       **WESTPORT GOLD**  
**6619 N. SCOTTSDALE RD.**  
**SCOTTSDALE, AZ 85250**

**PROJECT CONTACT:**           **CRAIG WIITA**  
**VICE PRESIDENT OF OPERATIONS**  
**WESTPORT GOLD**  
**760-424-6504**  
**[westportgold@gmail.com](mailto:westportgold@gmail.com)**

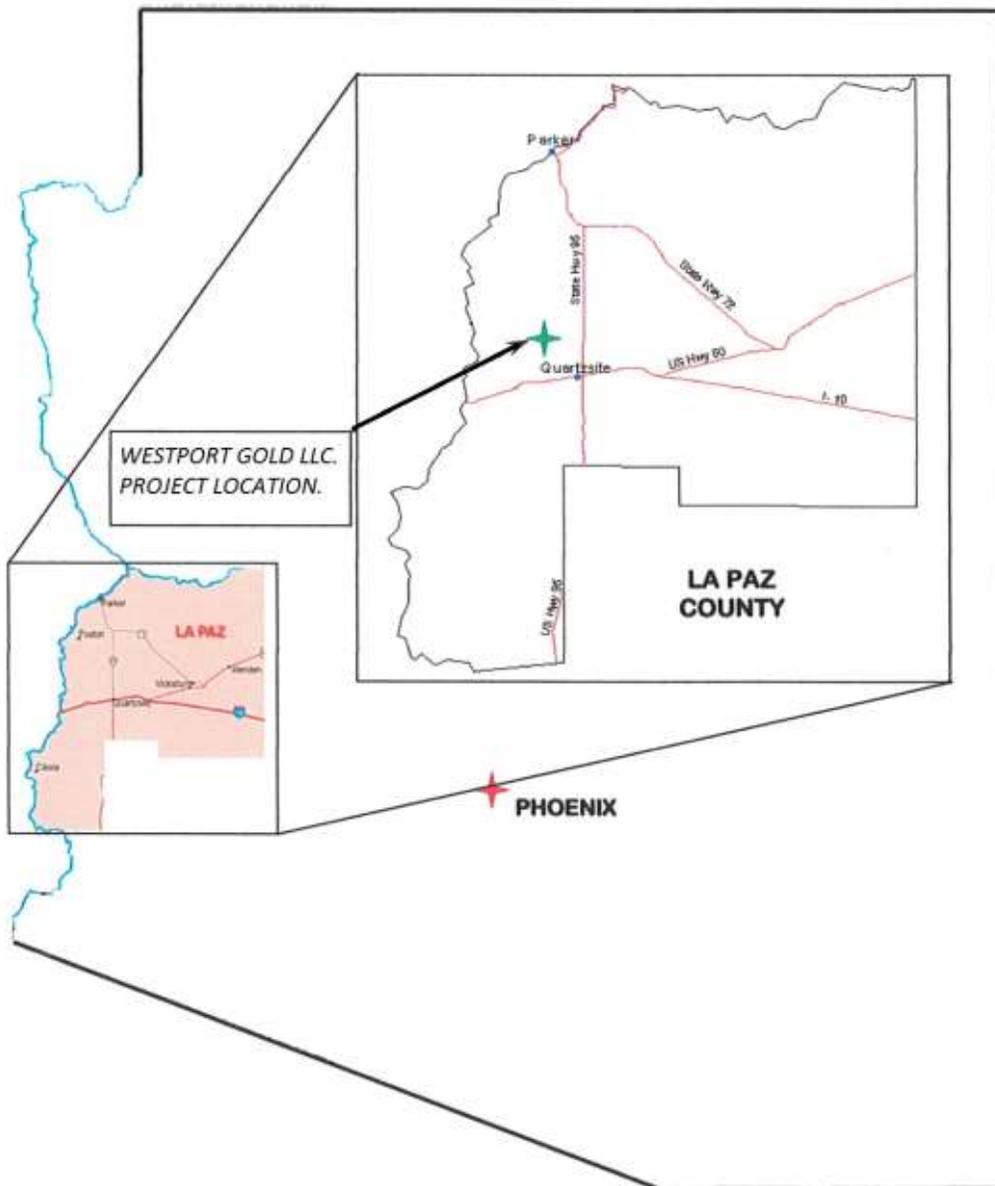
**AUTHORIZED FIELD REP:**   **CRAIG WIITA**

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

## PROJECT LOCATION, ACCESS AND AREAS OF OPERATION

The WPE Placer Gold Project is located in La Paz County, Arizona. Approximately 6 miles west of Quartzsite, Arizona (see figure 1).

**FIGURE 1 – WPE PLACER Gold Project location**





MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
 WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

**CLAIM LEASE FILING – WPE #1**

West Port Energy LLC's copies of mineral leases recorded and current with BLM, and La Paz County. (See below and next 3 pages)

2014-00086  
 Page 1 of 2  
 Requested By: Chris Wills  
 SHELLY D BAKER, REORDER  
 OFFICIAL RECORDS OF LA PAZ COUNTY, AZ  
 01-13-2014 12:38 PM Recording Fee \$10.00

AMENDED NAME AMC 365305

LOCATION NOTICE FOR PLACER MINING CLAIM

NOTICE IS HEREBY GIVEN that the WPE #1

\_\_\_\_\_ placer mining claim has been located by  
CRAIG S. WILTA whose current mailing  
 address is 5915 COLORADO RIVER RD.  
BLYTHE, CA. 92225

BLM  
 Date  
 Stamp

RECEIVED  
 2014 AUG 29 PM 12:40  
 CLERK'S OFFICE  
 LA PAZ COUNTY, ARIZONA

The general course of this claim is 1320' N-S 660' E-W and it is situated in  
LA PAZ County, Arizona.

This claim is 1320 feet in length and 660 feet in width. This claim runs from the  
 location monument on which this location notice is posted approximately 1320 feet in a NORTHERLY  
 direction to the NORTH end line and 660 feet in a WESTERNLY direction to the WEST end line.  
 This claim is marked by four monuments, one at each corner of the claim.

The location monument on which this notice is posted is situated within Section 28, Township  
4 N, Range 20 W, Gila Salt River Base and Meridian, Arizona. This claim encompasses  
 portions of the following legal subdivision(s) if located by legal subdivision or the following quarter section (s),  
 section (s), Township (s) and Range (s): NW 1/4 OF SECTION 28, T4N  
R.20W, Gila Salt River Base and Meridian, Arizona.

The locality of this claim with reference to some natural object or permanent monument and additional  
 information (if any) concerning its locality are as follows: THE SW CORNER IS  
LOCATED 3960 FEET NORTH OF GOVERNMENT  
SURVEY BRASS CAP 29 28  
32 23

DATED AND POSTED on the ground this 28 day of AUGUST, 20 13

LOCATOR (s) CRAIG S. WILTA / C.S.W.P.

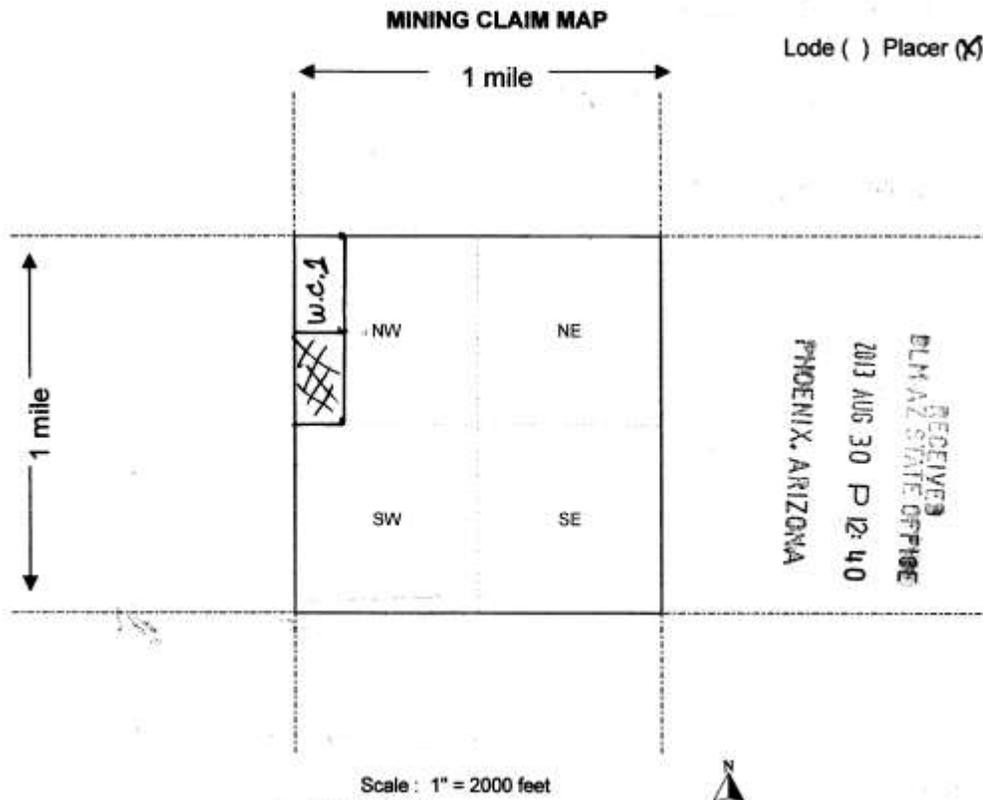
Form MC 1102  
 Revised July 2005

This form is available from the Arizona Department of Mines & Mineral Resources and may be reproduced.

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

CLAIM LEASE FILING – WPE #1 cont'd

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Scale : 1" = 2000 feet

1. The above map depicts the WPE # 1 mining claim, which is located in Section (s) 28, Township 4 N, Range 20 W, Gila and Salt River Base and Meridian, LAPAZ County, Arizona.
2. The type of corner and location monuments used are as follows: WHITE 4x4 WOODEN POSTS. BRASS CAPS AT ALL 4 CORNERS
3. The bearings and distances in degrees and feet between claim corners are as depicted on the map.

Form MCF100a  
Revised July 2005

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MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

CLAIM LEASE FILING – WPE #2

2014-00067  
Page 1 of 2  
Prepared By: Craig Witta  
SMELLY & BAKER, RECORDER  
OFFICIAL RECORDS OF LA PAZ COUNTY, AZ  
01-03-2014 12:38 PM Recording Fee \$10.00

AMENDED NAME AMIC 364925

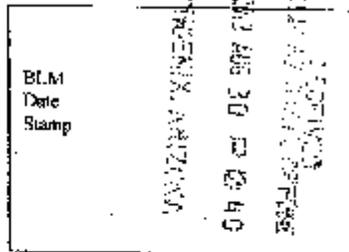
LOCATION NOTICE FOR PLACER MINING CLAIM

NOTICE IS HEREBY GIVEN that the WPE #2

placer mining claim has been located by

CRAIG WITTA whose current mailing

address is 5915 COLORADO RIVER RD.  
BLUHE, CA. 92225



The general course of this claim is 1320 N-S, 660 E-W and it is situated in  
LA PAZ County, Arizona.

This claim is 1320 feet in length and 660 feet in width. This claim runs from the  
location monument on which this location notice is posted approximately 1320 feet in a NORTHERLY  
direction to the North end line and 660 feet in a WESTERLY direction to the WEST end line.  
This claim is marked by four monuments, one at each corner of the claim.

The location monument on which this notice is posted is situated within Section 28, Township  
4 N, Range 20 W, Gila Salt River Base and Meridian, Arizona. This claim encompasses  
portions of the following legal subdivision(s) if located by legal subdivision or the following quarter section (s),  
section (s), Township (s) and Range (s) NW 1/4 OF SECTION 28, T4N,  
R20W, Gila Salt River Base and Meridian, Arizona.

The locality of this claim with reference to some natural object or permanent monument and additional  
information (if any) concerning its locality are as follows: THE SW CORNER IS  
LOCATED 1980 FEET SOUTH OF GOVERNMENT SURVEY  
BRASS CAP 29/28  
32/33

DATED AND POSTED on the ground this 28th day of AUGUST, 2013.

LOCATOR (s) CRAIG S. WITTA / C. WITTA

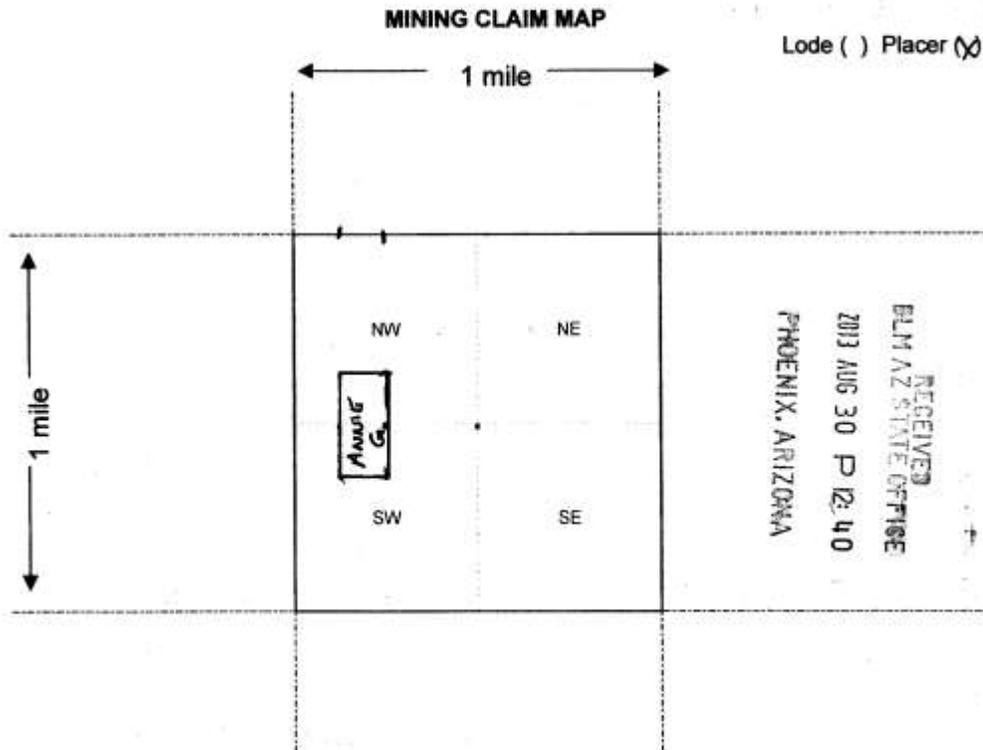
Form MCL102  
Revised July 2005

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MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

CLAIM LEASE FILING – WPE #2 cont'd

2014-00087 01-13-2014 12:38 PM Page 2 of 2



1. The above map depicts the WPE #2 mining claim, which is located in Section (s) 28, Township 4 N, Range 20 W, Gila and Salt River Base and Meridian, LA PAZ County, Arizona.
2. The type of corner and location monuments used are as follows: WHITE 4x4 Posts  
SURVEYED BRASS CAPS AT ALL CORNERS
3. The bearings and distances in degrees and feet between claim corners are as depicted on the map.

Form MCF100a  
Revised July 2005

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**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

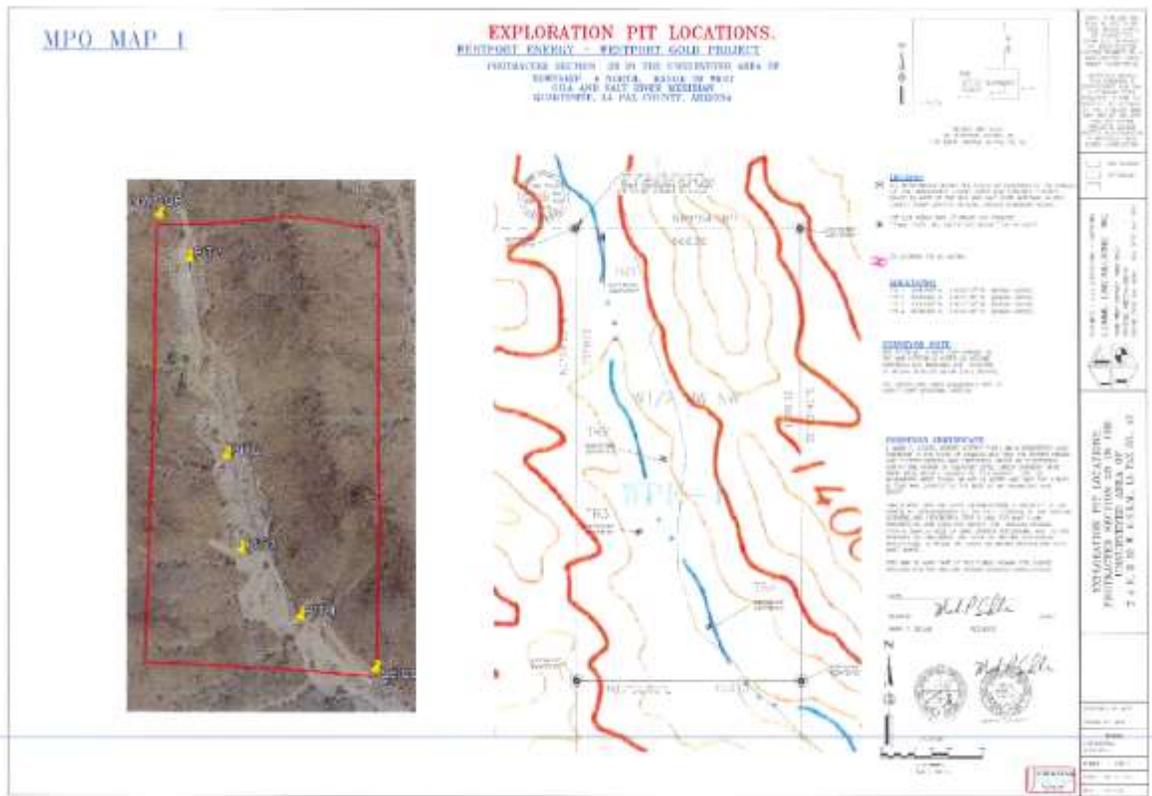
## **BUREAU OF LAND MANAGEMENT**

The claims named in this project are (2) 20 acre unpatented placer mining claims located in Section 28 of Township 4 North, Range 20 West of the Gila and Salt River Meridian. BLM holds all surface and mineral rights jurisdiction in this section.

The Arizona Mining Claim serial number for the WPE # 1 is AMC365305, and WPE #2 is AMC364925. All four corners are marked with brass caps. These claims were surveyed by Mark Sidler, Registered Professional Land Surveyor, AZ, CA NM, NV and Certified Federal Surveyor (CFedS) of Lemme Engineering Inc. (Please see map on following page)

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

BUREAU OF LAND MANAGEMENT – WPE MAP



Please see same map on following page.



## **MINING AGREEMENTS**

West Port Energy, LLC holds 100 % leasehold interest in the WPE Placer Gold Project. The WPE # 1 claim has been held, in good standing, by Craig Wiita since 2005, the WPE # 2 was acquired in 2013. Both claims were quit claimed to Westport Energy for a 25% stake in the company on August 30th of 2013.

These leases are renewable annually through BLM. West Port Energy is obligated to pay for all bonding, permitting, insurance, and taxes, and is obligated at West Port Energy's expense to reclaim all areas disturbed in this project as well as any legacy damage currently existing on these claim on conclusion of this mining project.

## **MINING & EXPLORATION BACKGROUND**

There has been sporadic prospecting in the Middlecamp mining district since 1866. The miners who arrived at La Paz after the best ground was staked out had the choices: work marginal ground and hope for the best, or strike out into the hills to look for new placers. Not long after that the prospectors who chose the latter option reported back that new placer ground had been discovered on the east side of the Dome Rock Mountains. The first of these areas to be located and mined was called Campamento En Medio, as it was halfway between the east and west sides of the mountains. The English translation of Middlecamp is what we know this area as today.

The Middlecamp Mining District was inspected by a mining engineer, George D. Stonestreet in 1917. His work indicted that there were considerable reserves of gold and a large total volume of material. In 1932 there were two small companies that attempted working the placers on a large scale.

The American Coarse Gold Corporation built a plant that included a dragline excavator and two Cottrell concentrating tables. This operation only lasted a few weeks, as more water than anticipated had to be hauled to the site from Quartzsite due to absorption losses when washing the gravels.

The La Paz Cholla Mining Company also attempted operations here in the same year, on ground leased from Middlecamp Placer Gold Inc. This operation used a 3.5 cubic yard capacity dragline excavator to feed gravels recovery settling tanks were used to minimize the amount of water that needed to be hauled from Quartzsite, but the operation also failed in only a few weeks because of the high water absorption rates of the gravels using up too much water.

In the 1930's a group of miners tried a dry washing operation in the district. One member of the group brought a black sample to a local Assayer which came back with a staggering 53.75 ounces of gold per ton. Little else is known about this operation.

By 1983, the price of gold dictated that another generation would try to get some of the gold held by the hills of Middlecamp. By 1985 a company called Desert Gold Properties of Littleton, Colorado, filed paperwork with the Bureau of Land Management and the Arizona State Mine Inspectors Office to operate a "Proprietary Dry Concentrator" at Middlecamp.

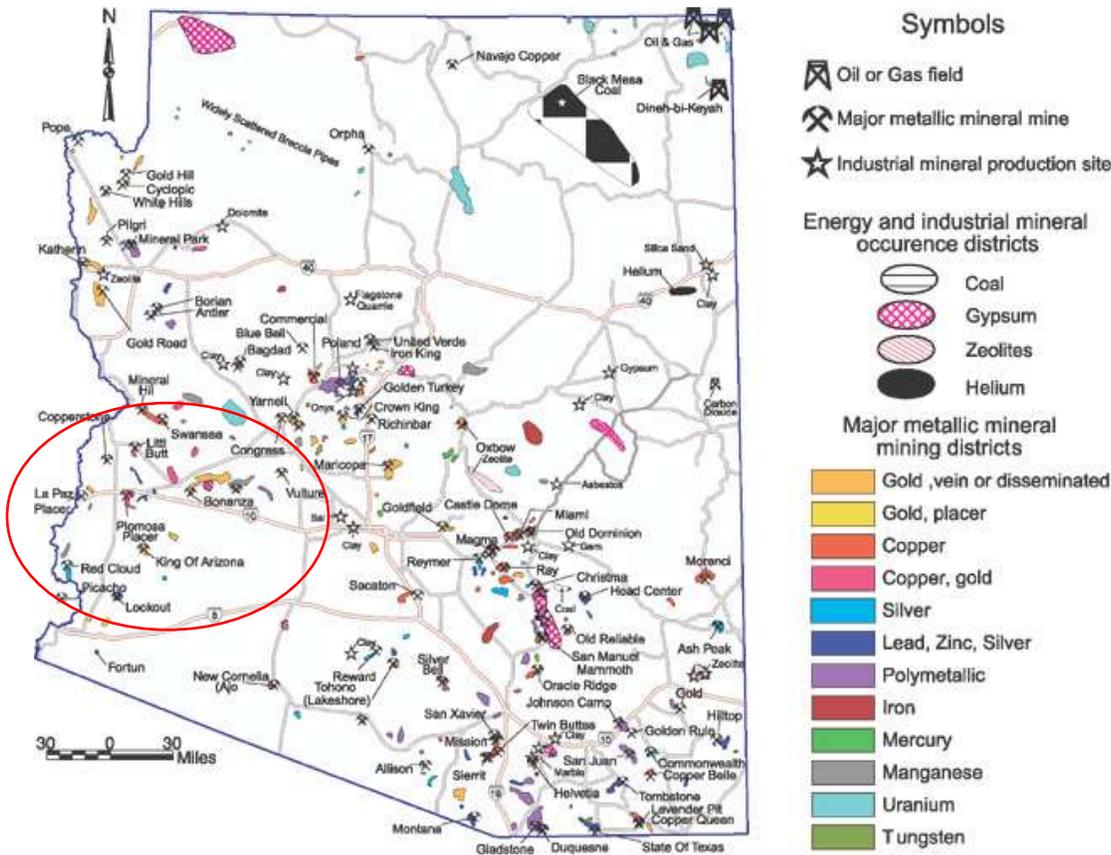
**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

**MINING & EXPLORATION BACKGROUND**

Meyer Resources of Nevada took over the lease in 1986 and began operations the same year using the dry concentrator system. With a less than 40% recovery they shut down in 1988. These claims were privately held through the 1990’s and early 2000’s when in 2004 Craig Wiita started prospecting this area. In 2005 Craig Wiita purchased the claims and started a professional exploration on these claims.

After identifying numerous residual placer deposits Wiita put the claims under official “Notice of Exploration Intent” Bond #AZ A036187 to bulk sample 1000 tons of material from (4) four trenches up to 30 feet deep. This bulk sampling proved the anticipated values of these claims. Wiita partnered with Westport Energy. In 2013 they began an extensive Assay program which included chip sampling the trenches along with hundreds of 50 lb. alluvial gravel samples.

This Assay program defined exactly where the value of those occurrences of gold ran and the value of those occurrences. This program identified over 2.437 million tons of gravels identified to be carrying economically viable ore.



**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

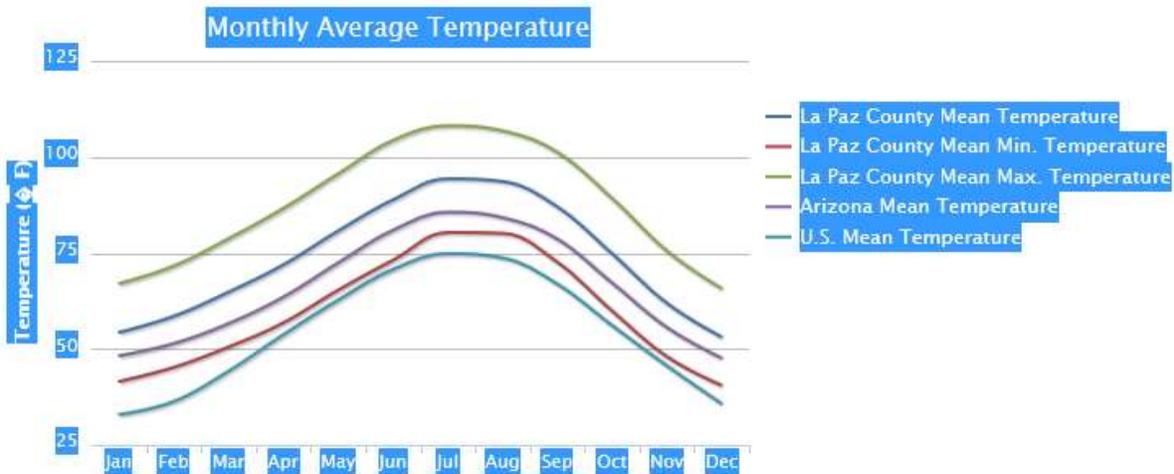
**CLIMATE**

Meteorological records for the immediate vicinity of the WPE Placer Gold Project are from 1908 to 2013 obtained from Western Regional Climate Center’s website. Quartzsite average annual precipitation is 3.83 inches per year. The average low temperature is 57.1 degrees F. and the average high temperature is 87.4 degrees. The elevation is 879 ft. (268 m) above mean sea level (MSL).

The climatic conditions in and around Quartzite, AZ will allow for a minimum annual number of days for production of 300 for the quarrying and excavation operation on the less than 5 acres at the WPE #1 Claim.

**Quartzite Monthly Climate Summary Period of Record: 5/ 1/1908 to 2/28/2013**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
<b>Average Max. Temperature (F)</b>	65.7	70.7	78.4	86.6	95.8	104.7	108.8	107.1	101.5	89.7	75.3	65.0	87.4
<b>Average Min. Temperature (F)</b>	36.9	41.5	47.4	54.6	63.5	72.5	80.5	79.4	70.9	57.1	44.2	36.9	57.1
<b>Average Total Precipitation (in.)</b>	0.50	0.65	0.37	0.19	0.06	0.08	0.49	0.82	0.52	0.38	0.34	0.59	4.98
<b>Average Total Snow-Fall (in.)</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
<b>Average Snow Depth (in.)</b>	0	0	0	0	0	0	0	0	0	0	0	0	0



**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
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## TEMPERATURE

Minimum Temperatures in Quartzsite usually occur in December and January and average 39 degrees F. (3.9 C). Maximum temperatures usually occur in July and August and average 108 degrees F. (42.2 C). The annual average high temperature is 87.1 degrees F (30.6 C). The annual low temperature is 59.7 F (15.3 C).

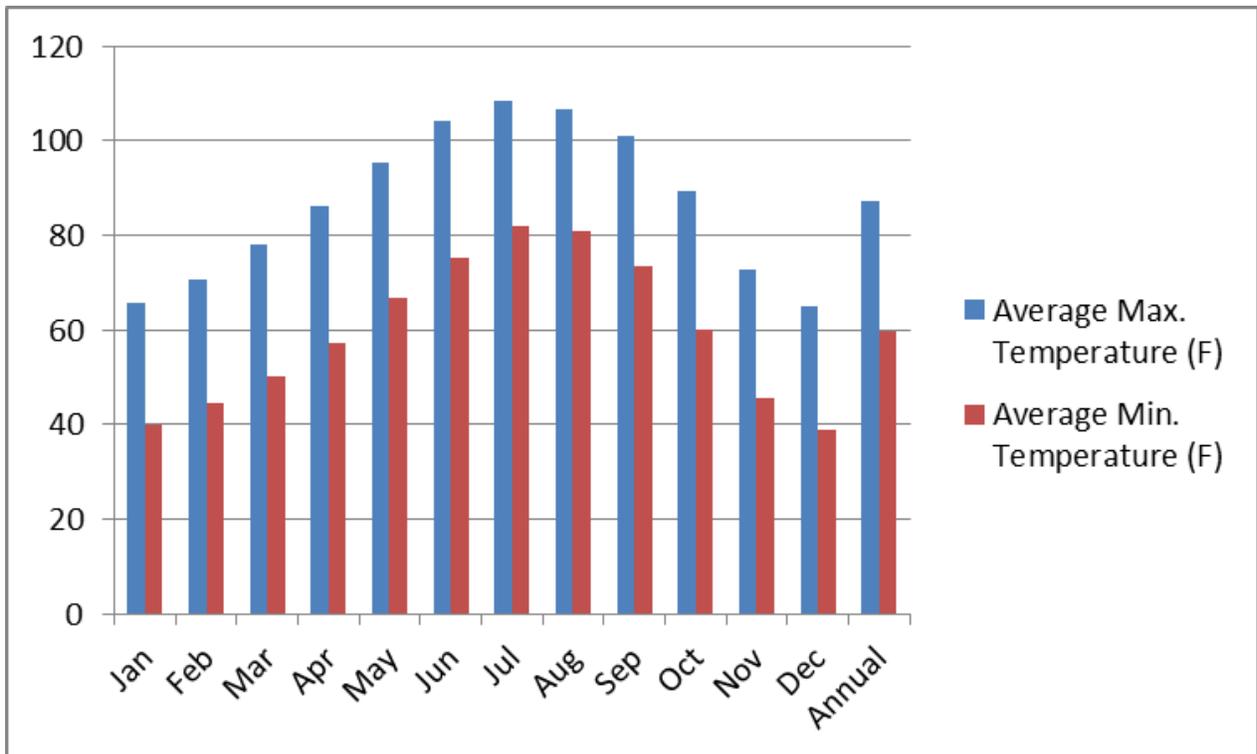
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Average Max. Temperature (F)	65.8	70.6	78.2	86	95.3	104	108.3	106.6	101	89.2	72.6	65	87.1
Average Min. Temperature (F)	39.8	44.4	50.3	57.1	66.6	75.1	82	81	73.3	60.2	45.4	39	59.7

### Annual Average Humidity

La Paz County 76.87%

Arizona 79.40%

U.S. 77.52%



**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

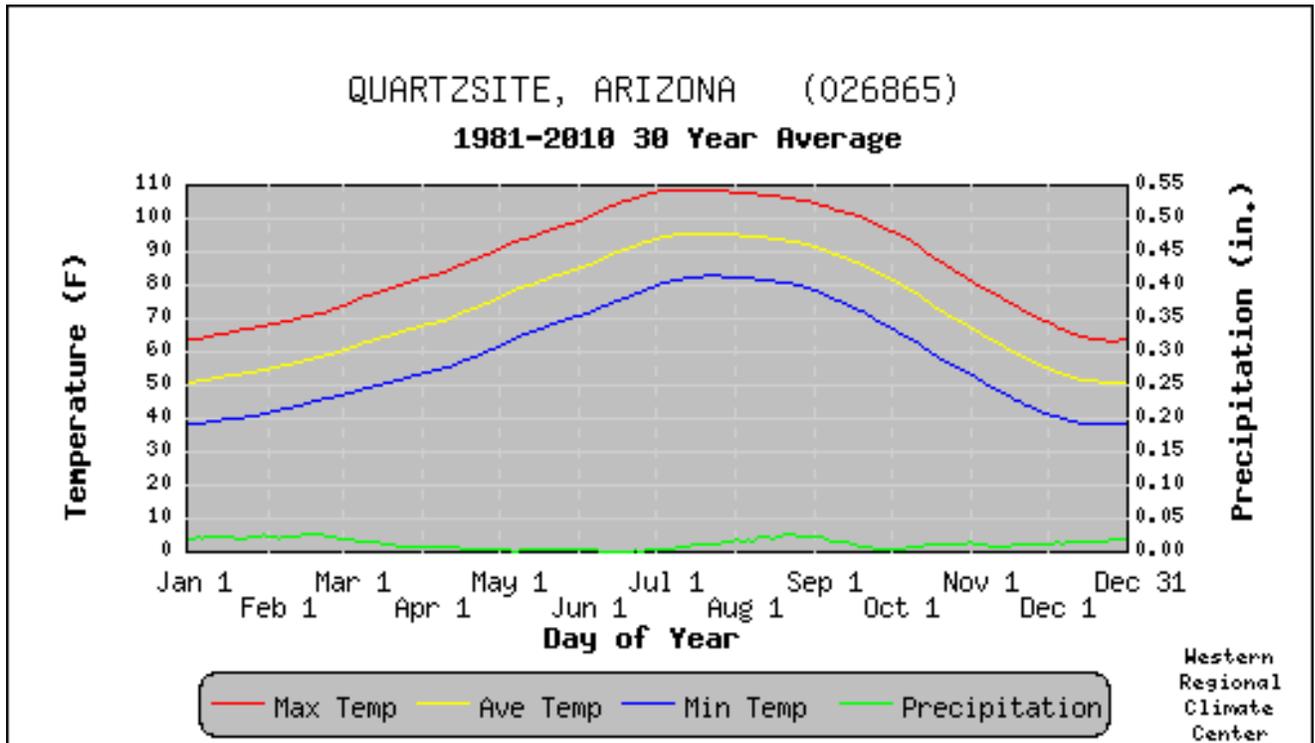
## PRECIPITATION

Annual average precipitation for the Quartzsite area is 4.06 inches (104 mm) Monsoonal rains make August the month with the most rainfall with .69 inches, (16.3 mm). June has the least rainfall with .07 inches (0 mm)

### Comparative Average Annual Precipitation:

La Paz County	4.73 inches
Arizona	11.80 inches
U.S.	38.67 inches
Quartzite Avg. monthly precipitation	

Average total Annual Precipitation: inches	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
	0.56	0.49	0.36	0.2	0.08	0.07	0.28	0.69	0.36	0.35	0.24	0.37	4.06



## GEOLOGY

The Middlecamp and Dome Rock Mountains that surround the property are comprised of Precambrian and Mesozoic granitic rocks in complex association to intensely folded Paleozoic and Mesozoic strata over metamorphosed Mesozoic sedimentary, volcanic and granitic rocks. Quartz diorites to rhyodacite intrusives are prevalent across the area. Quartz epidote schists seen may have been derived from metamorphic deformation of the quartz diorite. The Middlecamp Quartz Monzonite is the most prevalent outcroppings in the area and is the second oldest rock unit in the Quartzsite area, and is believed to be middle Jurassic age (172 to 165 million years old) based on similarity to plutons of this age in the same region (e.g., Crowl, 1979; John, 1981; Yeats, 1985).

In outcrop and hand-sample, this rock ranges from light green to greenish-brown, due to the presence of epidote and pleochroic (color changing) hornblende. In outcrop, this rock typically forms rounded, knobby-looking masses. The mineralogy of this rock, based on analysis of hand samples and thin sections, is 35 to 40 % potassium feldspar, 28 to 31% plagioclase feldspar, 20 to 25% quartz, 10 to 15% biotite mica, and traces of hornblende, titanite (sphene), epidote, sericite, chlorite, and magnetite.

It is porphyritic (having two different grain sizes). Pinkish-purple potassium feldspar phenocrysts up to ½ to 1 cm make up about 40% of the rock. Much of the feldspar has experienced variable amounts of epidote-sericite alteration, and is fractured. The other 60 % is a much finer grained matrix of quartz, feldspar, and knots of biotite. Many of these knots show signs of forming from alteration of older hornblende. In some places, this rock contains inclusions of dark rock up to 30 cm across.

The Middlecamp Quartz Monzonite is variably foliated with mineral foliation in the core of the pluton, but strongly foliated after contact with older metamorphic rock. Foliation is a metamorphic fabric of oriented minerals that gives a rock a layered look. Where the pluton contacts the older metamorphic rock it is also finer grained and there are fewer feldspar phenocrysts. This contact between the metamorphic rocks and the Middlecamp Quartz Monzonite is also hard to define due to its irregular nature.

## **GEOLOGY**

This results from the monzonite intrusion melting and fracturing the older metamorphic rocks and producing a zone of xenoliths (foreign rocks). These xenoliths of metamorphic rock in the Middlecamp Quartz Monzonite are often strongly altered to chlorite. The fractured and xenolith-rich nature of the contact required that an arbitrary boundary be set for mapping. As a result, the geologic maps show a contact where the rock transitions from < 50 % to > 50 % xenoliths in the Middlecamp Quartz Monzonite.

In many places this rock unit has been intensely sheared. These shear zones are typically a few meters wide and impart a mylonitic fabric to the rock. Locally the shear zones are particularly well developed and mineralized.

Host rocks present on the property are predominantly meta-rhyodacite porphyry, met sedimentary-volcanic assemblages and augen gneiss with some Middlecamp granite. Quartz veins, veinlets and stringers bearing gold as well as quartz flooded blow-outs are late stage epithermal events. Alteration seen includes hematitization and silicification from late stage epithermal events, most likely associated with the gold on the property.

## **HYDROLOGY**

This project will have a zero impact effect to the aquifers as there will not be any wells drilled or stored water on site.

All processing will be conducted off site on private property. By not having water on site it also reduces the possibilities of injury to wildlife habitat as standing water in the desert draws in local wildlife.

### **Groundwater Protection Plan**

There will be no wells, discharge to groundwater, or disturbance of groundwater during the course of this project. All processing will be done off-site on private property in Ehrenberg, AZ. All materials will be processed off-site at a private facility with waters used for processing remaining being recycled for additional reprocessing of ores. This will help to limit wildlife influences and surface waters pollution from ore processing. All water handling on-site will follow ADEQ regulations for minimizing surface water pollution and will be applied for under the Construction General Permit (CGP) for this project.

### **Surface Water Disturbance/Jurisdictional Waters Delineation**

All water handling on-site will follow ADEQ regulations for minimizing surface water pollution and will be applied for under the Construction General Permit (CGP) for this project. West Port Energy will apply to be covered under the Nation-wide permit, for disturbances of less than 5 acres and will request a waiver from the ADEQ.

## **PREVIOUS MINING OPERATIONS**

The mining claims involved in this project have never been included in any other commercial Plan of Operation. There is significant legacy disturbance on both mining claims, which occurred in the 1980's and 1990's. The disturbance appears to have been caused by track type bulldozer pushing off overburden, and either metal detecting, or a small processing operation. (See photo below showing indications of previous disturbance on the WPE #1 Claim)



**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## **POPULATION DEMOGRAPHICS**

Listed below are population demographics for La Paz County, Arizona. West Port Energy, LLC through its WPE Placer Gold Project will be able to significantly contribute to the local economy by way of providing direct employment to resident of La Paz and increasing the tax base.

<b>Demographics</b>	<b>La Paz County</b>	<b>Arizona</b>
Population, 2013 estimate	20,324	6,626,624
Population, 2010 (April 1) estimates base	20,489	6,392,015
Population, percent change, April 1, 2010 to July 1, 2013	-0.8%	3.7%
Population, 2010	20,489	6,392,017
Persons under 5 years, percent, 2013	4.4%	6.5%
Persons under 18 years, percent, 2013	17.4%	24.4%
Persons 65 years and over, percent, 2013	35.5%	15.4%
Female persons, percent, 2013	48.9%	50.3%
White alone, percent, 2013 (a)	77.6%	84.0%
Black or African American alone, percent, 2013 (a)	1.0%	4.6%
American Indian and Alaska Native alone, percent, 2013 (a)	17.5%	5.3%
Asian alone, percent, 2013 (a)	0.9%	3.2%
Native Hawaiian and Other Pacific Islander alone, percent, 2013 (a)	0.1%	0.3%
Two or More Races, percent, 2013	2.9%	2.6%
Hispanic or Latino, percent, 2013 (b)	24.9%	30.3%
White alone, not Hispanic or Latino, percent, 2013	60.3%	56.7%
Living in same house 1 year & over, percent, 2008-2012	85.3%	80.4%
Foreign born persons, percent, 2008-2012	13.0%	13.6%
Language other than English spoken at home, pct age 5+, 2008-2012	19.2%	26.90%
High school graduate or higher, percent of persons age 25+, 2008-2012	74.0%	85.4%
Bachelor's degree or higher, percent of persons age 25+, 2008-2012	10.0%	26.6%
Veterans, 2008-2012	3,110	530,693
Mean travel time to work (minutes), workers age 16+, 2008-2012	13.1	24.6
Housing units, 2013	16,132	2,892,325
Homeownership rate, 2008-2012	74.0%	65.5%
Housing units in multi-unit structures, percent, 2008-2012	3.9%	20.6%
Median value of owner-occupied housing units, 2008-2012	\$96,300	\$175,900
Households, 2008-2012	10,497	2,357,158
Persons per household, 2008-2012	1.93	2.66
Per capita money income in past 12 months (2012 dollars), 2008-2012	\$21,854	\$25,571
Median household income, 2008-2012	\$35,093	\$50,256
Persons below poverty level, percent, 2008-2012	20.2%	17.2%

Source: US Census Bureau State & County QuickFacts

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## BUSINESS STATISTICS

<b>Business Statistics</b>	<b>La Paz County Arizona</b>	
Private nonfarm establishments, 2012	338	131,375
Private nonfarm employment, 2012	3,843	2,134,252
Private nonfarm employment, percent change, 2011-2012	-3.5%	1.2%
Nonemployer establishments, 2012	817	413,571
Total number of firms, 2007	1,241	491,529
Black-owned firms, percent, 2007	F	2.0%
American Indian- and Alaska Native-owned firms, percent, 2007	2.7%	1.9%
Asian-owned firms, percent, 2007	F	3.3%
Native Hawaiian and Other Pacific Islander-owned firms, percent, 2007	F	S
Hispanic-owned firms, percent, 2007	S	10.7%
Women-owned firms, percent, 2007	32.0%	28.1%
Manufacturers shipments, 2007 (\$1000)	0	57,977,827
Merchant wholesaler sales, 2007 (\$1000)	65,901	57,573,459
Retail sales, 2007 (\$1000)	394,370	86,758,801
Retail sales per capita, 2007	\$19,588	\$13,637
Accommodation and food services sales, 2007 (\$1000)	37,986	13,268,514
Building permits, 2012	6	21,726
<b>Geography QuickFacts</b>	<b>La Paz County</b>	<b>Arizona</b>
Land area in square miles, 2010	4,499.63	113,594.08
Persons per square mile, 2010	4.6	56.3
FIPS Code	12	4
Metropolitan or Micropolitan Statistical Area	None	

(a) Includes persons reporting only one race.

(b) Hispanics may be of any race, so also are included in applicable race categories.

FN: Footnote on this item for this area in place of data

NA: Not available

D: Suppressed to avoid disclosure of confidential information

X: Not applicable

S: Suppressed; does not meet publication standards

Z: Value greater than zero but less than half unit of measure shown

F: Fewer than 100 firms

Source: US Census Bureau State & County QuickFacts

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## SIGNIFICANT EMPLOYERS

Based on the US Government Censtats the current annual average income for the 3,843 paid employees in La Paz County, AZ is \$27,700. The West Port Placer Gold Project will eventually employ up to 60 employees with an average annual salary of \$50,000 an increase of 80% over the current prevailing average for La Paz County. The WPE Placer Gold Project alone will increase the annual payroll of La Paz County by 3%.

NAICS Code	NAICS Code Description	No. of Paid Employees	Qtrly Payroll (\$1,000s)	Annual Payroll (\$1,000s)	Total Establishments
-----	<b>Total for all sectors</b>	<b>3,843</b>	<b>\$ 26,732</b>	<b>\$ 106,558</b>	<b>338</b>
11----	Agriculture, Forestry, Fishing and Hunting	40	D	D	1
21----	Mining, Quarrying, and Oil and Gas Extraction	15	\$ 278	\$ 1,453	6
22----	Utilities	150	D	D	7
23----	Construction	75	\$ 501	\$ 2,021	17
31----	Manufacturing	249	\$ 1,403	\$ 6,422	12
42----	Wholesale Trade	159	\$ 1,145	\$ 4,508	13
44----	Retail Trade	933	\$ 5,000	\$ 19,090	80
48----	Transportation and Warehousing	75	D	D	9
51----	Information	19	\$ 235	\$ 1,044	8
52----	Finance and Insurance	74	\$ 522	\$ 2,349	16
53----	Real Estate and Rental and Leasing	71	\$ 365	\$ 1,446	21
54----	Professional, Scientific, and Technical Services	20	\$ 135	\$ 679	11
56----	Admin, Support, Waste Mgmt & Remed Serv	97	D	D	6
61----	Educational Services	20	D	D	2
62----	Health Care and Social Assistance	556	\$ 7,014	\$ 28,290	21
71----	Arts, Entertainment, and Recreation	350	D	D	4
72----	Accommodation and Food Services	841	\$ 2,884	\$ 11,006	82
81----	Other Services (except Public Administration)	99	\$ 432	\$ 1,553	22

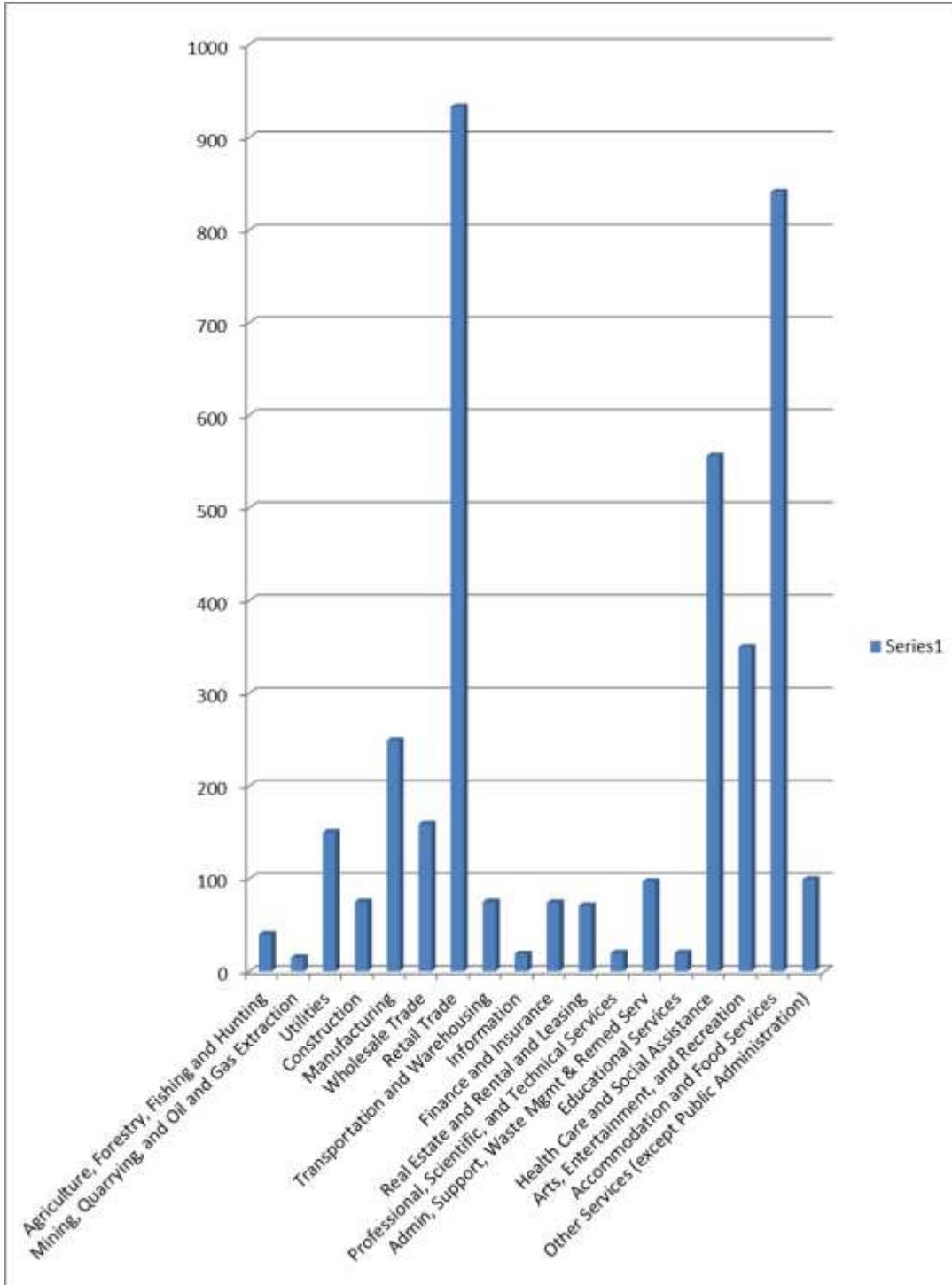
Code	Definition
a	0-19 employees
b	20-99 employees
c	100-249 employees
e	250-499 employees
D	Withheld to avoid disclosing data for individual companies - data is included in higher level totals

source: <http://censtats.census.gov/cgi-bin/cbpnaic/cbpsect.pl>

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

**SIGNIFICANT EMPLOYERS**

This graph shows the major sectors with number of paid employees for La Paz County, AZ. The traditionally lowest paid sectors of Retail and Hospitality are also the main employers.



**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## **NEW PROJECT OVERVIEW**

The WPE Placer Gold Project is an above ground, open pit project. The WPE Placer Gold Project is planning to produce between 5,000 – 10,000 ounces of gold per year for 10- 15 years.

This schedule estimates a processing plant through put of 500 tons per day, which translates into an annual plant through put of 150,000 tons per year. Recent exploration activities have confirmed, or identified the availability of 2.437 million tons (MT) of gold bearing alluvial gravels, at the annual through put estimated at 150,000 tons per year this would put an estimated project life of approximately 11 -13 years.

Approximately 24 – 30 people will be employed full time during the construction of the roads, and the off-site processing plant. These 24 – 30 employees will be continually employed year round after the start-up of operations at the mine.

A majority of the labor positions on this project are expected to come from the local area; however some may come from other areas depending on skill levels available in the local communities.

The processing plant will be constructed on private land. All waste rock (tailings) created during the project will be used for the concurrent reclamation of disturbed areas.

Mining of the ore will be conducted through conventional open pit mining techniques of size reduction through grizzlies fed by an excavator and loaded into trucks to be hauled to our off site processing facility.

All non-gold bearing tailings will then be transported back to the open pit area to be used in our concurrent reclamation of the disturbed areas.



Please see same map on following page.

## **INFRASTRUCTURE**

There is no existing onsite infrastructure on these claims. The minimal infrastructure needed for this operation consists of:

- Repairing, and widening .38 of a mile, (2,020) feet of existing mine roads.
- One (1) mobile security trailer.
- One (1) mobile employee changing trailer.
- The clearing a two areas each of four hundred (400) feet by one hundred fifty (150) feet area on the WPE #2 to store oversize rock (2''+), and storage of the top 12'' of indigenous soils, all to be used in a concurrent reclamation of disturbed areas. This keeps the annual footprint of this project to a minimum of less than 5 acres.
- Eight thousand (8000) linear feet of six (6) foot high chain link fence around the perimeter of the project. This will keep the public, and wildlife habitat safe.

West Port Gold will assume all responsibility for reclamation costs of this infrastructure on completion of this project

## OPEN PIT PLANS

The Design of the Open Pit and internal mining phases incorporates geotechnical recommendations for safe slope angles, internal ramp development for access to all working areas and pit wall smoothing to enhance stability and operator safety.

Pit slope angles could vary according to rock strength, lithology and structural controls, but are expected to range between 28 degrees and 48 degrees. Where needed, catch-benches will be made to maximize the effective widths for containing any scree material.

At the rim, the ultimate open pit will be approximately 175 feet across running east to west and at a maximum no more than 400 feet in length running north to south at any one time. The depth from top of the excavated surface area to mean bottom will average 50 to 75 feet and at no time will exceed a total depth of 100 feet.

The total pit area disturbed will be no more than 4.9 acres. A total of four conceptual mining phases or push-throughs, have been developed for a Feasibility Study of the WPE Placer Gold Project and will be used to generate the mine production schedule.

**The First Phase** or the initial starter pit, will be located at the north western corner of the WPE #1 Claim that will extend 150 feet east to west and 300 feet north to south, to a depth of 25 feet from present elevation. All corners of the WPE #1 have been surveyed and marked with brass caps in the ground at the corners by Lemme Engineering, Inc. located at 3608 W. Bethany Home Rd Phoenix, AZ.

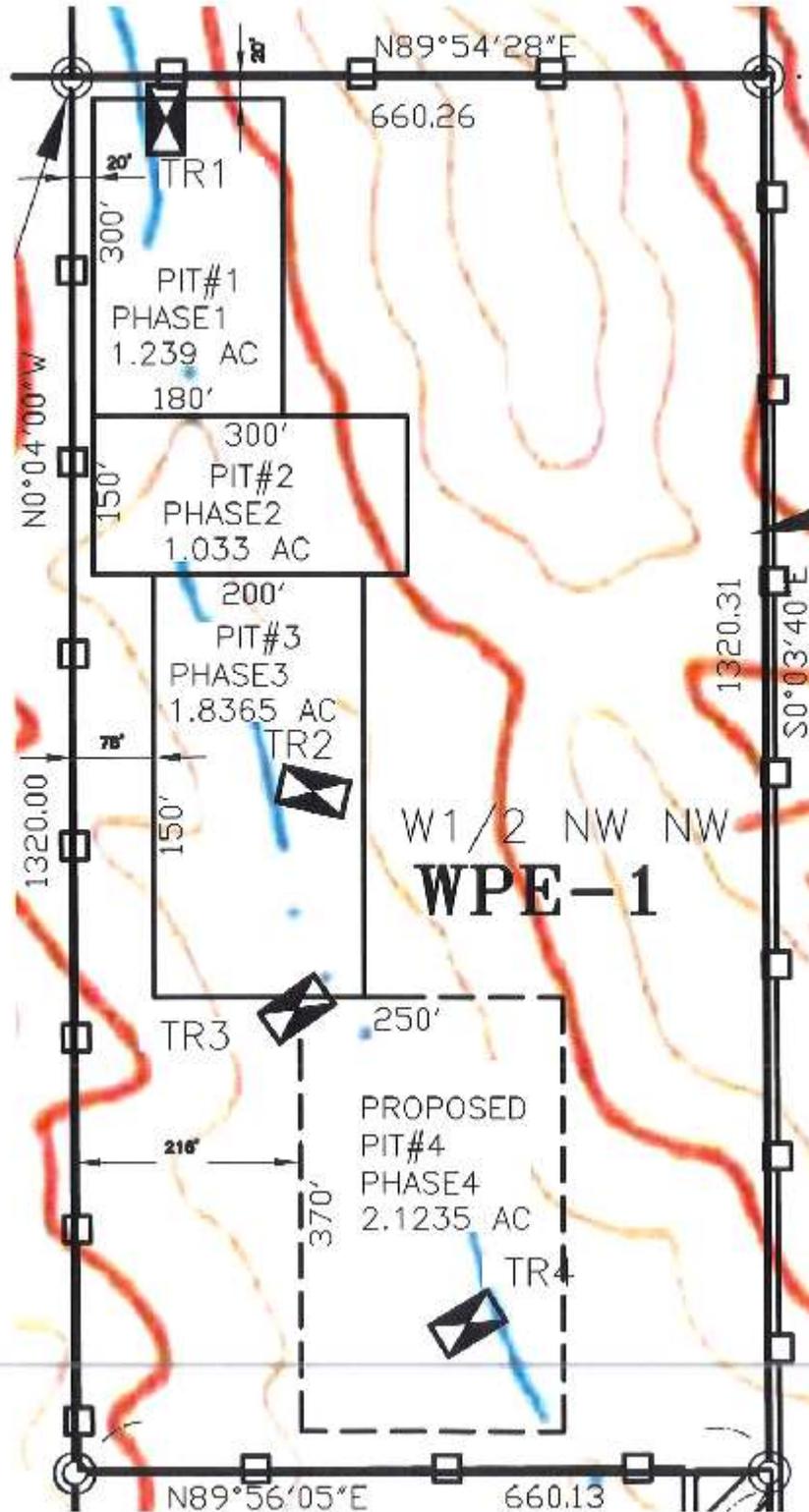
**The Second Phase** will be located in line with the phase 1 trench 300 feet from the northern boundary of the WPE #1 placer claim, proceeding the next 150 feet south and by 300 feet running east to west. This will also include starting the concurrent reclamation process on the land disturbed in Phase 1.

**The Third Phase** further extends the starter pit by 300 to the southeast and allows the concurrent reclamation of land disturbed during Phases 1 and 2. There will be an additional 1.5 acres being affected for haul roads and tailings impoundment.

**The Fourth Phase** expands the pit in a southeasterly direction to the pits southern end. On completion of the fourth phase a total reclamation project will restore the footprint to its original pre-disturbance state.

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

OPEN PIT PLANS - Location Map



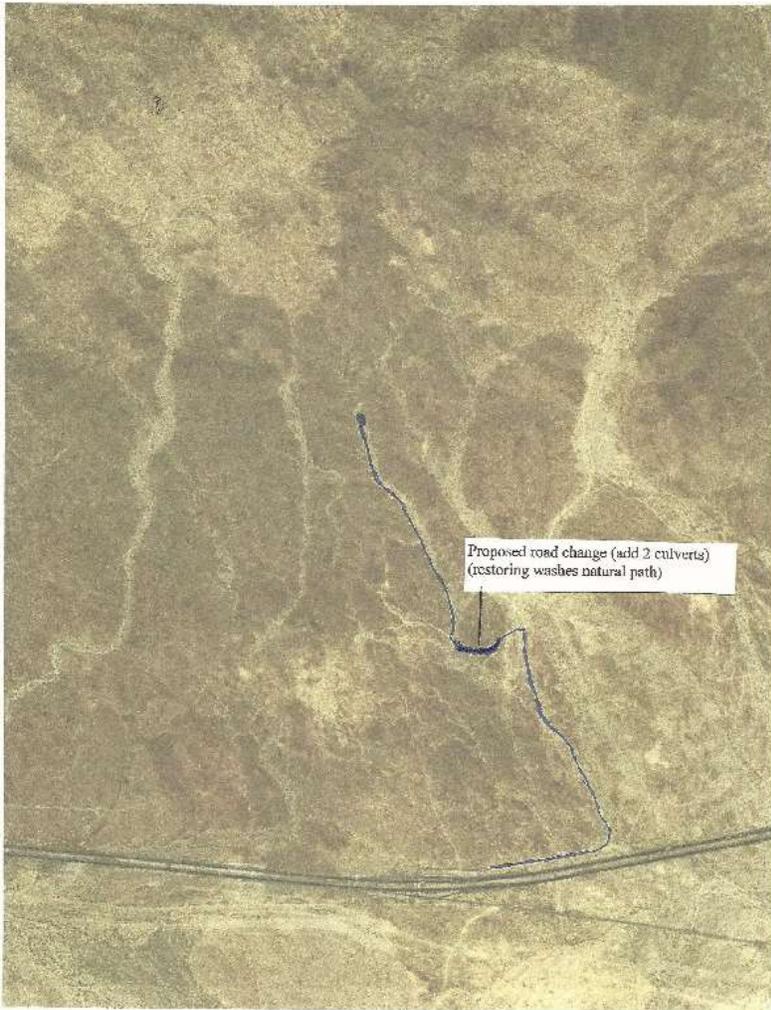
**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## **MINE HAUL ROADS**

Mine haul roads will be constructed internal to the ultimate pit limits as necessary to provide access to all working faces in the open pit. Mine haul roads will be constructed using material excavated within the open pit, typically consisting of quartz monzonite, mica schist, and xenoliths present in this mining district.

Pit haul roads will generally be 30 feet wide with one way traffic, the safety berms on each side will be ½ the height of the largest tire using the road, approximately 3-4 feet. The gradient will not exceed 6%, although short intervals may be constructed as steep as 8%. Roads will be slightly crowned to promote drainage of surface runoff to side ditches or berms.

Truck speeds will not exceed 8 mph and will usually be less than 5 mph. Truck traffic will follow the convention of left hand drive in the pit, and tailing impound areas. Dust will be suppressed by wetting the road surfaces using an On Highway 4,000 gallon water truck.



Please see same map on next page.

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## PIT PRODUCTION SCHEDULE

Ore processing is scheduled for 12 hours per day, 6 days per week, 312 days per year at the rate of 50 tons per hour, or 500 tons per day. The open pit mine will operate using the same schedule. The project will use two (2) rotating crews, each working 12 hour shifts for 3 days a week.

The projects production schedule is presented in Table 2. Preproduction stockpiling will require 30 days to prepare for full scale mine operations, training of the crews, and construction of access and haul roads, and construction of the processing plant. Peak material processing rates should be achieved by the sixth month of operation.

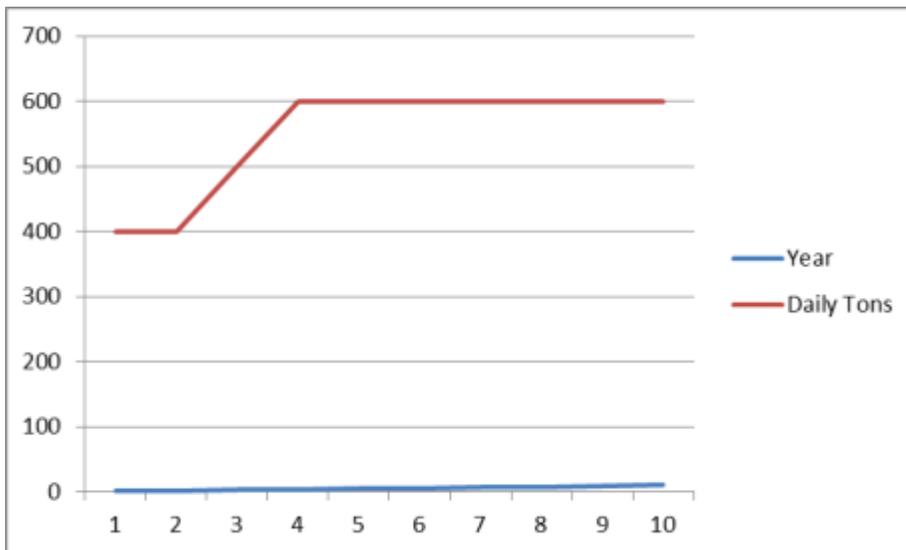
Year of Operation	Tons Processed per Hour	Tons Processed Per Day (10 hours)	Tons Processed Per Year (300 days)
1 - 2	40	400	120,000
2 - 3	50	500	150,000
3 - 6	60	600	180,000
6 - 10	60	600	180,000

Table 2. WPE Placer Gold Project Production Schedule

Notes:

All material will be processed off site on private property.

Tailings will be hauled back to mine site to be used in the concurrent reclamation process.



## **BLASTING**

The majority of ore stripping will be done with bulldozers using ripper shanks. WPE would like to only if absolutely necessary, reserve the right for using limited explosives if an ore body such as caliche layers, are encountered being too thick for the bulldozers ripper shanks to penetrate. Any explosives will be stick dynamite concentrated on areas needed, using fuse detonation. Total explosives will not exceed 1000 pounds per twenty (20) acres of project.

Access to blasting areas will be restricted to authorized personnel only, who will follow strict safety and communication procedures. Any required blasting will only be conducted during daylight hours, under the supervision of certified blasters who are either employed directly by the blasting company, or by licensed subcontractors contracted by the blasting company.

The explosives will be stored in off-site magazines which meet the Bureau of Alcohol Tobacco and Firearms security standards, and industry safety standards, and will be accessible only to authorized personnel. Explosives will be transported from the magazines to the blast site in separate vehicle.

## **ORE TRANSPORT**

The gold bearing gravels will be hauled from the open pit area, starting on the northern end of the project to the processing plant located off site on private property by On Highway haul trucks, this is an estimated distance of under 12 miles highway or off road. The roads used to get the ore to the processing plant are interstate 10 to Parker – Poston Highway.

**Actual On Highway haul truck and trailer to be used for moving the gold bearing gravels from the open pit area to the off-site commercially zoned private property for processing.**



## **WASTE ROCK**

There will not be any contaminated waste rock associated with the West Port Gold Placer Project. No ore processing will be done on site. All ore processing will be done off site at our facility located on private property.

The tailings from the processing plant will be trucked back to the project to be used in the concurrent reclamation phase of the project. The tailings from the operation will not be exposed to anything except water, and will be air dried before returning them to the property.

There will be stockpiling of 1 ½” plus rock screened off before transporting head ore to the processing facility. The 1 ½” plus rock will be used as the foundation layer in the reclamation process. Up to 12 inches of the top layer of gravel will also be stored on site for the final phase of the reclamation utilizing the indigenous seed count and proper sand/clay mixture to promote re-growth on disturbed areas.

The entire stock pile area will be located on the WPE #2 in piles not to exceed 300 feet in length, 50 ft. in width, or 25 feet in height as indicated in the tailing impoundment section in the WPE #2 bond estimate.

## **MINE EQUIPMENT**

The major pieces of mining equipment required to fulfill the production schedule are summarized in this sub-chapter, the final equipment selection and fleet sizes may vary slightly with vendor selection and future mine optimization studies.

(3) On highway trucks will be used to haul the head ore to the offsite processing facility.

(2) (580 to 850 HP) Crawler dozers w/ripper shanks will be used for ripping gravels to be loaded, maintaining roads, clearing benches, trimming pit wall faces, maintaining tailings impound, maintaining berms on roads, and re-contouring pit through the reclamation process.

(1) (600 – 900 HP) Track excavator to load the track screen used to load the on highway trucks used to haul the head ore to our offsite processing facility.

(1) Track screen to classify the gravels to be hauled, leaving the 1 ½” material on site to be used in the concurrent reclamation process.

(1) Service/fuel truck for maintenance, fueling, repairs, and escorting. Maintenance equipment will consist primarily of grease guns and tubes of grease for heavy equipment. Repair equipment will consist of welders, cutting torches, and normal heavy duty hand tools needed for repairs. Fueling equipment will consist of a 250 gallon diesel tank, tarps for protecting the ground from spills, absorption material in case of accidental spills. This will eliminate the need for an onsite stationary fuel tank reducing the possibility of a spill. Escorting equipment will be amber flashing lights to escort equipment from drop off points to the open pit for safety when the winter visitors are present.

**Table 3. Mine Equipment**

<u>Type of equipment *</u>	<u>Number of units on site</u>	<u>Horsepower</u>	<u>Hrs. of operation per wk.</u>
Caterpillar 330DL	1	250	60
Caterpillar D8T	2	317	30 for each
Track Screen	1	240	60
Caterpillar 966M	1	276	40
On Highway Haul Trucks	4	300	60 for each

On Highway Haul Trucks will haul and back haul 12 miles each way, to and from our off site processing facility in Ehrenberg, Arizona.

**\*Brand of equipment may vary due to local availability.**

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## **MINE STAFFING**

The number of mine operations employees (excludes off-site processing Plant and Administration) will vary depending on processing plant through put. Equipment operators in the pit will remain consistent. But depending on the haulage profile the number of on highway truck drivers could vary depending on through put schedule of processing plant. Generally the number of pit operations employees per shift will be 5-8 people.

The On Highway drivers will be 3 people per shift. All shifts will be 12 hours, with each crew of 3 people working 3 days for a total of 36 hours per driver a week. Sundays will be set aside for routine maintenance on pit equipment and off site processing plant and equipment used for operations at the processing plant.

The mine maintenance crew will be 2 employees, and the processing plant employees will consist of 2 employees. Additional employees for this project will include mine supervision, technical support personnel, outside consultants, which include environmental, safety, geologists, engineers, surveyors, ore control technicians, security, and administrative support personnel, which will create an additional 40-60 good paying jobs in this economically stressed area.

At peak operations the total mining staff associated with the WPE Placer Gold Project is estimated between 65-100 employees.

The majority of these positions are expected to be filled by the local labor pool. Positions where the local labor pool does not have the skill set will be offered to available labor pools in surrounding areas.

## **SEISMICITY**

The Arizona Department of Environmental Quality has published guidelines for mining project design criteria in the “Arizona Mining Guidance Manual, BADCT (Best Available Demonstrated Control Technology).” This manual sets forth recommendations for minimum standard design criteria with the interest of protecting the groundwater aquifers in the State of Arizona. According, the BADCT manual recommends design criteria for seismic hazards as follows:

The minimum design earthquake is the maximum probable earthquake (MPE). The MPE is defined as the maximum earthquake that is likely to occur during a 100-year interval (80% probability of not being exceeded in 100 years) and shall not be less than the maximum historical event. This design earthquake may apply to structures with a relatively short design life (e.g. 10 years) and minimum potential threat to human life or the environment.

Where human life is potentially threatened, the maximum credible earthquake (MCE) should be used. MCE is the maximum earthquake that appears capable of occurring under the presently known tectonic framework.

In accordance with these recommendations, there are no areas with ground motion in the area surrounding this project. As shown (figures 5-7)

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

SEISMICITY cont'd

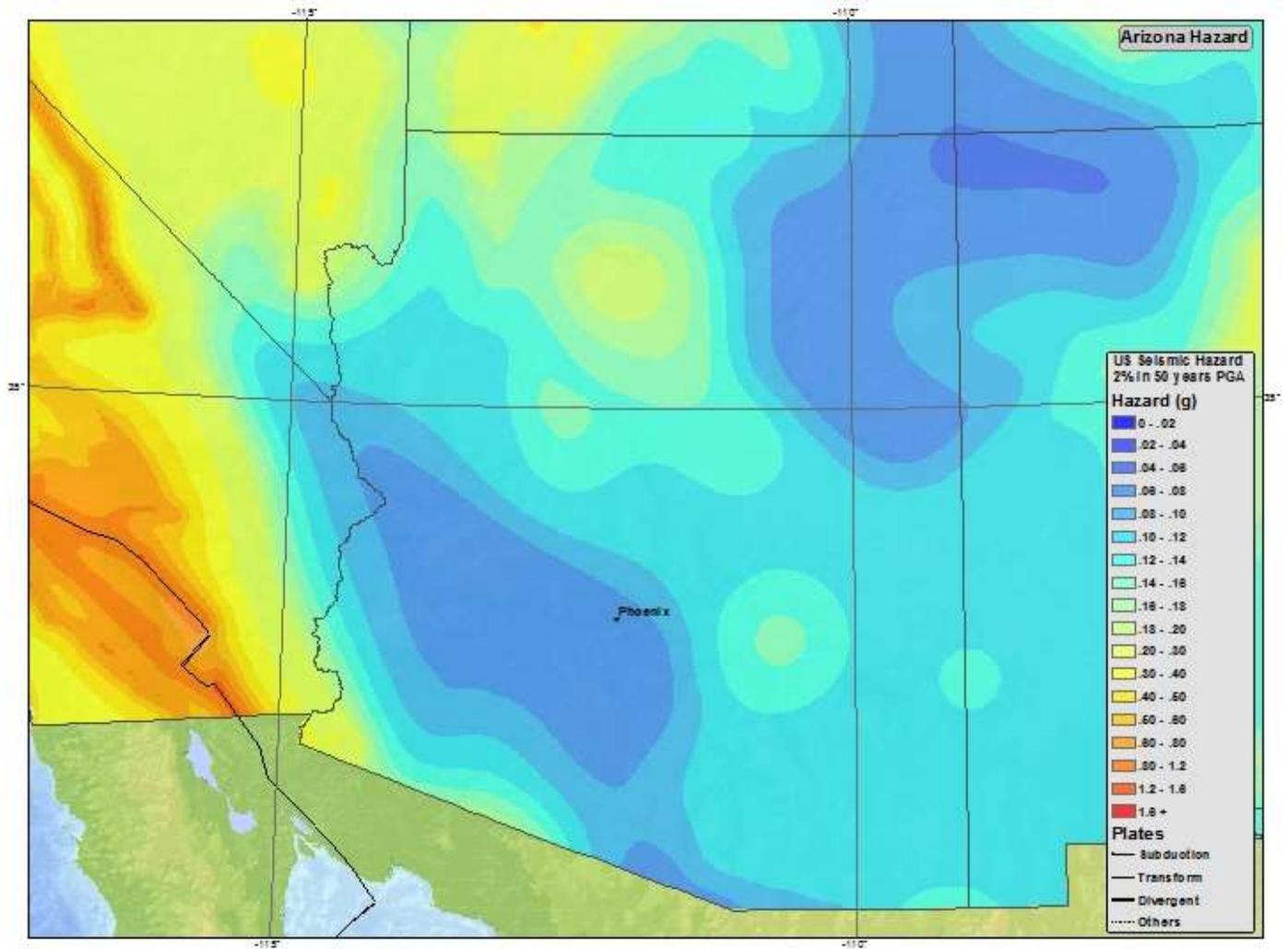


Figure 5 showing lowest earthquake probabilities

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

SEISMICITY cont'd

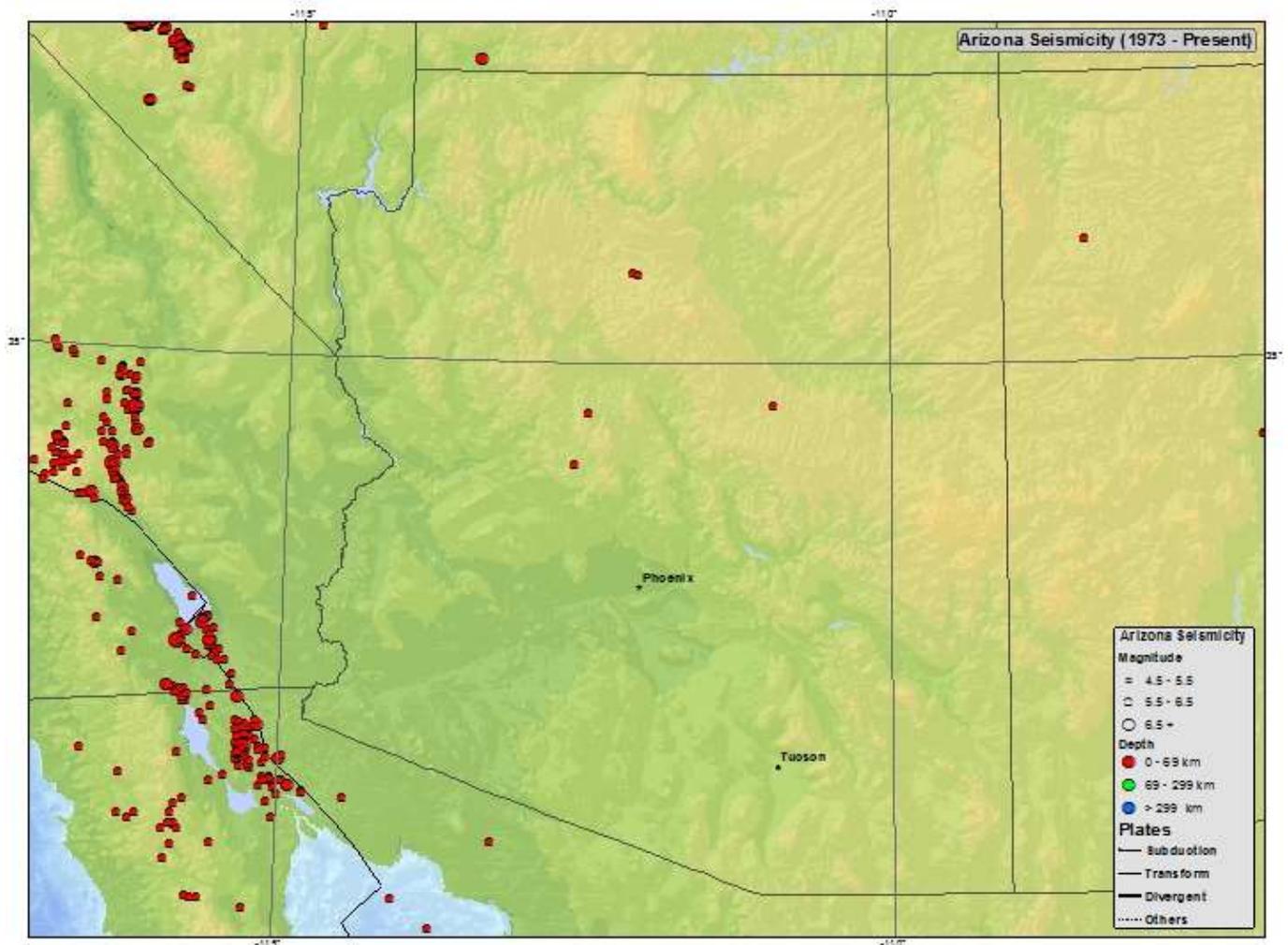


Figure 6 showing the past 41 years

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

SEISMICITY cont'd

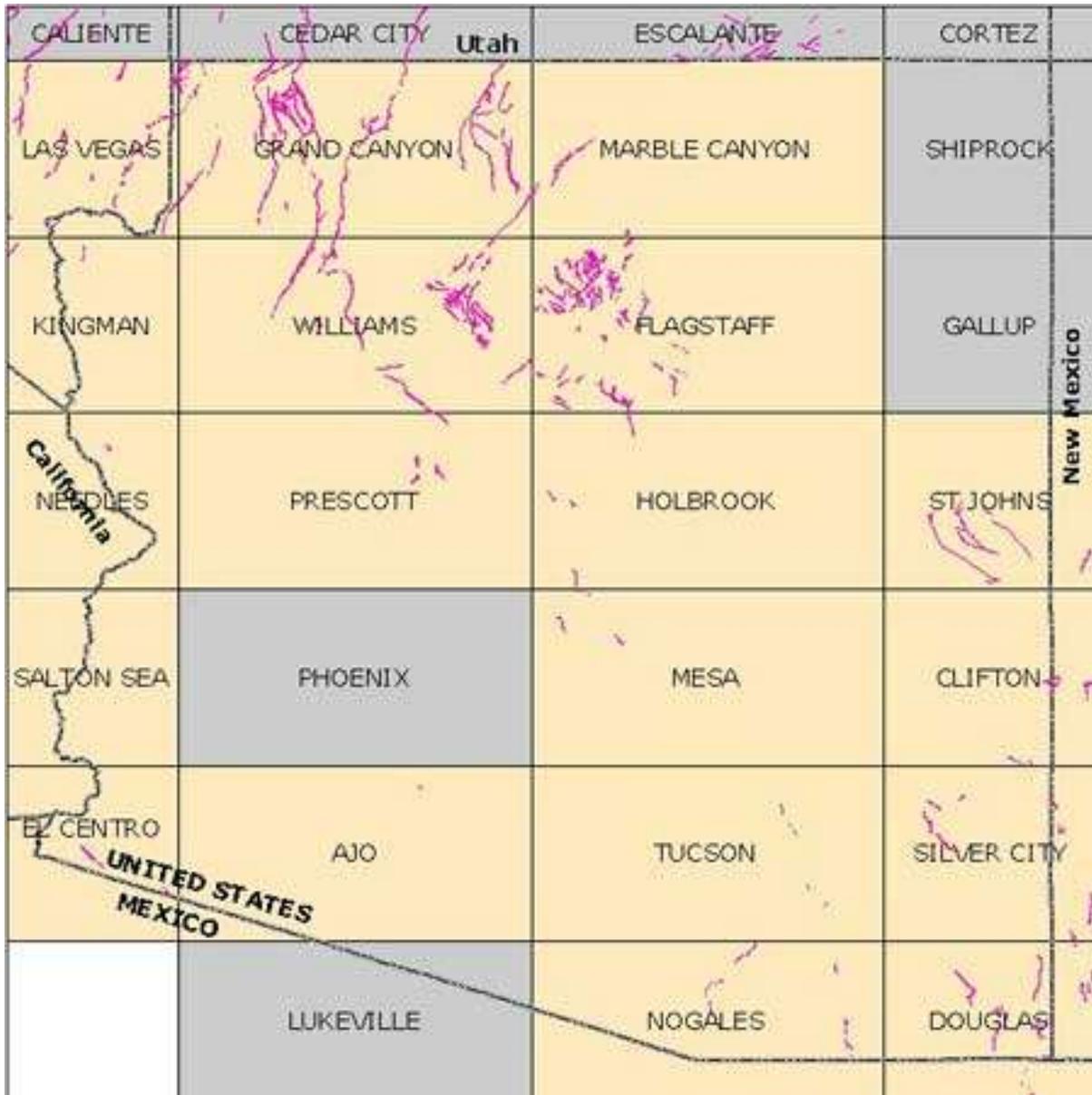


Figure 7 showing fault zones in Arizona

## **PROJECT PLAN**

The total disturbance footprint of this project will be less than 5 acres at pit, with all acreage on federal lands managed by BLM. There is considerable legacy disturbance on these (2) twenty acre claims which West Port Gold, LLC will assume responsibility for, on approval of this MPO, and reclaim this legacy disturbance along with all new disturbance incurred associated with this project. No utility corridor will be needed. Also there will be less than two acres used for roads and tailings impound.

The WPE Placer Gold Project is a gold mining project. The WPE Placer Gold Project will produce more than 5,000 – 10,000 troy ounces of gold per year. It has been confirmed through (10) years of testing, bulk sampling, and assaying that there are approximately 2.44 million tons of alluvial gravel with an average of 4.556 grams of gold per ton cut to one ounce. Sampling and assaying will continue throughout this operation to ensure gravel grade remains consistent and no un-necessary land is disturbed.

The WPE Placer Gold Project has an estimated project life of 10-15 years. During the initial start-up of the WPE Project 24 – 30 people will be employed full time as we build the necessary infrastructure, plant assembly, and beginning production, these employees will be drawn from a locally available pool of workers.

Where the local pool cannot fill the required positions outside workers will be brought in. These outside workers will relocate to the area in need of housing. When The WPE Placer Gold Project reaches peak production of 500 tons per day the labor force will be increased to (4) four shifts of (12) employees per shift, or 48 total employees.

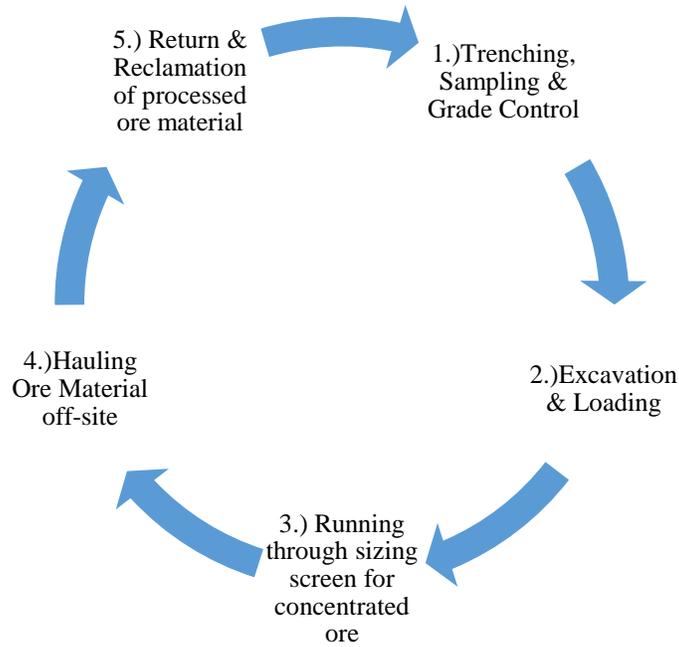
Mining of the alluvial gravels will be through conventional open pit mining techniques. The overburden will be pushed by bulldozers and stockpiled for reclamation. The pay gravels will be transported by over road truck to the stockpile area off site on private property to be processed.

No chemical processing will be required to extract the gold from the alluvial gravels, only water will be used for separation at the offsite facility.

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

**WPE SITE PROCESSING CYCLE**

The WPE Placer Gold Project on the WPE #1 and #2 Claims is primarily a basic quarrying operation as depicted below:



Note - for: 5.) The processed ore material being returned back to the WPE #1 Claim for reclamation has only been processed by using gravity separation and is reintegrated back to its host area as dried ore. No chemicals were used in the processing that took place off site from the WPE #1 Claim.



## **TAILINGS MANAGEMENT STRATEGY**

The tailings will first be separated at the open pit by dry screening. All rock over 1 ½ “ will be screened off and stored on a 20 acre claim south of the open pit area (WPE #2) south of the open pit area (WPE #1). This over size rock will be used for the foundation layer during the concurrent reclamation.

The concurrent reclamation will start as soon as the ore removal in the open pit gives Westport Gold a safe environment to begin this process. Until the reclamation process begins the oversize rock will be stored on the WPE #2 in piles not to exceed an angle of repose of 300 ft. in length, 50 feet in width at base, and 25 feet in height.

The tailings created by the offsite processing facility will be stored on private property until properly air dried and then returned to the WPE Placer Gold Project, stored in the tailings impoundment area on the WPE#2 with the onsite storage of these tailings not to exceed an angle of repose of 300 feet in length, 50 feet in width at base, and 25 feet in height.

The tailings will then be used in the next layer of the concurrent reclamation. Erosion control of entire tailings impoundment area will be handled by normal means of straw bales and berming. The ultimate limits of the storage area will maintain a 3:1 (horizontal to vertical) slope. By maintaining this ratio from toe to crest will keep this impoundment area will be safe for the public, and area wildlife.

For base stability in the impoundment are portions of the storage area will be required to be cleared and grubbed of organic materials to create a suitable foundation for impoundment stock piles. These design criteria will minimize airborne release, protect the local aquifer, and make the impoundment area safe to MSHA certified workers and wildlife.

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## **ORE PROCESSING**

All ore processing will be done off site on private property. No chemical processing will be used in any anticipated phase of the WPE Placer Gold Project. This clean processing will allow the tailings to be hauled back to the open pit and used in the concurrent reclamation of disturbed areas limiting the land disturbance.

**Map from Dome Rock Road to Parker Poston Hwy Facility: 14 miles (Pit to Plant)**



## **HYDROLOGY**

This project will have a zero impact effect to the aquifers as there will not be any wells drilled or stored water on site.

All processing will be conducted off site on private property. By not having water on site it also reduces the possibilities of injury to wildlife habitat as standing water in the desert draws in local wildlife.

This project will have a zero impact effect to the aquifers as there will not be any wells drilled or stored water on site.

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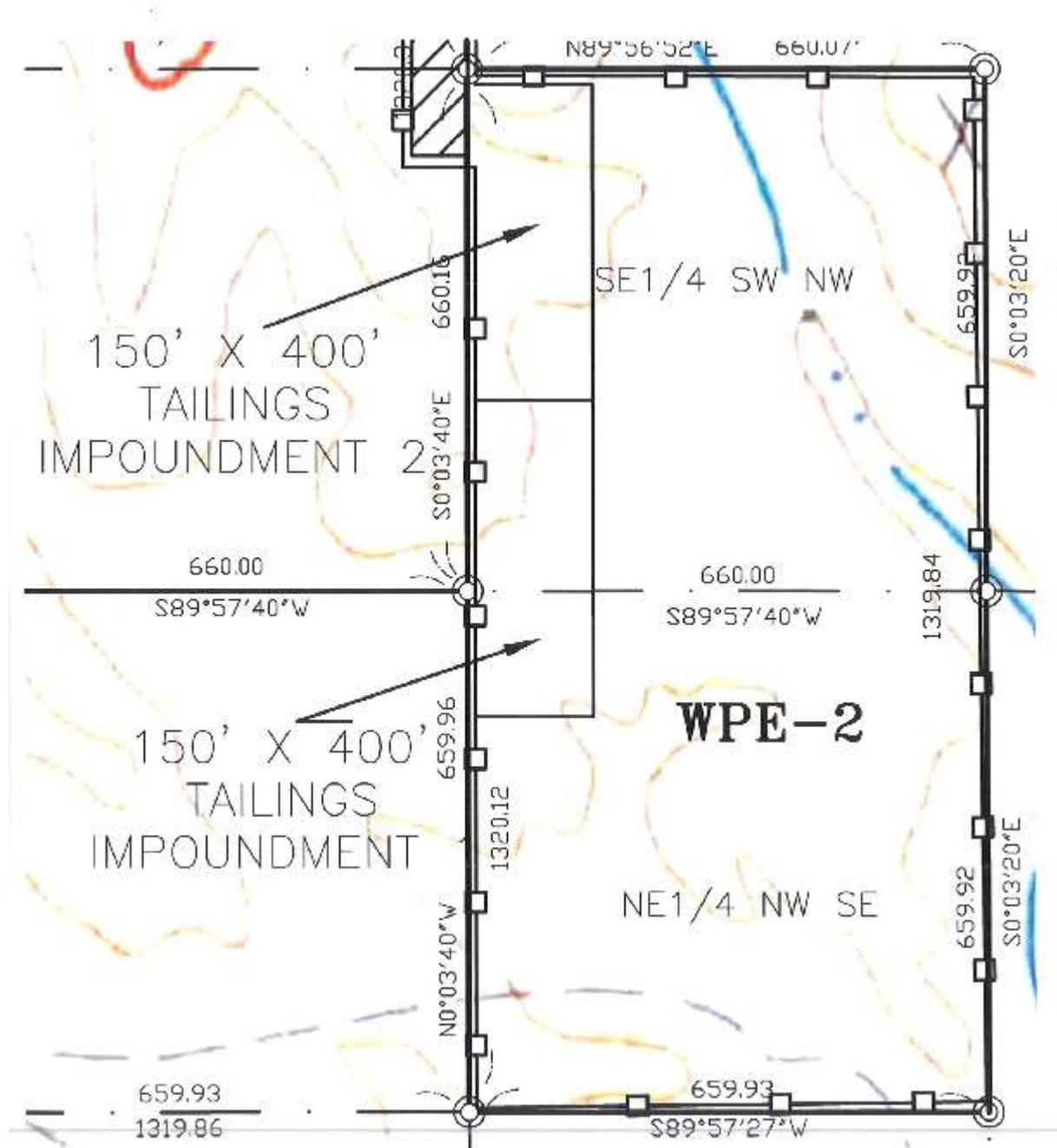
## **ANCILLARY FACILITIES**

The only facility to be on the WPE Placer Gold Project will be a self-contained RV to be used as a change room/on-site safety room. This unit will be 100% self-contained storing all waste (black and gray waters) in a sealed storage tank to be emptied off site at a dump station. This RV will also be used as a safe room in case of a weather emergency or heat related emergency. This RV will be parked on the WPE #2. All other facilities will be constructed off site on private property.

All on site fueling, repairs, and maintenance will be done by a service truck. This means there will never be any fuel, oil, lubes etc. stored on site. The RV will also be used by the security staff when the WPE Placer Gold Project is not in operation.

### TAILINGS DRY-STACK FACILITY DESIGN

Northern half of WPE #2 showing 1 1/2 + storage, returned tailings, and overburden area



**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## **STAFFING**

The estimated staffing requirement for years 2-15 of the WPE Placer Gold Project is expected to be 66 full time employees.

The respective roles of the 66 employees break down as follows:

General & Administrative	9
Open Pit Mine Operations	23
(Off site) Processing Plant Operations	24
Security	10
Total	66

The supporting departments that compose the general and administrative area are Administration (2), Accounting and Procurement (4), Human Resources (1), Safety and Environmental (2). These employees are for the most part salary and will be working a 40 hour week, Monday – Friday.

On average, the open pit mine operation will employ (20) hourly employees and (3) salaried employees. The salaried employees consist of (1) Mining Engineer, (1) Geologist, and (1) Shift Supervisor. The open pit employees will work a 3 day, 12 hours a day schedule.

The processing plant will be located off site on private property in Ehrenberg, AZ. This facility will employ (24) full time year round. All (24) employees will be hourly on a 3 day, 12 hours per day shifts.

Outside consulting will include Lemme Engineering of Phoenix, AZ (Engineering and Surveying), Biome Environmental Consulting of Flagstaff, AZ. Biome will include Biological, Archeological and Native American Archeological monitors. Comprehensive on-site safety consulting will be conducted by Joe McCracken of Arizona Safety Plus.

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## **ACCESS ROADS**

Access to the WPE Placer Gold Project will be from Interstate 10, Arizona Exit 11 Dome Rock Road, using the North Feeder Road, proceed east to LP 311, and follow LP 311 north to LP 316 which heads west.

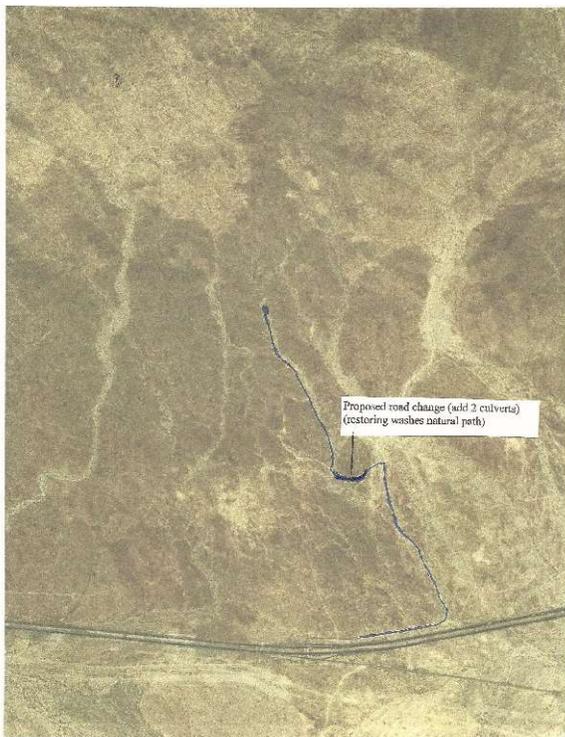
The existing entrance to the WPE Placer Gold Project veers off of LP 316 on a 45 degree angle to the right. This is the southernmost border of the WPE #2 gold claims. This mine road heads north 2,020 feet to the northern most border of the WPE #1.

This is also the northern border of the open pit. There will be the addition of 2 culverts on LP 316 for the purpose of straightening LP 316 and restoring the natural flow of the wash. This will also serve to improve operation efficiency and safety for the WPE Project.

These 2,020 feet of existing mine road will be widened from the current width of 12 feet to 30 feet for safety concerns for the on highway hall trucks. All traffic on this mine road will be right hand traffic, maximum speed of 8 mph, and maximum grade of 6%. Both side of mine road will have berms of half the height of the biggest tire on site.

<b>Road</b>	<b>Distance Traveled</b>	<b>Road Surface</b>
Dome Rock Road	.5 miles	Paved and dirt
LP 311	.6 miles	Dirt
LP 316	.3 miles	Dirt
Mine Road	.6 miles	Dirt

**Table 4 – Roads**



Please see same map on next page

## **ELECTRICAL POWER SUPPLY**

There will be no permanent power supply to the open pit portion of this project. If required any hauling between dusk and dawn will be illuminated with portable generator operated lighting. Currently there is no plan for hauling or excavating between dusk to dawn or depending on seasonal variations from 6 PM to 6 AM.

## **ON SITE WATER**

There will be no water wells requested in this Mine Plan of Operations (MPO), or on site storage of water. Water needed for dust control will be trucked from our private property facility in Ehrenberg, AZ. This will not only reduce the possible interaction with local wildlife, but it will exempt this project from needing to obtain a mineral extraction and metallurgical processing ground water withdrawal permit (ME Permit) from the Arizona Department of Water Resources (ADWR).

On Highway water truck that will be used to transport water to the site to be used for dust control.



## **SURFACE WATER MANAGEMENT**

There is one primary dry wash associated with the WPE #1 & WPE #2. This wash has a moderate run once every 25 years, last running in 2009. This wash will be re-directed to run on the extreme eastern boundary of the open pit. The direction of flow will be controlled by berming and straw erosion control rolls. It will not come in direct contact with any high wall situations to not allow undermining of walls.

The two tailings impoundment areas will also be protected from the wash by berming and straw erosion rolls. This will leave the wash to flow to its original destination with unchanged flow or volume.

The onsite R.V. change/safe room will be set up in an area above the flood plain in a manner to eliminate the possibility of erosion undermining the integrity of the R.V. These standards will meet the 100 year flood plans and the 24 hour storm events standards.

## **LEGAL AND REGULATORY CONSIDERATIONS**

West Port Energy, LLC makes reference to the BLM Environment Justice to be applicable to the WPE Placer Gold Project in La Paz County, AZ.

Executive Order (EO) 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, directs federal agencies to identify and address disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority and low-income populations. Executive Order (EO) 13045, Protection for Children from Environmental Health Risks and Safety Risks, directs federal agencies to identify and address environmental health risks or safety risks that may disproportionately affect children.

Low-income populations are present within La Paz County and the Town of Quartzite, but not at levels (i.e., 10 percent over the national poverty level) that warrant their classification as such for purposes of environmental justice considerations (BLM 2006). Minorities constitute approximately 36 percent of the total population of La Paz County, which exceeds the state minority population by 10 percent, therefore meeting the standard for having a minority environmental justice population (BLM 2006).

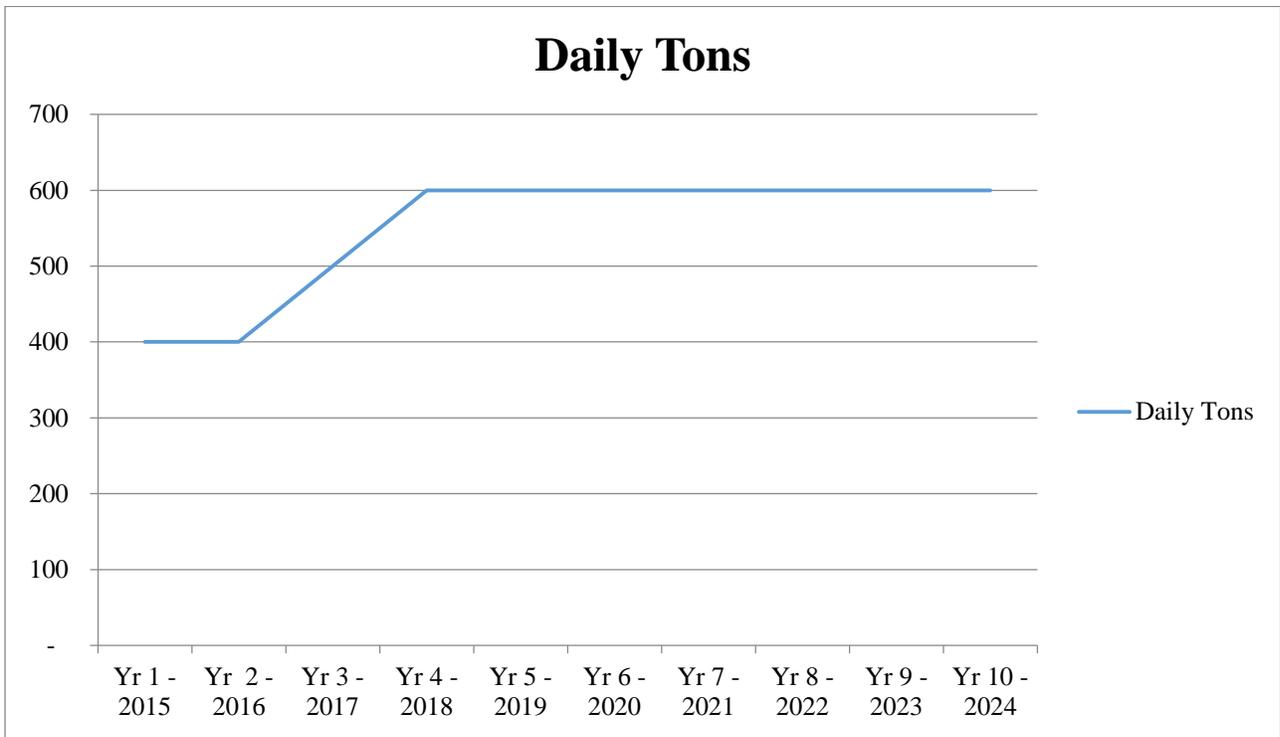
The proposed WPE Placer Gold Project is located just over 1 mile east of the eastern boundary of the CRIT Reservation. The CRIT economy is centered on agriculture, recreation, government, and light industry. In 2000, approximately 2000 people lived on the reservation. Approximately 27 percent of CRIT residents are below the poverty threshold. No children live in the vicinity of the WPE Placer Gold Project site. The site perimeter is currently marked and will be fenced with security staff prior to operations commencing pending the approval of the Mining Plan of Operations.

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

**PRODUCTION PLAN**

The production plan for the WPE Placer Gold Project is to first ensure that all equipment, plant, trucking, processes and logistical support are all working at optimal efficiency then to start increasing the daily tonnage throughput.

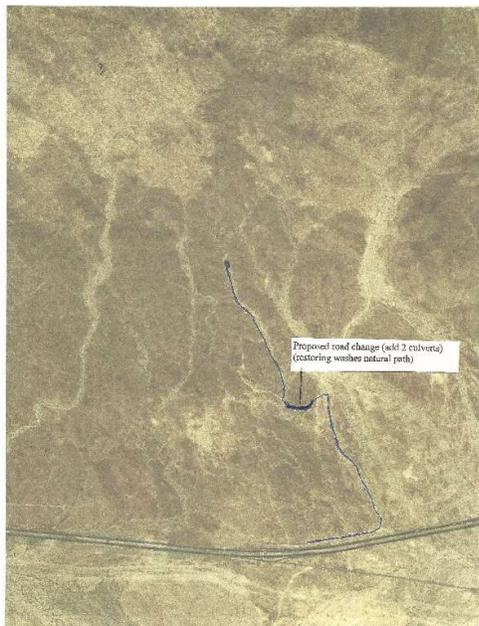
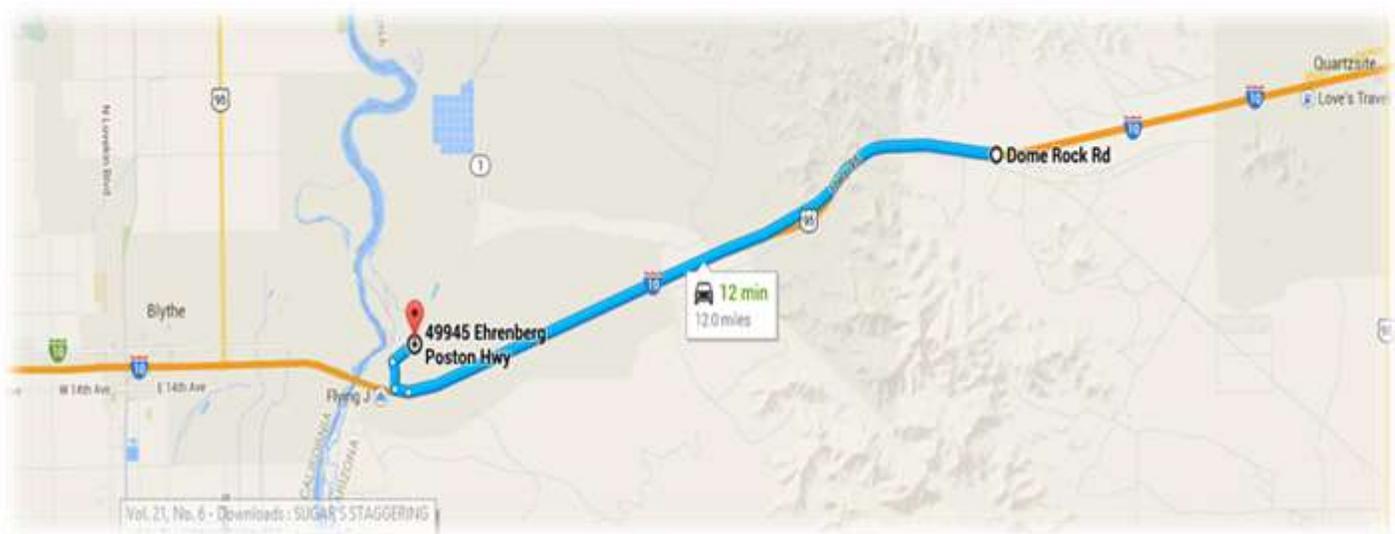
In the first year of operations beginning in 2015 it is planned to have the average daily production at 400 tons a day for the year then to increase up to 600 tons a days during year four in 2018 and then to maintain 600 tons a day or a total of 180,000 tons per year with 300 days of production annually.



**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## TRANSPORTATION

The WPE Placer Gold Project open pit operation is located 14 miles (or 12 miles from the Dome Rock Rd Exit) east of the offsite processing facility. Access to the open pit operation is the Dome Rock Road Exit 11 off of Interstate 10. There is no rail service available in this area so all ore has to be hauled to processing facility by On Highway trucks.



Please see same map on next page

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

**DIESEL FUEL**

Diesel fuel is the major consumable for the heavy equipment operating in the open pit operation. Westport Gold will purchase the diesel fuel from a local distributor and haul via our maintenance trucks 250 gallon double walled transfer tank.

All re-fueling will be done over a spill tarp, quick absorb material will be present in case of accidental spills. This will eliminate the need to store diesel fuel on public lands.

<b>List of Spill &amp; Safety Supplies in Fuel Truck</b>	
<b><u>Spill Supplies:</u></b>	
<b>Quantity:</b>	<b>Description:</b>
25	18"x18" or 16 1/2" x 20" absorbent sheets/pads
2	8" x 20' OR 4 - 8" x 10' booms
25	18"x18" absorbent pillows
3	Drip pans (16"diam x 3 3/4", 14" x 18" x 4" or equivalent)
1	Drip can or pan per nozzle
5	6 ml x 18"x30" Polyethylene Bags, w/CAUTION labels, yellow
1	Roll, 6 ml x 6' x 100' plastic
1	Chemically resistant plugging compound, 1 LB
1	Waterproof marker
1	Self-sticking white labels
2	Drip pans (16"diam x 3 3/4", 14" x 18" x 4" or equivalent)
3	6 ml x 18"x 30" Polyethylene bags w/CAUTION labels, yellow
1	10 lbs particulate absorbent
<b><u>SafetySupplies</u></b>	
<b>Quantity:</b>	<b>Description:</b>
4	Fire extinguisher
1	First Aid kit
1	Eye Wash Kit

## **MISCELLANEOUS LUBRICANTS & FUELS**

The maintenance truck will also have miscellaneous lubricants & fuels which include gasoline (for small engines), motor oils, lubricants, and anti-freeze. This will again eliminate the need to store any of these products on site, on public lands.

Used oils and waste anti-freeze will be transported off site in approved containers for recycling. Consumption of diesel fuel needed for the heavy equipment associated with the open pit operation is estimates at 150, 000 gallons or 500 gallons per day at 300 days.

All fuels and lubricants will be shipped to and stored at West Port Gold's off site facility. No more than 250 gallons of diesel fuel, 50 gallons of gasoline, and 20 gallons of different oils will ever be on site at any given time on this maintenance truck not including the diesel fuel present in the maintenance trucks personal fuel tanks and only twice a day for 30 minutes at a time for refueling times.



## **SECURITY**

In order for the WPE Placer Gold Project to run smoothly, it is important that the site be secured. Theft and vandalism could potentially have a negative effect on worker, public safety, operating efficiency, and environmental stewardship. Therefore, access to the site will be controlled by fencing, security patrols and controlled locations for officially entering and leaving the property.

Mining activity will be conducted 12 hours a day 300 days per year. Whenever mining activities are not being conducted a two person patrol will be present on the open pit site.

The R.V. used as a change room/safe room will be used as the night guard shack. It will be located near the official entrance.

Guards will conduct mobile patrols of the perimeter fence to ensure that no one is accessing the site unlawfully. This will make certain that only authorized and MSHA qualified personnel have site access to establish a professional site to safeguard all staff and the general public.

Signs will be posted along the fence and at strategic locations along roads warning people that entering the site is prohibited and potentially dangerous.

## **PUBLIC SAFETY**

In addition to protecting the site from potential vandalism or theft, it is also important to protect the public from interfacing with the mine operations and to prevent potential injury. Hazards of a typical open pit mining operation include but are not limited to:

- Traumatic injury from large heavy equipment,
- Getting entangled in machinery,
- Driving over steep embankments,
- Slipping or falling on uneven ground or slippery surfaces,
- Exposure to loud noises while not wearing hearing protection.

Employees working at the open pit operations site are required to receive specific training in accordance with mine safety and health administration (MSHA) rules, covering all aspects of site safety, whereas recreationists will likely have no such training and may not recognize the hazards. Therefore, it is imperative that access is controlled and that trespassing rules are enforced.

The same fencing, patrols, and signage discussed under Security will serve to warn recreationists and others in the area of potential dangers. In addition employees will be trained to be aware of trespassers in the course of their normal duties and report any suspicious activity to the safety and property departments. The facility has been designed to minimize the need for visitors to drive or walk in hazardous areas.

## **FIRE AND EMERGENCY PLANNING**

Planning for emergencies will be an important part of establishing operation for the WPE Placer Gold Project. Several types of plans will be prepared prior to start up. These plans will include:

- Spill Prevention Control and Countermeasure (SPCC) plan,
- Emergency response and contingency plan,
- Storm water Pollution Prevention Plan (SWPP),
- Fire plan,
- And others that will be site specific.

These plans will identify emergency preparedness and emergency contact protocols for any conceivable situation of special concern will be preventing wildfires. Mine vehicles will be equipped with a minimum of three fire extinguishers, a shovel and a first aid kit. Policies such as prohibiting parking on top of vegetation, and a strict policy of no smoking on site will be established and enforced to minimize fire potential.

## **FIRE EXTINGUISHERS**

The National Fire Protection Association (NFPA) established NFPA 10, which is the standard for portable fire extinguishers. NFPA 10 mandates the type, size, placement, and minimum number of extinguishers required for each vehicle. Fire extinguishers will be installed on the WPE Project in accordance with this standard.

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## **EMPLOYEES**

The estimated staffing requirement for years 2-15 of the WPE Placer Gold Project is expected to be 66 full time employees.

The respective roles of the 66 employees break down as follows:

General & Administrative	9
Open Pit Mine Operations	23
(Off site) Processing Plant Operations	24
Security	10
Total	66

The supporting departments that compose the general and administrative area are Administration (2), Accounting and Procurement (4), Human Resources (1), Safety and Environmental (2). These employees are for the most part salary and will be working a 40 hour week, Monday – Friday.

On average, the open pit mine operation will employ (20) hourly employees and (3) salaried employees. The salaried employees consist of (1) Mining Engineer, (1) Geologist, and (1) Shift Supervisor. The open pit employees will work a 3 day, 12 hours a day schedule.

The processing plant will be located off site on private property in Ehrenberg, AZ. This facility will employ (24) full time year round. All (24) employees will be hourly on a 3 day, 12 hours per day shifts.

Outside consulting will include Lemme Engineering of Phoenix, AZ (Engineering and Surveying), Biome Environmental Consulting of Flagstaff, AZ. Biome will include Biological, Archeological and Native American Archeological monitors, and Joe McCracken of Arizona Safety Plus, LLC

to conduct on-site consulting for prevention and compliance.

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## SAFETY EVALUATION

**Table 6: List of safety equipment at the WPE Placer Gold Project Site.**

No. of Units or Locations	Type of Fixed or mobile location	Description of Safety Equipment	Number of Items	Physical Location
1	Service Truck	Fire extinguisher	4	both on and off site
		First Aid kit	1	both on and off site
		Eye Wash Kit	1	both on and off site
4	On Highway Hauling Trucks	Fire extinguisher	1	Primarily off site
		First Aid kit	1	Primarily off site
1	On Highway Water Truck	Fire extinguisher	1	Primarily off site
		First Aid kit	1	Primarily off site
1	Caterpillar 330DL	Fire Extinguisher	1	Primarily on site
		Complete First Aid Kit	1	Primarily on site
		Eye Wash Kit	1	Primarily on site
2	Caterpillar D8T	Fire Extinguisher	1	Primarily on site
		Complete First Aid Kit	1	Primarily on site
		Eye Wash Kit	1	Primarily on site
1	Caterpillar 966M	Fire Extinguisher	1	Primarily on site
		Complete First Aid Kit	1	Primarily on site
		Eye Wash Kit	1	Primarily on site
1	Track Screen	Fire Extinguisher	1	Primarily on site
		Complete First Aid Kit	1	Primarily on site
		Eye Wash Kit	1	Primarily on site
1	Change Room Trailer	Fire extinguisher	4	Entirely on site
		First Aid Kit	2	Entirely on site
		Eye Wash Center	1	Entirely on site
		Defibrillator	1	Entirely on site
		Stretcher	1	Entirely on site
		MSHA Posters and Bulletins	1	Entirely on site
1	Security Station - Trailer	Fire extinguisher	4	Entirely on site
		First Aid Kit	2	Entirely on site
		Eye Wash Center	1	Entirely on site
		Defibrillator	1	Entirely on site
		Stretcher	1	Entirely on site
		MSHA Posters and Bulletins	1	Entirely on site

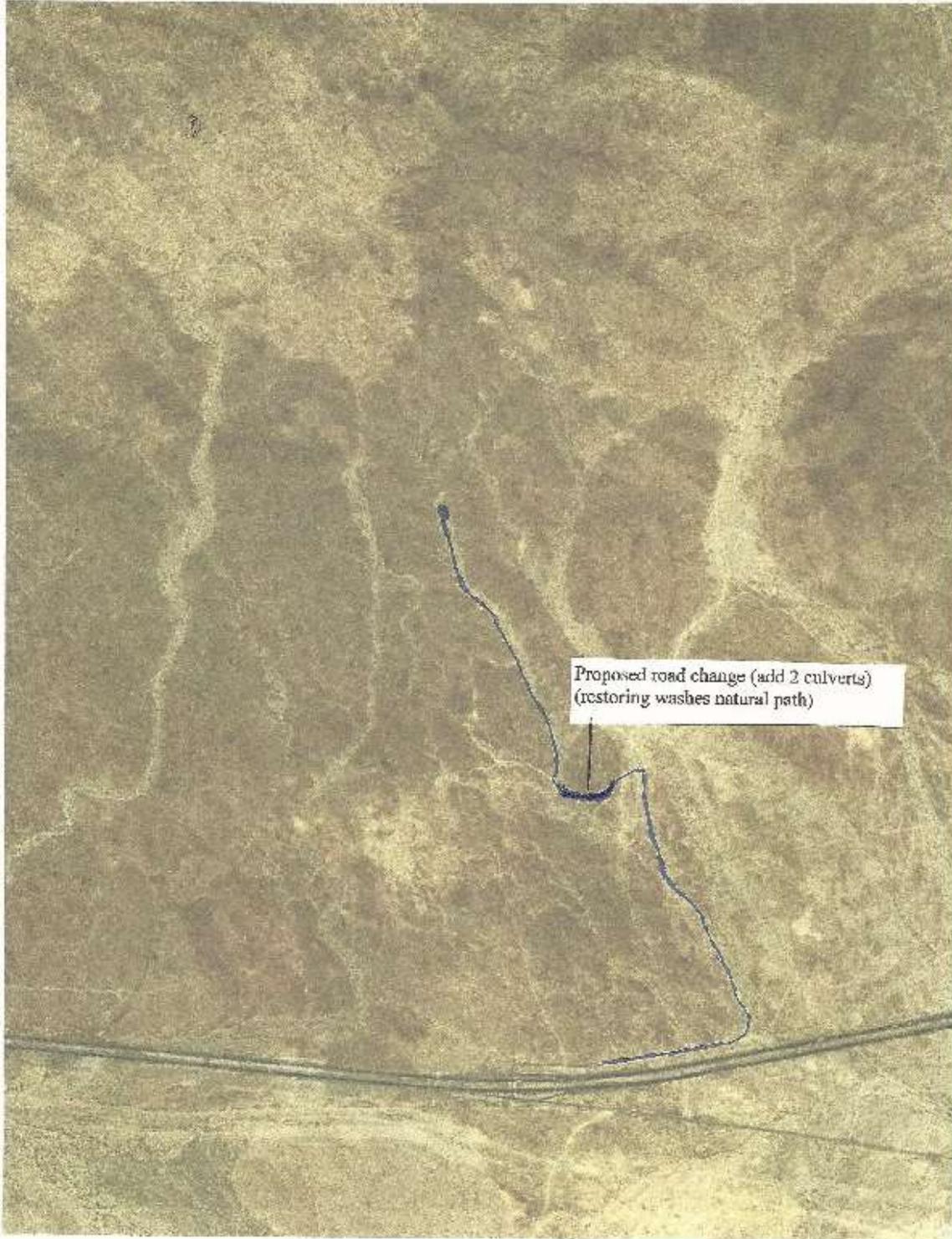
## **WASTE MANAGEMENT**

The WPE Project will operate in such a manner that there will be zero waste in the excavation pit.

The Staff Change Trailer and Security Trailer will have all waste hauled off daily to ensure no organic waste materials will attract any of the nearby indigenous wildlife habitat.

## CONSTRUCTION PHASE

MAP SHOWING ROAD WIDENING & CULVERTS LOCATION



## **MINE OPERATIONS PLAN**

The plan envisions mining the alluvial gravels through standard open pit processes. The top 12 inches (overburden) will be pushed, and stockpiled to be used in the reclamation of the property. This indigenous gravel will contain proper sand to clay mixture and indigenous seed to reclaim areas affected by this project.

The reclamation process will run concurrently through the life of the project to keep tailings from the processing plant located on private property from accumulating and un-reclaimed disturbance for each year is minimized.

The design of the open pit and internal mining phases incorporates geotechnical recommendations for safe slope angles, internal ramp development for safe access to all working areas, and pit wall smoothing to enhance stability and operator safety.

Pit slope angles between ramps will vary according to rock strength, lithology and structural controls, but are expected to range between 4 degrees and 6 degrees between ramps. Where possible, catch benches will be spaced on 30 foot intervals to maximize the effective widths for containing scree material.

At the rim, the ultimate open pit will be about 150 feet across east to west; 300 feet across north to south, depth will be 25 feet from present elevation. In Phase 1 and for each of the subsequent Phases 2 to 4 of similar size the access/haul roads will be original disturbance area requiring no additional acreage.

Three conceptual mining phases, or push backs, have been developed for a feasibility study of the WPE Placer Project and used to generate a mine production schedule.

The first phase, or starter pit, will be located toward the northern boundary of the WPE #1 placer claim that will extend 150 feet east to west and 300 feet north to south, to a depth of 25 feet from present elevation.

Phase 2 will be located in line with the phase 1 trench 300 feet from the northern boundary of the WPE #1 placer claim, proceeding the next 150 feet south and by 300 feet running east to west.

Phase 3 further extends the pit by 300 feet.

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## **MINE HAUL ROADS**

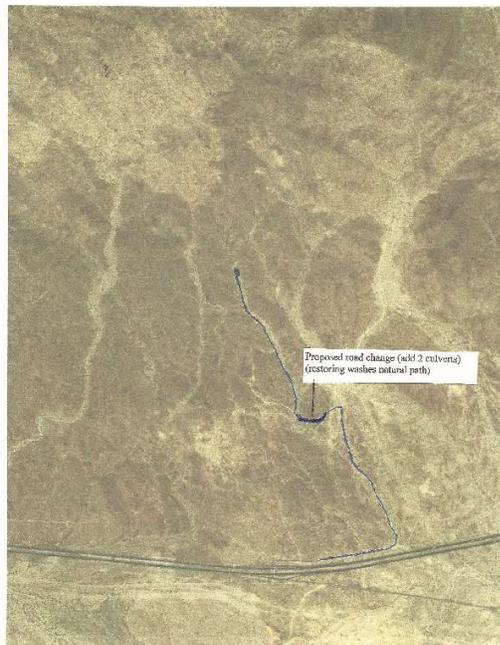
Mine haul roads will be constructed internal to the ultimate pit limits as necessary to provide access to all working faces in the open pit. Mine haul roads will be constructed using material excavated within the open pit, typically consisting of quartz monzonite, mica schist, and xenoliths present in this mining district.

Pit haul roads will generally be 30 feet wide with one way traffic, the safety berms on each side will be ½ the height of the largest tire using the road, approximately 3-4 feet. The gradient will not exceed 6%, although short intervals may be constructed as steep as 8%. Roads will be slightly crowned to promote drainage of surface runoff to side ditches or berms.

Truck speeds will not exceed 8 mph and will usually be less than 5 mph. Truck traffic will follow the convention of left hand drive in the pit, and waste rock areas. Dust will be suppressed by wetting the road surfaces using an On Highway 4,000 gallon water truck.

**Table 4- WPE Access and Mine Site Distances**

<b>Road</b>	<b>Distance Traveled</b>	<b>Road Surface</b>
Dome Rock Road	.5 miles	Paved and dirt
LP 311	.6 miles	Dirt
LP 316	.3 miles	Dirt
Mine Road	.6 miles	Dirt



Please see map on next page

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
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## **PIT PRODUCTION SCHEDULE**

Ore processing is scheduled for 12 hours per day, 6 days per week, 300 days per year at the rate of 50 tons per hour, or 500 tons per day. The open pit mine will operate using the same schedule. The project will use two (2) rotating crews, each working 12 hour shifts for 3 days a week.

The projects production schedule is presented in Table 2. Preproduction stockpiling will require 30 days to prepare for full scale mine operations, training of the crews, and construction of access and haul roads, and construction of the processing plant. Peak material processing rates should be achieved by the sixth month of operation.

**Table 2. WPE Placer Gold Project Production Schedule**

<b>Year of Operation</b>	<b>Tons Processed per Hour</b>	<b>Tons Processed Per Day (10 hours)</b>	<b>Tons Processed Per Year (300 days)</b>
1 - 2	40	400	120,000
2 - 3	50	500	150,000
3 - 6	60	600	180,000
6 - 10	60	600	180,000

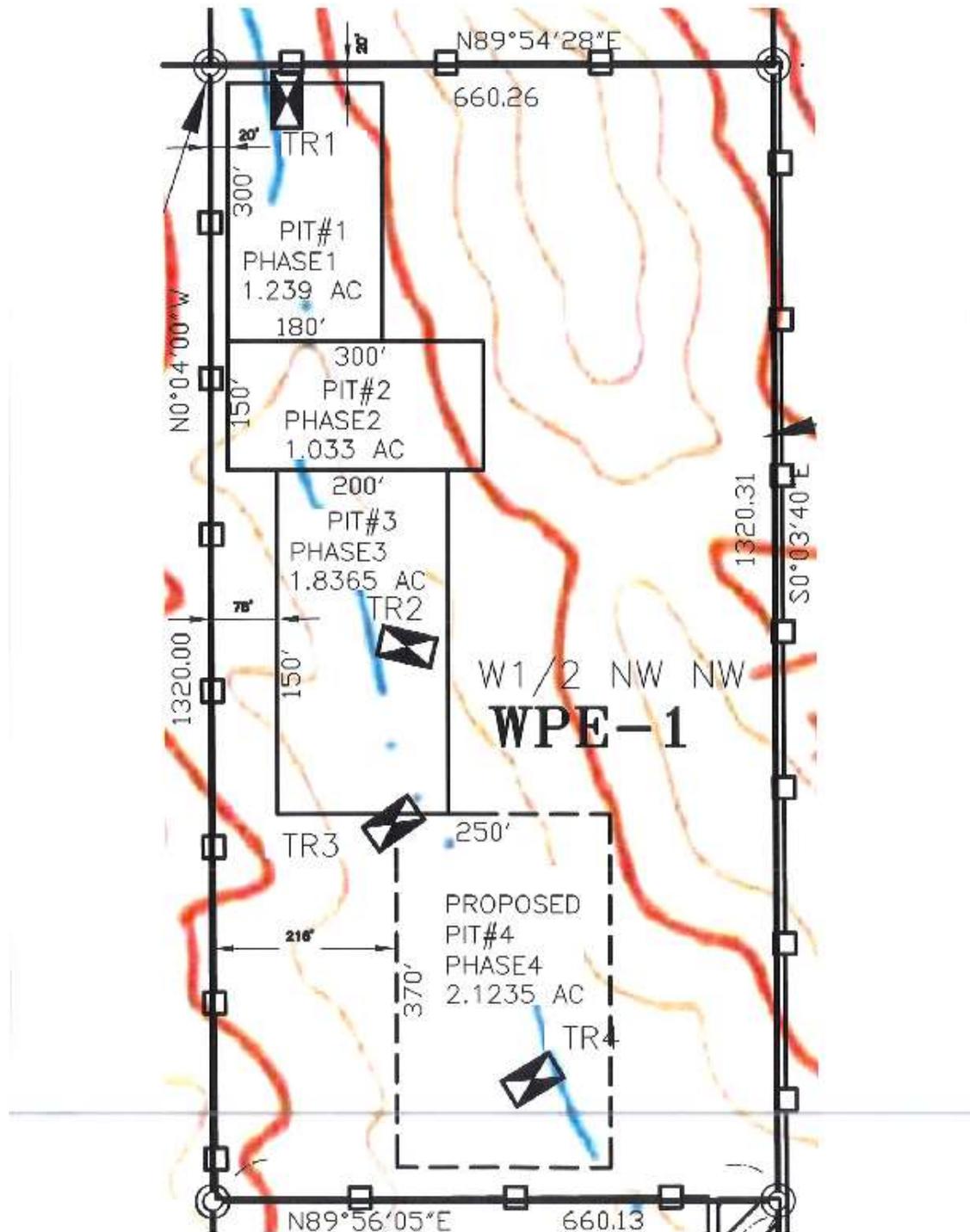
**Notes:**

- All material will be processed off site on private property.
- Tailings will be hauled back to mine site to be used in the concurrent reclamation process.

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
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## AIR QUALITY PERMITTING

The WPE Project will be under the Five (5) Acres Waiver and not require Air Quality Permitting.



## **DUST CONTROL MEASURES**

The WPE Project will be sufficiently away from the Interstate 10 with operations on such a scale along with the general wind direction not blowing to the south east as to not generally cause a significant dust problem.

In order to completely mitigate any problems with dust being generated from WPE operations, water trucks will at a daily minimum or on an additional as needed basis water the general site area and access roads as a key preventive measure for dust control.

Actual On Highway Truck to be used for dust control measures.



## **USE OF EXPLOSIVES**

The majority of ore stripping will be done with bulldozers using ripper shanks. We would like to reserve the right to using explosives if an ore body such as caliche layers, are encountered that are too thick for the bulldozers ripper shanks to penetrate.

Any explosives will be stick dynamite concentrated on areas needed, using fuse detonation. Total explosives will not exceed 1000 pounds per twenty (20) acres of project. Access to blasting areas will be restricted to authorized personnel only, who will follow strict safety and communication procedures.

Any required blasting will only be conducted during daylight hours, under the supervision of certified blasters who are either employed directly by the blasting company, or by licensed subcontractors contracted by the blasting company.

The explosives will be stored in off-site magazines which meet the Bureau of Alcohol Tobacco and Firearms security standards, and industry safety standards, and will be accessible only to authorized personnel. Explosives will be transported from the magazines to the blast site in separate vehicle.

## **RECLAMATION PLAN**

The reclamation plan has been designed to exceed regulatory requirements by creating a unique concurrent reclamation and closure approach. This approach provides a template for development of on-going mitigation measures that will be developed during the design and operations phases of the WPE Placer Gold Project.

Major elements of the reclamation and closure plan are dictated by the regulatory requirements contained in the Arizona Mined Land Reclamation Act, and the Forest Service (FS) Regulations. Although other regulatory requirements may contribute mitigation elements, these two regulatory programs form the framework for this reclamation plan.

Applicable design criteria for the overall approach to mining, has the processing being done off site, and the sequencing of reclamation material placement within the final land form for optimum reclamation and closure conditions.

The plan contains provisions for protection of the environment during the operations phase using the best management practices. These practices are primarily guided by the protection of surface water (storm water). With no water wells, or storage ponds being requested on this portion of this operation ground water resources will not be effected at all by this operation.

The proposed reclamation/closure mitigation elements for the WPE Placer Gold Project include employment of concurrent reclamation of the facility. Therefore, reclamation obligations will be incrementally reduced as the operation progresses.

The amounts of the Reclamation Bonds for the WPE #1 is \$98,372 and \$23,681 for the WPE #2 for a combined total of \$122,053

The complete detailed Reclamation Bond Calculation for the WPE #1 and #2 are contained

## **CLOSURE CONCEPT**

The reclamation plan proposed for the WPE Placer Gold Project site has several key components, referred to as initiatives. These initiatives provide the physical and philosophical foundation for the reclamation plan and will remain constant throughout the operational life of this project. These initiatives include:

- Design of the open pit with closure goals in mind;
- Concurrent reclamation practices;
- Preparing a comprehensive drainage plan;
- Managing operations to minimize environmental impacts;
- Reclaiming the open pit to blend with the surrounding topography;
- Salvaging soil resources;
- Performing selective vegetation removal;
- Re-vegetating reclaimed surfaces;
- Preparing an estimated closure cost. (See attached bond)

One of the major initiatives of this mine plan of operations (MPO) will be to facilitate concurrent reclamation of the open pit and tailing impoundment area and to provide a perimeter buttress to mitigate the visual impact of this project. Selection of seedbed preparation, species, and site re-vegetation will be decided by Biome Environmental Services and the BLM.

## **POST – CLOSURE LAND USES**

Post mining reclamation objectives for the WPE Placer Gold Project property are expected to be consistent with typical rural values embodied in the use concepts associated with western open space. This philosophy is in alignment with current patterns of use, such as dispersed recreation, and wildlife habitat.

Current and probable post-mine recreational activities include:

- Horseback riding,
- Prospecting,
- All-terrain vehicle and motorcycle riding,
- Four wheeling,
- Hiking and bird watching.

Because the WPE Placer Gold Project is planning concurrent reclamation for the open pit operation, it is anticipated that disruption to wildlife habitat and use will be minimal. It is expected that by year (10) ten significant portions of the open pit operation will be completely reclaimed.

## **CONCURRENT RECLAMATION DESIGN**

A unique concurrent reclamation plan will be initiated at the WPE Placer Gold Project open pit operation from the initial soil stripping through conclusion of the project. Perimeter straw rolls will be placed around the tailing impoundment area on the WPE #2 property to control erosion by screening the material on site before transporting it to our off site processing facility.

We will have sufficient stockpile of the 1 ½” over size material to start the concurrent reclamation using the oversize material to re-create the foundation of original slopes. The washed tailings will be hauled back to the open pit from the offsite processing facility to be used in phase two of the re-contouring reclamation. Finally, up to 12 inches of stripped surface material with all of its indigenous seed will be used to cap the slopes.

Since the processing will be done off site there will be no major infrastructure to remove from this site at the conclusion of this project. Both on site trailers will remain mobile for easy removal on conclusion.

Finally measures will be taken to accelerate vegetation growth through erosion control. The concurrent reclamation will help reduce the projects foot print annually. If the operation should cease prior to the currently planned life, the in place bond will cover final reclamation.

This information was also used to develop reclamation cost estimates. The ultimate configuration of the open pit reclamation capped areas will be stable with overall minimum slopes of 3H: 1V to a total maximum height of 30 feet. As portions of the open pit reach ultimate configuration, the top of the reclamation will be capped, seeded, and control the erosion to promote re-growth. At closure the reclaimed areas of the open pit will be bermed to restrict access to assist vegetation re-growth. All areas will be re-contoured for drainage.

## **OPERATING CONSIDERATIONS**

Operations and maintenance necessary to ensure the integrity of the WPE Placer Gold Project, whose failure could potentially endanger human health, wildlife safety, and the environment, are extremely limited. By processing the material off site, all permanent infrastructures are not needed at the open pit site.

The open pit is separate from the tailings impoundment area. This eliminates opportunities for human health to become endangered due to process excursions. With this layout, simple open pit security such as fencing and evening security patrols can restrict access and ensure the human health is protected.

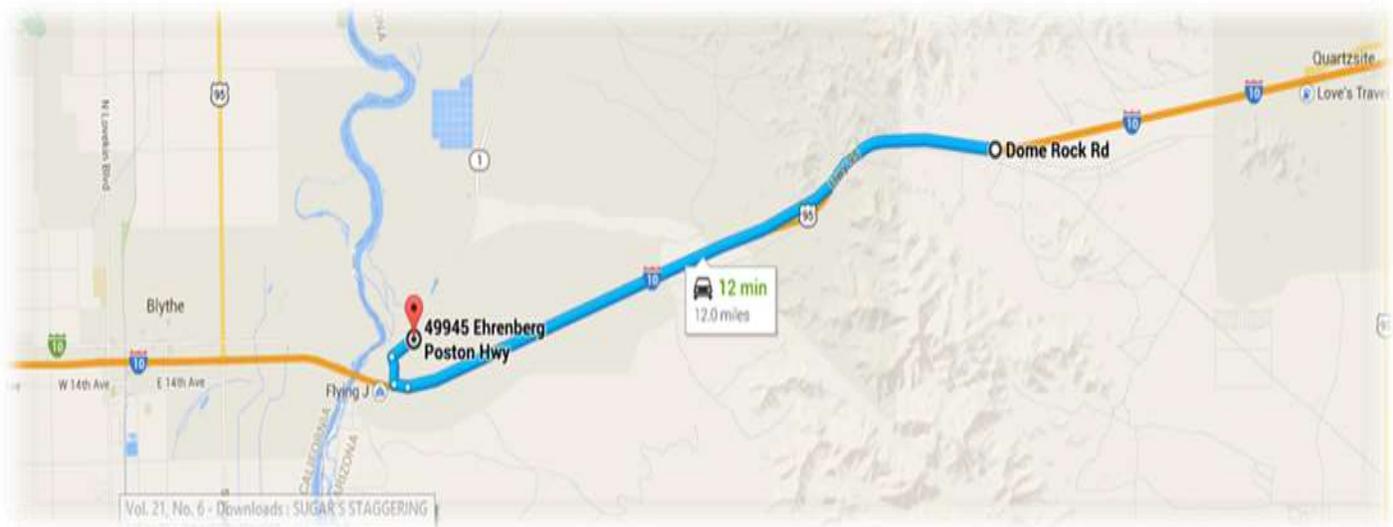
The open pit operation portion of the WPE Placer Gold Project is designed to operate with zero hazardous substances being stored on site. Fuel/maintenance truck will be mobile eliminating the need for on-site storage or any other hazardous storage.

By processing at our off site facility there will be no water storage tanks or ponds at the open pit area. This makes chance meetings with equipment and wildlife very unlikely. Also by processing the ore off site there is no need to drill any water wells which creates a zero impact to the aquifer operation at the open pit.

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
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## **ORE TRANSPORT**

The gold bearing gravels will be hauled from the open pit area, starting on the northern end of the project to the processing plant located off site on private property by highway haul trucks, this is an estimated distance of under 14 miles highway or off road. The roads used to get the ore to the processing plant are interstate 10 to Parker – Poston Highway.





**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
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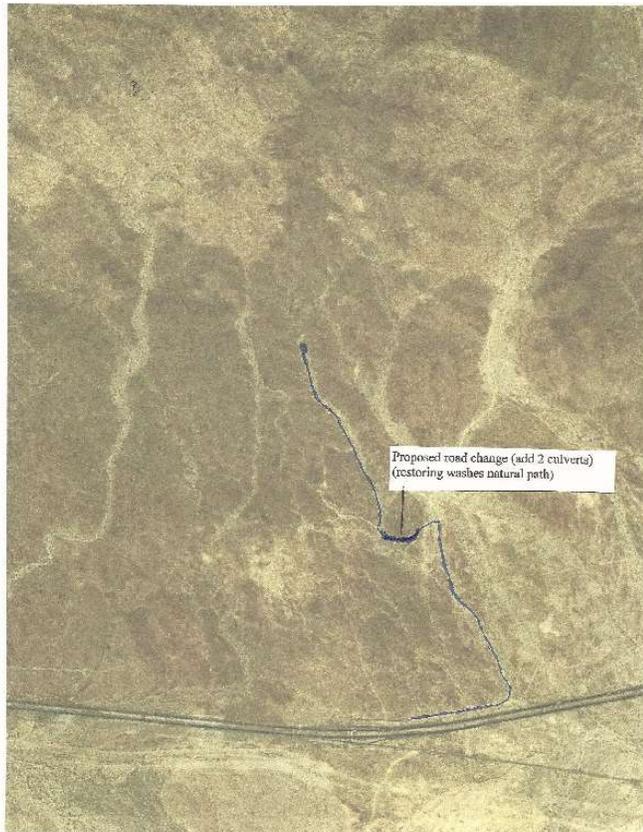
## **EXISTING ACCESS ROAD SYSTEMS**

A small network of LP-BLM roads exist in the area of the WPE Placer Gold Project. LP 311 is the main BLM road into the Middlecamp Mining District. LP 316 is a rarely used BLM road; LP 316 is the BLM road that the mine access road spurs off of.

No new roads will be needed for this project, although approximately 2,850 feet of existing mine road will need to be widened by 15 feet for safe hauling of ore off site to our process facility.

**Table 4 – Summary of Roads and Trails**

<b>Road</b>	<b>Distance Traveled</b>	<b>Road Surface</b>
Dome Rock Road	.5 miles	Paved and dirt
LP 311	.6 miles	Dirt
LP 316	.3 miles	Dirt
Mine Road	.6 miles	Dirt



Please see map on next page

## PUBLIC ACCESS AND RECREATION MITIGATION PLAN

The intent of the Public Access and Recreation Mitigation Plan (Access Plan) is to identify the pre-mining types of recreation and level of use by the public in and around the WPE Placer Gold Project area and to identify provisions to accommodate continued recreational use to extent practical. The presence of the proposed mine and associated activities will require some access restrictions for safety reasons.

The Access Plan describes the proposed open pit operation is located on a non LP BLM road. This mine road spurs off of LP 316 and terminates at the open pit northern boundary. At no time will LP 316 need to be restricted to off road traffic for public access for hiking, biking, horseback riding, rock hounding, hunting, camping, birding and other types of recreation in this area.

The open pit operation will not be visible from any surrounding vantage points, or roadways making this project a zero visual impact of the open pit operation. The existing access road entering the open pit operation will be gated for public safety. The safety gate will be located on the WPE #2 claim.

## BLM TRAIL MAP



**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## **BIOLOGICAL RESOURCE PLAN**

### **ENVIRONMENTAL PROTECTION PRACTICES REVIEW**

Table 1 presents the resources with potential to be impacted from implementation of the proposed project and the concomitant development and operating practices that will be instituted.

<b>POTENTIALLY AFFECTED RESOURCE</b>	<b>ENVIRONMENTAL PROTECTION PRACTICES</b>
<b>SOCIO-ECONOMICS</b>	<b>HIRE FROM LOCAL AREA WORKFORCE WHERE POSSIBLE. MINIMIZING IMPACTS WITH COMMUNITY OUTREACH.</b>
<b>AIR</b>	<b>IMPLEMENT DUST CONTROL MEASURES SUCH AS PROPER TAILINGS MANAGEMENT, DUST MITIGATION THROUGH WATER. CONDUCT CONCURRENT RECLAMATION WHERE AND WHEN POSSIBLE.</b>
<b>WATER</b>	<b>STORMWATER DIVERSIONS AND CONTROLS INSTALLED AS NECESSARY.</b>
<b>LAND/SOILS</b>	<b>TAILINGS WILL BE HAULED BACK TO PROPERTY AND USED IN THE CONCURRENT RECLAMATION.</b>
<b>VEGETATION</b>	<b>CONCURRENT RECLAMATION. CONDUCT SEEDING TRIALS USING KNOWN SEED MIXES.</b>
<b>WILDLIFE</b>	<b>COMPLETE BIOLOGICAL STUDY OF AREAS OF PROPOSED DISTURBANCE. FENCE AREAS TO EXCLUDE WILDLIFE.</b>
<b>SPECIAL STATUS SPECIES</b>	<b>NO KNOWN SPECIAL STATUS SPECIES HAVE BEEN LOCATED WITHIN THE AREA OF LEGACY DISTURBANCE. ENSURE PROPER TRAINING OF EMPLOYEES IF TRANSIENT SPECIAL STATUS SPECIES ARE ENCOUNTERED.</b>
<b>VISUAL RESOURCES</b>	<b>THE PROCESSING PLANT WILL BE SET-UP OFF SITE ON PRIVATE PROPERTY. THE TAILINGS WILL BE HAULED BACK TO THE PROPERTY AND WILL BE USED IN CONCURRENT RECLAMATION OF PROJECT SITE AND SEEDED WITH CHOSEN SEED MIX. ALL BUILDINGS WILL BE REMOVED AND AREAS OF DISTURBANCE RECONTOURED TO BLEND WITH THE SURROUNDING FEATURES.</b>
<b>LIVESTOCK</b>	<b>FENCING WILL BE MAINTAINED TO KEEP LIVESTOCK FROM THE AREA. NO ACTIVE LIVESTOCK RANGE PERMITS ARE IN PLACE IN THIS AREA.</b>
<b>CULTURAL RESOURCES</b>	<b>WE WILL PRACTICE AVOIDANCE FROM ANY IDENTIFIED CULTURAL RESOURCES. EDUCATE WORK FORCE ABOUT CULTURAL RESOURCES AND AVOIDANCE.</b>

## VEGETATION AND HABITAT DESCRIPTION

The project area occurs within the Lower Colorado River subdivision of the Sonoran Desert scrub biome. Vegetation is composed of primarily of brittlebush (*Encelia farinosa*), saguaro (*Carnegiea gigantea*), teddy bear cholla (*Opuntia bigelovii*), foothill palo verde (*Cercidium microphyllum*), ironwood (*Olneya tesota*), and ocotillo (*Foquieria splendans*).

The project is bisected by a dry wash, which is the feature that the mining operation will focus on. Much, if not all of this area is previously disturbed by prior mining activities and only the side-drainages remain native habitat. Elevations range from 1380 to 1470 feet and topography is gently rolling hills.

The project lies at the base of Middle Camp Mountain in the Middle Camp Mining district near Ehrenberg, Arizona. Vegetation is scattered throughout the claim boundaries and is denser near the drainages. Ironwood and saguaro are closely associated with drainage bottoms and east and north-facing slopes, while the west-facing and southern slopes are dominated by brittlebush, teddy bear cholla and white bursage (*Ambrosia dumosa*). There are no wetlands or wetland vegetation on any part of the project area.

## GROUNDWATER PROTECTION PLAN

There will be no wells, discharge to groundwater, or disturbance of groundwater during the course of this project. All processing will be done off-site on private property in Ehrenberg, AZ. All materials will be processed off-site at a private facility with waters used for processing remaining being recycled for additional reprocessing of ores. This will help to limit wildlife influences and surface waters pollution from ore processing. All water handling on-site will follow ADEQ regulations for minimizing surface water pollution and will be applied for under the Construction General Permit (CGP) for this project.

## SURFACE WATER DISTURB / JURISDICTIONAL WATERS DELINEATION

All water handling on-site will follow ADEQ regulations for minimizing surface water pollution and will be applied for under the Construction General Permit (CGP) for this project. West Port Energy, LLC will apply to be covered under the Nation-wide permit, for disturbances of less than 5 acres and will request a waiver from the ADEQ (see criteria from ADEQ permitting info – copied).

## SPECIAL STATUS SPECIES

A list of special status species will be derived from Bureau of Land Management (BLM) and U.S. Fish and Wildlife Service (USFWS) listed species for La Paz County, Arizona. A thorough examination of the project area will be required to determine those species that have the potential, based upon habitat availability, to occur on the project area. Once a complete list of species has been derived, a ground reconnaissance will be conducted to determine what, if any, habitat exists for special status species.

## ENDANGERED SPECIES ACT

A list of species, protected under the Endangered Species Act (ESA) (16 USC§1531 et seq., as amended) will be obtained from the USFWS via the Southwest Ecological Services website at: [http://ecos.fws.gov/tess\\_public/countySearch!speciesByCountyReport.action?fips=04012](http://ecos.fws.gov/tess_public/countySearch!speciesByCountyReport.action?fips=04012) and will be used to develop the Biological Assessment that will be written addressing the impacts of this project on T&E, sensitive, and general wildlife and plant species. This report will follow USFWS guidelines for the writing of BAs and BEs. Currently, we expect to address issues of desert tortoise (*Gopherus agasizii*), a Candidate for listing under the ESA. We expect no other federally listed species to occur on or near the project area, nor do we expect habitat to be present for any other federally listed species.

## BLM SENSITIVE SPECIES

The Biological Assessment (BA) will also address potential impacts to BLM sensitive species from the implementation of the proposed project. The list of sensitive species will be obtained from the BLM reviewing biologist and a project plan review will be acquired from the Arizona Game and Fish Department's Online Review Tool.

## **NOXIOUS WEEDS**

To reduce impacts to the native vegetative community, noxious weed control and management will develop a noxious weed and invasive species control plan that will follow the BLMs and Arizona Department of Agriculture's guidelines for minimizing the introduction and spread of plant species considered 'noxious weeds'.

For more information on this subject see USDA 2011, State noxious-weed seed Requirements Recognized in the Administration of the Federal Seed Act.

## **ARCHAEOLOGICAL RECORDS SEARCH.**

Before fieldwork, the archaeological specialist will examine the NMCRIS and/or AZSITE databases, which include records from the Arizona State Museum, the Department of Anthropology at Arizona State University, the Museum of Northern Arizona, the State Historic Preservation Office, the Bureau of Land Management, and the U.S. Forest Service.

This search will be conducted to determine the location of any previously conducted archaeological surveys or previously recorded archaeological sites within an area not to exceed a 1/2-mile radius of the project area. The archaeological specialist will include the search results in the survey report.

## **FIELD SURVEY**

The archaeological specialist will conduct an archaeological survey of the project area, adhering to survey methods established by the local land management agency for each project. These standards include having one or more qualified archaeologists cover the area with systematic pedestrian transects spaced no more than 15-20 meters apart for 100% survey of the project area.

During the inventory, any previously recorded sites will be re-evaluated and re-recorded as necessary. Newly discovered archaeological sites will be mapped to scale and fully recorded according to local guidelines. The archaeological specialist will evaluate the significance of all identified historic and prehistoric resources in terms of eligibility for listing in the State and National Registers of Historic Places.

## **REPORT**

After fieldwork, the archaeological specialist will prepare a summary report. The report will provide recommendations regarding all cultural resources within the project area, and the management of any significant cultural resources identified in the project area.

## **ENVIRONMENTAL ASSESSMENT**

Once the Biological, Cultural, Clean Air and Clean Water Act phases of the project are completed, an Environmental Assessment (EA) will be drafted to address potential impacts to the Natural, Cultural, and Socioeconomic conditions of the area proposed surrounding the proposed project. This document will follow BLM guidelines for the completion of EAs and will provide for agency oversight, public input, and the implementation of the NEPA (National Environmental Policy Act) process. The final document obtained through this process will be a Finding-of-No-Significant-Impacts (FONSI) after agency review and public input.

## GENERAL GEOLOGY

Middlecamp Quartz Monzonite is the second oldest rock unit in the Quartzsite area, and is believed to be middle Jurassic age (172 to 165 million years old) based on similarity to plutons of this age in the same region (e.g., Crowl, 1979; John, 1981; Yeats, 1985).

In outcrop and hand-sample, this rock ranges from light green to greenish-brown, due to the presence of epidote and pleochroic (color changing) hornblende. In outcrop, this rock typically forms rounded, knobby-looking masses.

The mineralogy of this rock, based on analysis of hand samples and thin sections, is 35 to 40 % potassium feldspar, 28 to 31% plagioclase feldspar, 20 to 25% quartz, 10 to 15% biotite mica, and traces of hornblende, titanite (sphene), epidote, sericite, chlorite, and magnetite.

It is porphyritic (having two different grain sizes). Pinkish-purple potassium feldspar phenocrysts up to ½ to 1 cm make up about 40% of the rock. Much of the feldspar has experienced variable amounts of epidote-sericite alteration, and is fractured.

The other 60 % is a much finer grained matrix of quartz, feldspar, and knots of biotite. Many of these knots show signs of forming from alteration of older hornblende. In some places, this rock contains inclusions of dark rock up to 30 cm across.

The Middlecamp Quartz Monzonite is variably foliated with mineral foliation in the core of the pluton, but strongly foliated after contact with older metamorphic rock. Foliation is a metamorphic fabric of oriented minerals that gives a rock a layered look. Where the pluton contacts the older metamorphic rock it is also finer grained and there are fewer feldspar phenocrysts.

This contact between the metamorphic rocks and the Middlecamp Quartz Monzonite is also hard to define due to its irregular nature. This results from the monzonite intrusion melting and fracturing the older metamorphic rocks and producing a zone of xenoliths (foreign rocks). These xenoliths of metamorphic rock in the Middlecamp Quartz Monzonite are often strongly altered to chlorite.

The fractured and xenolith-rich nature of the contact required that an arbitrary boundary be set for mapping. As a result, the geologic maps show a contact where the rock transitions from < 50 % to > 50 % xenoliths in the Middlecamp Quartz Monzonite.

In many places this rock unit has been intensely sheared, these shear zones are typically a few meters wide and impart a mylonitic fabric to the rock. Locally the shear zones are particularly well developed and mineralized.

## SPECIFIC GEOLOGICAL OCCURANCES TO THIS PROJECT

The shear zones in this portion of The Walker Lane Gold Trend, although only one to four meters thick, contain typically > 50% xenoliths, with fine grained biotites associated with the gold. The second geologic feature bearing gold on this property is the numerous caliche (hardened clay) layers.

These caliche layers acted as a false bedrock, not permitting the fine, to flake gold to penetrate, then encapsulating the gold. The layers of the caliche run from one inch to two feet thick, they vary in color from white to pink. A vast majority of slag gold nuggets discovered during all previous explorations, had traces of this caliche attached to them.

(See figure 4)



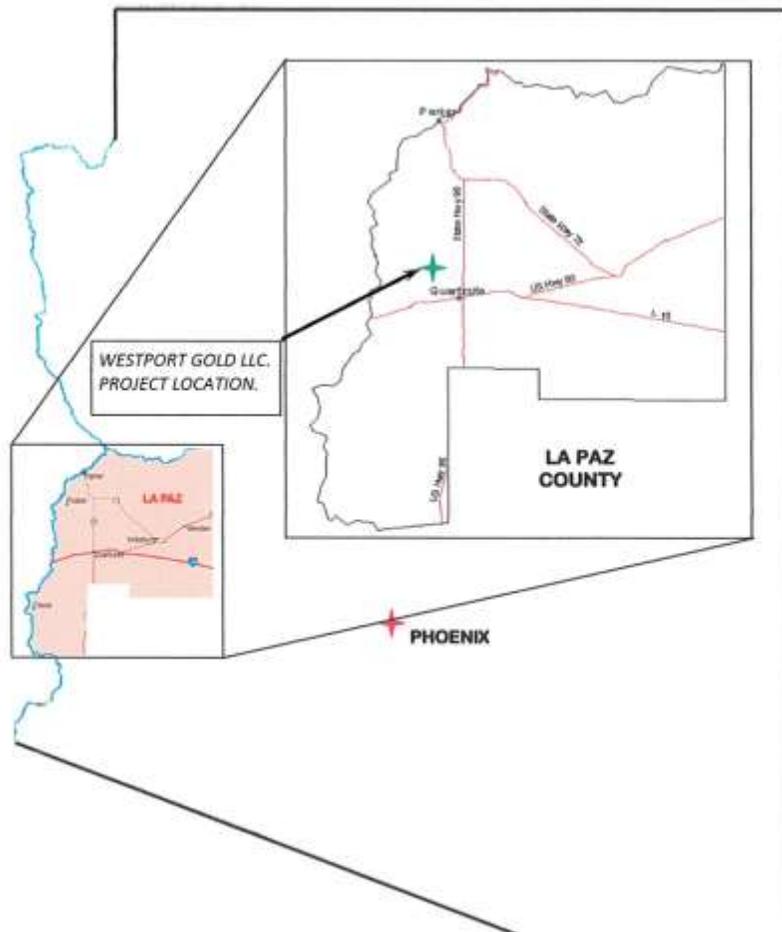
Figure 4 (note the red caliche clay attached to the nuggets)

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## LOCAL COMMUNITY

The project is located in La Paz County, Arizona 6 miles west of the town of Quartzsite. The closest town is Quartzsite; Az. has a 14.3% unemployment with residents over 25 years old. The second closest town is Blythe, Ca. which has an unemployment rate of 9.1%. Both communities are also way below state, and federal averages in household incomes, good paying jobs will be welcomed by both communities.

The 1980's also brought many mining claims into commercial production in the area. The Copperstone Mine which was brought into production in the late 1980's produced over 500,000 ounces of gold through the 1990's, and still is in production, and is the largest gold mine in Arizona.



**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## **POPULATION DEMOGRAPHICS**

The area in and around the project represents a population in transition, and has experienced at least two significant waves of migration in the last 50 years. Historically, the area was populated by families with Mexican and Native American ancestry, of families who arrived during the U.S. western migration of the 1800's.

Many residents have lived in the area for generations and have farms (Blythe), ranches or small businesses. The late 1970's through the 1980's saw an influx of retirees seeking warm winter temperatures and active outdoor lifestyles which continues into current times.

### **LA PAZ COUNTY, ARIZONA: DEMOGRAPHICS**

<b>Total population of persons residing within the County in 2010</b>	<b>20,489</b>
<b>Estimate of the County's total residency as of April 1, 2000</b>	<b>19,715</b>
<b>Percentage change of the total resident population as of April 1, 2000 to</b>	<b>4%</b>
<b>Net change of residents' total population from April 1, 2000 to April 1, 2010</b>	<b>774</b>
<b>April 1, 2000 complete count of Countywide resident population</b>	<b>19,715</b>
<b>Population estimate of residents less than 5 years of age</b>	<b>1,147</b>
<b>July 1, 2009 estimated percentage of residents that are less than 5 years of</b>	<b>6%</b>
<b>July 1, 2009 estimate of residents that are less than 18 years of age</b>	<b>3,761</b>
<b>July 1, 2009 estimated percentage of residents that are less than 18 years of</b>	<b>19%</b>
<b>July 1, 2009 percentage estimate of residents that are 65 years of age and</b>	<b>33%</b>
<b>July 1, 2009 estimate of residents that are 65 years of age and older</b>	<b>6,621</b>
<b>July 1, 2009 total estimate percentage of female residents</b>	<b>50%</b>
<b>County's white resident population recorded in 2010</b>	<b>14,306</b>
<b>County's black resident population recorded in 2010</b>	<b>129</b>
<b>County's American Indian and Alaska Native resident populations recorded</b>	<b>2,628</b>
<b>County's Asian resident population recorded in 2010</b>	<b>107</b>
<b>County's Native Hawaiian and Other Pacific Islander resident population</b>	<b>7</b>
<b>Countywide 2010 resident population of two or more races</b>	<b>761</b>
<b>Countywide 2010 resident population of Hispanic or Latino origin</b>	<b>4,806</b>
<b>Non Hispanic white resident population in 2010</b>	<b>12,854</b>
<b>Countywide percentage of white residents in 2010</b>	<b>70%</b>
<b>Countywide percentage of black residents in 2010</b>	<b>1%</b>
<b>Countywide percentage of American Indian and Alaska Native residents in</b>	<b>13%</b>
<b>Countywide percentage of Asian residents in 2010</b>	<b>1%</b>
<b>Countywide percentage of Native Hawaiian and Other Pacific Islander in</b>	<b>0%</b>
<b>Countywide percentage of Two or more races in 2010</b>	<b>4%</b>
<b>Countywide percentage of Hispanic or Latino Origin in 2010</b>	<b>24%</b>
<b>Countywide percentage of non Hispanic white in 2010</b>	<b>63%</b>

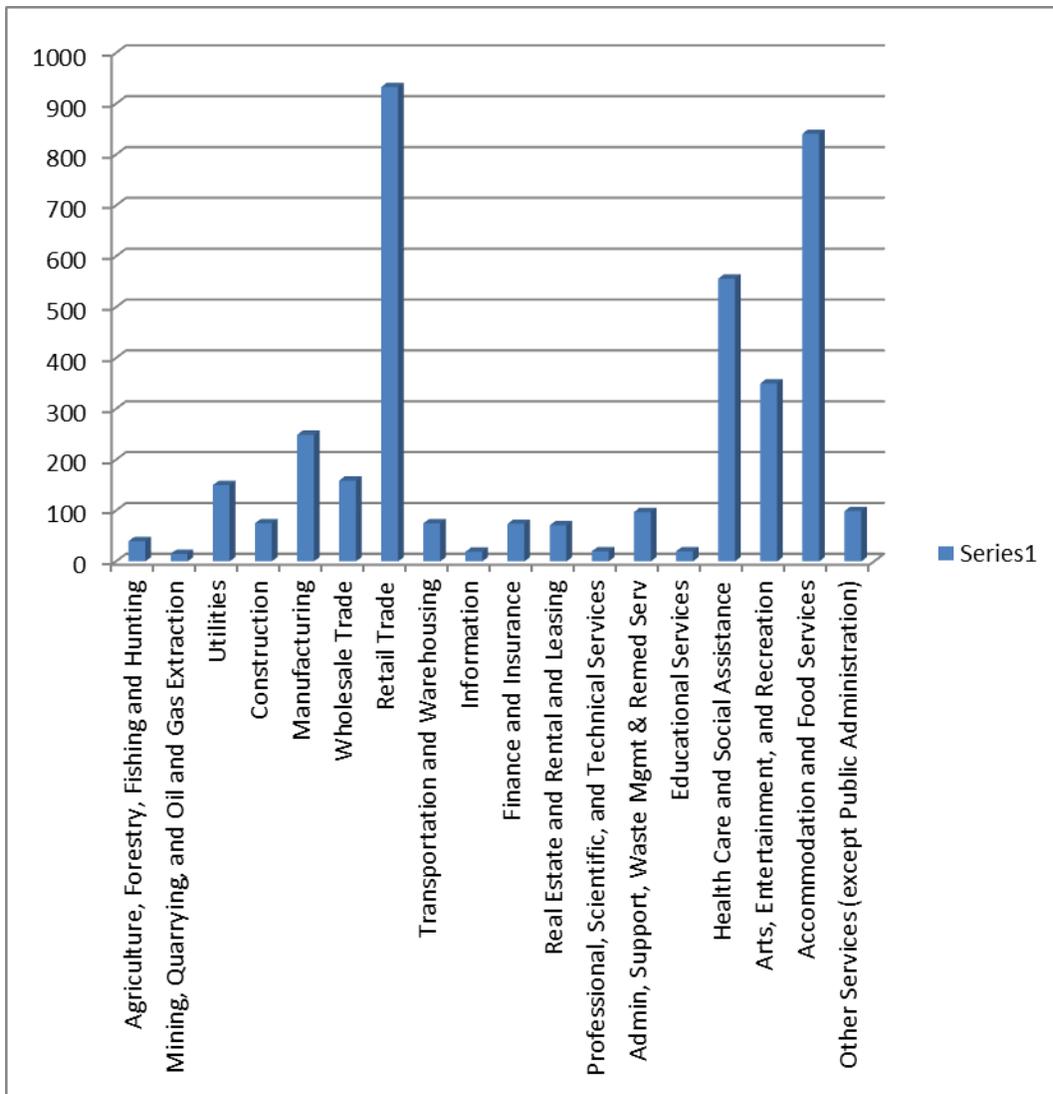
[http://www.open-public-records.com/arizona/la\\_paz\\_county\\_public\\_records.htm](http://www.open-public-records.com/arizona/la_paz_county_public_records.htm)

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## SIGNIFICANT LOCAL EMPLOYERS

Major private-sector employers in the Quartzsite area are Morgan Truck Body, Pilot / Flying J Truck stops, McDonalds, Burger King, and Carl’s Jr., all paying at or near minimum wage.

Based on the US Government Censtats the current annual average income for the 3,843 paid employees in La Paz County, AZ is \$27,700. The West Port Placer Gold Project will eventually employ up to 60 employees with an average annual salary of \$50,000 an increase of 80% over the current prevailing average for La Paz County. The WPE Placer Gold Project alone will increase the annual payroll of La Paz County by 3%.



**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

**ENVIRONMENTAL PROTECTION PRACTICES REVIEW**

**Presents the resources with potential to be impacted from implementation of the proposed project and the concomitant development and operating practices that will be instituted.**

POTENTIALLY AFFECTED RESOURCE	ENVIRONMENTAL PROTECTION PRACTICES
SOCIO-ECONOMICS	HIRE FROM LOCAL AREA WORKFORCE WHERE POSSIBLE. MINIMIZING IMPACTS WITH COMMUNITY OUTREACH.
AIR	IMPLEMENT DUST CONTROL MEASURES SUCH AS PROPER TAILINGS MANAGEMENT, DUST MITIGATION THROUGH WATER. CONDUCT CONCURRENT RECLAMATION WHERE AND WHEN POSSIBLE.
WATER	STORMWATER DIVERSIONS AND CONTROLS INSTALLED AS NECESSARY.
LAND/SOILS	TAILINGS WILL BE HAULED BACK TO PROPERTY AND USED IN THE CONCURRENT RECLAMATION.
VEGETATION	CONCURRENT RECLAMATION. CONDUCT SEEDING TRIALS USING KNOWN SEED MIXES.
WILDLIFE SPECIAL STATUS SPECIES	COMPLETE BIOLOGICAL STUDY OF AREAS OF PROPOSED DISTURBANCE. FENCE AREAS TO EXCLUDE WILDLIFE. NO KNOWN SPECIAL STATUS SPECIES HAVE BEEN LOCATED WITHIN THE AREA OF LEGACY DISTURBANCE. ENSURE PROPER TRAINING OF EMPLOYEES IF TRANSIENT SPECIAL STATUS SPECIES ARE ENCOUNTERED.
VISUAL RESOURCES	THE PROCESSING PLANT WILL BE SET-UP OFF SITE ON PRIVATE PROPERTY. THE TAILINGS WILL BE HAULED BACK TO THE PROPERTY AND WILL BE USED IN CONCURRENT RECLAMATION OF PROJECT SITE AND SEEDED WITH CHOSEN SEED MIX. ALL BUILDINGS WILL BE REMOVED AND AREAS OF DISTURBANCE RECONTOURED TO BLEND WITH THE SURROUNDING FEATURES.
LIVESTOCK	FENCING WILL BE MAINTAINED TO KEEP LIVESTOCK FROM THE AREA. NO ACTIVE LIVESTOCK RANGE PERMITS ARE IN PLACE IN THIS AREA.
CULTURAL RESOURCES	WE WILL PRACTICE AVOIDANCE FROM ANY IDENTIFIED CULTURAL RESOURCES. EDUCATE WORK FORCE ABOUT CULTURAL RESOURCES AND AVOIDANCE.

## LIST OF TABLES

<b>TABLE 1:</b>	<b>ANTICIPATED PROJECT DISTURBANCE</b>
<b>TABLE 2:</b>	<b>WPE PLACER GOLD PROJECT PRODUCTION SCHEDULE</b>
<b>TABLE 3:</b>	<b>MAJOR MINING EQUIPMENT</b>
<b>TABLE 4:</b>	<b>SUMMARY OF ROADS AND TRAILS</b>
<b>TABLE 5:</b>	<b>SPILL AND SAFETY SUPPLIES IN FUEL TRUCK</b>
<b>TABLE 6:</b>	<b>LISTING AND PLACEMENT OF SAFETY EQUIPMENT</b>

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

**TABLE 1: ANTICIPATED PROJECT DISTURBANCE**

Phase of Operation	Year of Operation	Estimated Acres Of Disturbance	Estimated Acres Reclaimed
1	1 - 2	1.274	.6 – by year 2
2	2 - 3	1.033	1.1 – by year 3
3	3 - 6	1.836	2.0 – by year 4.5
4	6 - 10	2.123	4.0 – by year 7.5

Table 1. Anticipated Project Disturbance

Note: the Project plan includes concurrent reclamation for the life of the mine so that the total area of un-reclaimed disturbance for each year is minimized.

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

**TABLE 2. WPE PLACER GOLD PROJECT PRODUCTION SCHEDULE**

<b>Year of Operation</b>	<b>Tons Processed per Hour</b>	<b>Tons Processed Per Day (10 hours)</b>	<b>Tons Processed Per Year (300 days)</b>
1 - 2	40	400	120,000
2 - 3	50	500	150,000
3 - 6	60	600	180,000
6 - 10	60	600	180,000

Table 2. WPE Placer Gold Project Production Schedule

Notes:

- All material will be processed off site on private property.
- Tailings will be hauled back to mine site to be used in the concurrent reclamation process.

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

**TABLE 3. MAJOR MINING EQUIPMENT**

<b>Type of equipment*</b>	<b>Number of units on site</b>	<b>Horsepower</b>	<b>Hrs. of operation per wk.</b>
Caterpillar 330DL	1	250	60
Caterpillar D8T	2	317	30 for each
Track Screen	1	240	60
Caterpillar 966M	1	276	40
On Highway Haul Trucks	4	300	60 for each

Table 3. Mine Equipment

On Highway Haul Trucks will haul and back haul 12 miles each way, to and from our off site processing facility in Ehrenberg, Arizona.

\*Brand of equipment may vary due to local availability.

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

**TABLE 4. SUMMARY OF ROADS AND TRAILS**

<b>Road</b>	<b>Distance Traveled</b>	<b>Road Surface</b>
Dome Rock Road	.5 miles	Paved and dirt
LP 311	.6 miles	Dirt
LP 316	.3 miles	Dirt
Mine Road	.6 miles	Dirt

**TABLE 5. List of Spill & Safety Supplies in Fuel Truck**

<b>List of Spill &amp; Safety Supplies in Fuel Truck</b>	
<b><u>Spill Supplies:</u></b>	
<b>Quantity:</b>	<b>Description:</b>
25	18"x18" or 16 1/2" x 20" absorbent sheets/pads
2	8" x 20' OR 4 - 8" x 10' booms
25	18"x18" absorbent pillows
3	Drip pans (16"diam x 3 3/4", 14" x 18" x 4" or equivalent)
1	Drip can or pan per nozzle
5	6 ml x 18"x30" Polyethylene Bags, w/CAUTION labels, yellow
1	Roll, 6 ml x 6' x 100' plastic
1	Chemically resistant plugging compound, 1 LB
1	Waterproof marker
1	Self-sticking white labels
2	Drip pans (16"diam x 3 3/4", 14" x 18" x 4" or equivalent)
3	6 ml x 18"x 30" Polyethylene bags w/CAUTION labels, yellow
1	10 lbs particulate absorbent
<b><u>Safety Supplies</u></b>	
<b>Quantity:</b>	<b>Description:</b>
4	Fire extinguisher
1	First Aid kit
1	Eye Wash Kit

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

**TABLE 6. LISTING AND PLACEMENT OF SAFETY EQUIPMENT**

No. of Units or Locations	Type of Fixed or mobile location	Description of Safety Equipment	Number of Items	Physical Location
1	Service Truck	Fire extinguisher	4	both on and off site
		First Aid kit	1	both on and off site
		Eye Wash Kit	1	both on and off site
4	On Highway Hauling Trucks	Fire extinguisher	1	Primarily off site
		First Aid kit	1	Primarily off site
1	On Highway Water Truck	Fire extinguisher	1	Primarily off site
		First Aid kit	1	Primarily off site
1	Caterpillar 330DL	Fire Extinguisher	1	Primarily on site
		Complete First Aid Kit	1	Primarily on site
		Eye Wash Kit	1	Primarily on site
2	Caterpillar D8T	Fire Extinguisher	1	Primarily on site
		Complete First Aid Kit	1	Primarily on site
		Eye Wash Kit	1	Primarily on site
1	Caterpillar 966M	Fire Extinguisher	1	Primarily on site
		Complete First Aid Kit	1	Primarily on site
		Eye Wash Kit	1	Primarily on site
1	Track Screen	Fire Extinguisher	1	Primarily on site
		Complete First Aid Kit	1	Primarily on site
		Eye Wash Kit	1	Primarily on site
1	Change Room Trailer	Fire extinguisher	4	Entirely on site
		First Aid Kit	2	Entirely on site
		Eye Wash Center	1	Entirely on site
		Defibrillator	1	Entirely on site
		Stretcher	1	Entirely on site
		MSHA Posters and Bulletins	1	Entirely on site
1	Security Station - Trailer	Fire extinguisher	4	Entirely on site
		First Aid Kit	2	Entirely on site
		Eye Wash Center	1	Entirely on site
		Defibrillator	1	Entirely on site
		Stretcher	1	Entirely on site
		MSHA Posters and Bulletins	1	Entirely on site

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
 WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

RECLAMATION BOND CALCULATION SPREADSHEET – WPE #1

WPE #1

	A	B	C	D	E	F	G	H
1	<b>RECLAMATION BOND CALCULATION SPREADSHEET</b>							
2	Revised 1/31/2012							
3	<b>NOTE: USE THIS SPREADSHEET ONLY IF YOUR TOTAL DISTURBANCE IS LESS THAN 20 ACRES AND AN AQUIFER PROTECTION PERMIT IS NOT REQUIRED.</b>							
4								
5								
6	<b>USER INPUT AND RECLAMATION COST TOTAL</b>							
7	Please fill in the yellow cells relating to the areas to be disturbed during the operation.							
8	Use the units indicated - feet (ft), square feet (sf), inches (in), cubic yards (cu yd), etc.							
9	Identify structure construction type by placing an X in the appropriate cell.							
10	Leave boxes that do not apply to your operation blank.							
11								
12	Roads	#1	Length (ft)	450	Width (ft)	30		
13	(average lengths and widths)	#2	Length (ft)		Width (ft)			
14		#3	Length (ft)		Width (ft)			
15								
16	Road cuts	#1	Length (ft)		Width (ft)		Depth of cut (ft)	
17	(ave. length, width and depth	#2	Length (ft)		Width (ft)		Depth of cut (ft)	
18	of cut at highwall)	#3	Length (ft)		Width (ft)		Depth of cut (ft)	
19	Enter additional cuts on Continuation page							
20								
21	Cleared areas	#1	Length (ft)		Width (ft)			
22	(average lengths & widths)	#2	Length (ft)		Width (ft)			
23		#3	Length (ft)		Width (ft)			
24	Enter additional areas on Continuation page							
25								
26	Drill pads	#1	Length (ft)		Width (ft)		Depth of cut (ft)	
27	(average lengths, widths and	#2	Length (ft)		Width (ft)		Depth of cut (ft)	
28	depth of cut)	#3	Length (ft)		Width (ft)		Depth of cut (ft)	
29	Enter additional pads on Continuation page							
30								
31	Culverts	#1	Length (ft)		Diameter (ft)		Ave. depth (ft)	
32	(average lengths, diameter	#2	Length (ft)		Diameter (ft)		Ave. depth (ft)	
33	and depth of burial)	#3	Length (ft)		Diameter (ft)		Ave. depth (ft)	
34								
35	Waste dumps/spill piles	#1	Length (ft)		Width (ft)		Face height (ft)	
36	(average lengths, widths and	#2	Length (ft)		Width (ft)		Face height (ft)	
37	height of top surfaces of dump)	#3	Length (ft)		Width (ft)		Face height (ft)	
38		#4	Length (ft)		Width (ft)		Face height (ft)	
39		#5	Length (ft)		Width (ft)		Face height (ft)	
40		#6	Length (ft)		Width (ft)		Face height (ft)	
41		#7	Length (ft)		Width (ft)		Face height (ft)	
42		#8	Length (ft)		Width (ft)		Face height (ft)	
43		#9	Length (ft)		Width (ft)		Face height (ft)	
44		#10	Length (ft)		Width (ft)		Face height (ft)	
45								
46	Shafts	#1	Length (ft)		Width (ft)		Depth (ft)	
47	(lengths and widths of shafts		Depth of water (ft)					
48	at collar)	#2	Length (ft)		Width (ft)		Depth (ft)	
49			Depth of water (ft)					
50		#3	Length (ft)		Width (ft)		Depth (ft)	
51			Depth of water (ft)					
52		#4	Length (ft)		Width (ft)		Depth (ft)	
53			Depth of water (ft)					
54		#5	Length (ft)		Width (ft)		Depth (ft)	
55			Depth of water (ft)					
56								
57	Distance to source of HC fill		Miles		Entry required for shafts with water			
58								
59	Pits	#1	Length (ft)		Width (ft)		Depth (ft)	
60	(average lengths and widths	#2	Length (ft)		Width (ft)		Depth (ft)	
61	at surface)	#3	Length (ft)		Width (ft)		Depth (ft)	
62	Generally deep excavation with	#4	Length (ft)		Width (ft)		Depth (ft)	
63	length and width similar.	#5	Length (ft)		Width (ft)		Depth (ft)	
64	Much excavated material has	#6	Length (ft)		Width (ft)		Depth (ft)	
65	been removed for processing	#7	Length (ft)		Width (ft)		Depth (ft)	
66	or sale.	#8	Length (ft)		Width (ft)		Depth (ft)	

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
 WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

RECLAMATION BOND CALCULATION SPREADSHEET – WPE #1

	A	B	C	D	E	F	G	H
67		#9	Length (ft)		Width (ft)		Depth (ft)	
68		#10	Length (ft)		Width (ft)		Depth (ft)	
69								
70	Highwalls	#1	Length (ft)	200	Height (ft)	30	Blasting required?	no
71	(average length and height)	#2	Length (ft)	200	Height (ft)	30	(Yes or No)	no
72		#3	Length (ft)		Height (ft)			
73		#4	Length (ft)		Height (ft)			
74								
75	Trenches	#1	Length (ft)	300	Width (ft)	180	Depth (ft)	25
76	(average lengths and widths	#2	Length (ft)	150	Width (ft)	300	Depth (ft)	25
77	at surface)	#3	Length (ft)	400	Width (ft)	200	Depth (ft)	25
78	Generally shallow excavation	#4	Length (ft)		Width (ft)		Depth (ft)	
79	with length much larger than	#5	Length (ft)		Width (ft)		Depth (ft)	
80	width. Excavated material is	#6	Length (ft)		Width (ft)		Depth (ft)	
81	generally available nearby for	#7	Length (ft)		Width (ft)		Depth (ft)	
82	refilling.	#8	Length (ft)		Width (ft)		Depth (ft)	
83		#9	Length (ft)		Width (ft)		Depth (ft)	
84		#10	Length (ft)		Width (ft)		Depth (ft)	
85								
86	Adits		How many?					
87								
88	Water or silt ponds	#1	Length (ft)		Width (ft)		Depth (ft)	
89	(average lengths and widths	#2	Length (ft)		Width (ft)		Depth (ft)	
90	at surface)							
91								
92	Tailings impoundment		Length (ft)		Width (ft)		Face height (ft)	
93	(average length, width, face ht.)							
94								
95	Water wells		Total depth of					
96			all water wells (ft)					
97	Drill holes *		Total length of					
98			all drill holes (ft)					
99	Concrete slabs							
100	Unreinforced		Total (cu. yd.)					
101	Reinforced		Total (cu. yd.)					
102								
103	Concrete foundations		Total (cu. yd.)					
104								
105	Asphalt		Total area (sf)		Thickness (in)			
106								
107	Structures	#1	Length (ft)		Width (ft)		Eave height (ft)	
108	Construction:		Steel?		Block?		Wood?	
109		#2	Length (ft)		Width (ft)		Eave height (ft)	
110	Construction:		Steel?		Block?		Wood?	
111		#3	Length (ft)		Width (ft)		Eave height (ft)	
112	Construction:		Steel?		Block?		Wood?	
113		#4	Length (ft)		Width (ft)		Eave height (ft)	
114	Construction:		Steel?		Block?		Wood?	
115		#5	Length (ft)		Width (ft)		Eave height (ft)	
116	Construction:		Steel?		Block?		Wood?	
117								
118	Septic tanks		How many?					
119								
120	Trailers		How many?	2				
121								
122	Tanks, empty	#1	Length (ft)		Diameter (ft)			
123	(Steel tanks, not drums)	#2	Length (ft)		Diameter (ft)			
124		#3	Length (ft)		Diameter (ft)			
125		#4	Length (ft)		Diameter (ft)			
126		#5	Length (ft)		Diameter (ft)			
127		#6	Length (ft)		Diameter (ft)			
128								
129	Tanks, with liquid		Contents					
130	(list number of each type)		Water or fuel		(Greater than 55 gal.)			
131			Chemicals		(Greater than 55 gal.)			
132								

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

RECLAMATION BOND CALCULATION SPREADSHEET – WPE #1

	A	B	C	D	E	F	G	H
133	Tires							
134	Off road		How many?					
135	Highway		How many?					
136								
137	Chemical drums		How many?					
138								
139	Fuel/oil/lube drums		How many?					
140								
141	Explosives		Lbs.					
142								
143	Non-metal trash and scrap		Cubic yards					
144								
145	Recyclable metal scrap		Cubic yards		(Crushers, conveyors, screens, steel scrap, etc.)			
146								
147	Mobile equipment & vehicles		How many?	8	(Includes cars, trucks, dozers, etc.)			
148								
149	Distance to public landfill		Miles	15	(Entry required)			
150								
151	Distance to equipment rental		Miles	15	(Entry required)			
152								
153	HAZMAT site assessment, testing				(Place an 'x' in this box if testing is required)			
154								
155	Your reclamation bond is:		\$98,372					

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
 WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

RECLAMATION BOND CALCULATION SPREADSHEET – WPE #2

WPE # 2

	A	B	C	D	E	F	G	H
1	<b>RECLAMATION BOND CALCULATION SPREADSHEET</b>							
2	Revised 1/31/2012							
3	<b>NOTE: USE THIS SPREADSHEET ONLY IF YOUR TOTAL DISTURBANCE IS LESS THAN 20 ACRES AND AN AQUIFER PROTECTION PERMIT IS NOT REQUIRED.</b>							
4								
5								
6	<b>USER INPUT AND RECLAMATION COST TOTAL</b>							
7	Please fill in the yellow cells relating to the areas to be disturbed during the operation.							
8	Use the units indicated - feet (ft), square feet (sf), inches (in), cubic yards (cu yd), etc.							
9	Identify structure construction type by placing an X in the appropriate cell.							
10	Leave boxes that do not apply to your operation blank.							
11								
12	<b>Roads</b>	#1	Length (ft)	1320	Width (ft)	30		
13	(average lengths and widths)	#2	Length (ft)	700	Width (ft)	30		
14		#3	Length (ft)		Width (ft)			
15								
16	<b>Road cuts</b>	#1	Length (ft)		Width (ft)		Depth of cut (ft)	
17	(ave. length, width and depth	#2	Length (ft)		Width (ft)		Depth of cut (ft)	
18	of cut at highway)	#3	Length (ft)		Width (ft)		Depth of cut (ft)	
19	<b>(enter add'l cuts on Continuation page)</b>							
20								
21	<b>Cleared areas</b>	#1	Length (ft)	400	Width (ft)	150		
22	(average lengths & widths)	#2	Length (ft)	400	Width (ft)	150		
23		#3	Length (ft)		Width (ft)			
24	<b>(enter add'l areas on Continuation page)</b>							
25								
26	<b>Drill pads</b>	#1	Length (ft)		Width (ft)		Depth of cut (ft)	
27	(average lengths, widths and	#2	Length (ft)		Width (ft)		Depth of cut (ft)	
28	depth of cut)	#3	Length (ft)		Width (ft)		Depth of cut (ft)	
29	<b>(enter add'l pads on Continuation page)</b>							
30								
31	<b>Culverts</b>	#1	Length (ft)	20	Diameter (ft)	3	Ave. depth (ft)	4
32	(average lengths, diameter	#2	Length (ft)	20	Diameter (ft)	3	Ave. depth (ft)	4
33	and depth of burial)	#3	Length (ft)		Diameter (ft)		Ave. depth (ft)	
34								
35	<b>Waste dumps/spill piles</b>	#1	Length (ft)		Width (ft)		Face height (ft)	
36	(average lengths, widths and	#2	Length (ft)		Width (ft)		Face height (ft)	
37	height of top surfaces of dump)	#3	Length (ft)		Width (ft)		Face height (ft)	
38		#4	Length (ft)		Width (ft)		Face height (ft)	
39		#5	Length (ft)		Width (ft)		Face height (ft)	
40		#6	Length (ft)		Width (ft)		Face height (ft)	
41		#7	Length (ft)		Width (ft)		Face height (ft)	
42		#8	Length (ft)		Width (ft)		Face height (ft)	
43		#9	Length (ft)		Width (ft)		Face height (ft)	
44		#10	Length (ft)		Width (ft)		Face height (ft)	
45								
46	<b>Shafts</b>	#1	Length (ft)		Width (ft)		Depth (ft)	
47	(lengths and widths of shafts	#2	Depth of water(ft)		Width (ft)		Depth (ft)	
48	at collar)	#3	Length (ft)		Width (ft)		Depth (ft)	
49		#4	Depth of water(ft)		Width (ft)		Depth (ft)	
50		#5	Length (ft)		Width (ft)		Depth (ft)	
51		#6	Depth of water(ft)		Width (ft)		Depth (ft)	
52		#7	Length (ft)		Width (ft)		Depth (ft)	
53		#8	Depth of water(ft)		Width (ft)		Depth (ft)	
54		#9	Length (ft)		Width (ft)		Depth (ft)	
55		#10	Depth of water(ft)		Width (ft)		Depth (ft)	
56								
57	<b>Distance to source of HC fill</b>	Miles		Entry required for shafts with water				
58								
59	<b>Pits</b>	#1	Length (ft)		Width (ft)		Depth (ft)	
60	(average lengths and widths	#2	Length (ft)		Width (ft)		Depth (ft)	
61	of surface)	#3	Length (ft)		Width (ft)		Depth (ft)	
62	Generally deep excavation with	#4	Length (ft)		Width (ft)		Depth (ft)	
63	length and width similar.	#5	Length (ft)		Width (ft)		Depth (ft)	
64	Much excavated material has	#6	Length (ft)		Width (ft)		Depth (ft)	
65	been removed for processing	#7	Length (ft)		Width (ft)		Depth (ft)	
66	or sale	#8	Length (ft)		Width (ft)		Depth (ft)	

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
 WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

RECLAMATION BOND CALCULATION SPREADSHEET – WPE #2

A	B	C	D	E	F	G	H
67	#9	Length (ft)		Width (ft)		Depth (ft)	
68	#10	Length (ft)		Width (ft)		Depth (ft)	
69							
70							
71	#1	Length (ft)		Height (ft)		Blasting required?	
72	#2	Length (ft)		Height (ft)		(Yes or No)	
73	#3	Length (ft)		Height (ft)			
74	#4	Length (ft)		Height (ft)			
75							
76	#1	Length (ft)		Width (ft)		Depth (ft)	
77	#2	Length (ft)		Width (ft)		Depth (ft)	
78	#3	Length (ft)		Width (ft)		Depth (ft)	
79	#4	Length (ft)		Width (ft)		Depth (ft)	
80	#5	Length (ft)		Width (ft)		Depth (ft)	
81	#6	Length (ft)		Width (ft)		Depth (ft)	
82	#7	Length (ft)		Width (ft)		Depth (ft)	
83	#8	Length (ft)		Width (ft)		Depth (ft)	
84	#9	Length (ft)		Width (ft)		Depth (ft)	
85	#10	Length (ft)		Width (ft)		Depth (ft)	
86							
87		How many?					
88	#1	Length (ft)		Width (ft)		Depth (ft)	
89	#2	Length (ft)		Width (ft)		Depth (ft)	
90							
91							
92		Length (ft)	300	Width (ft)	50	Face height (ft)	25
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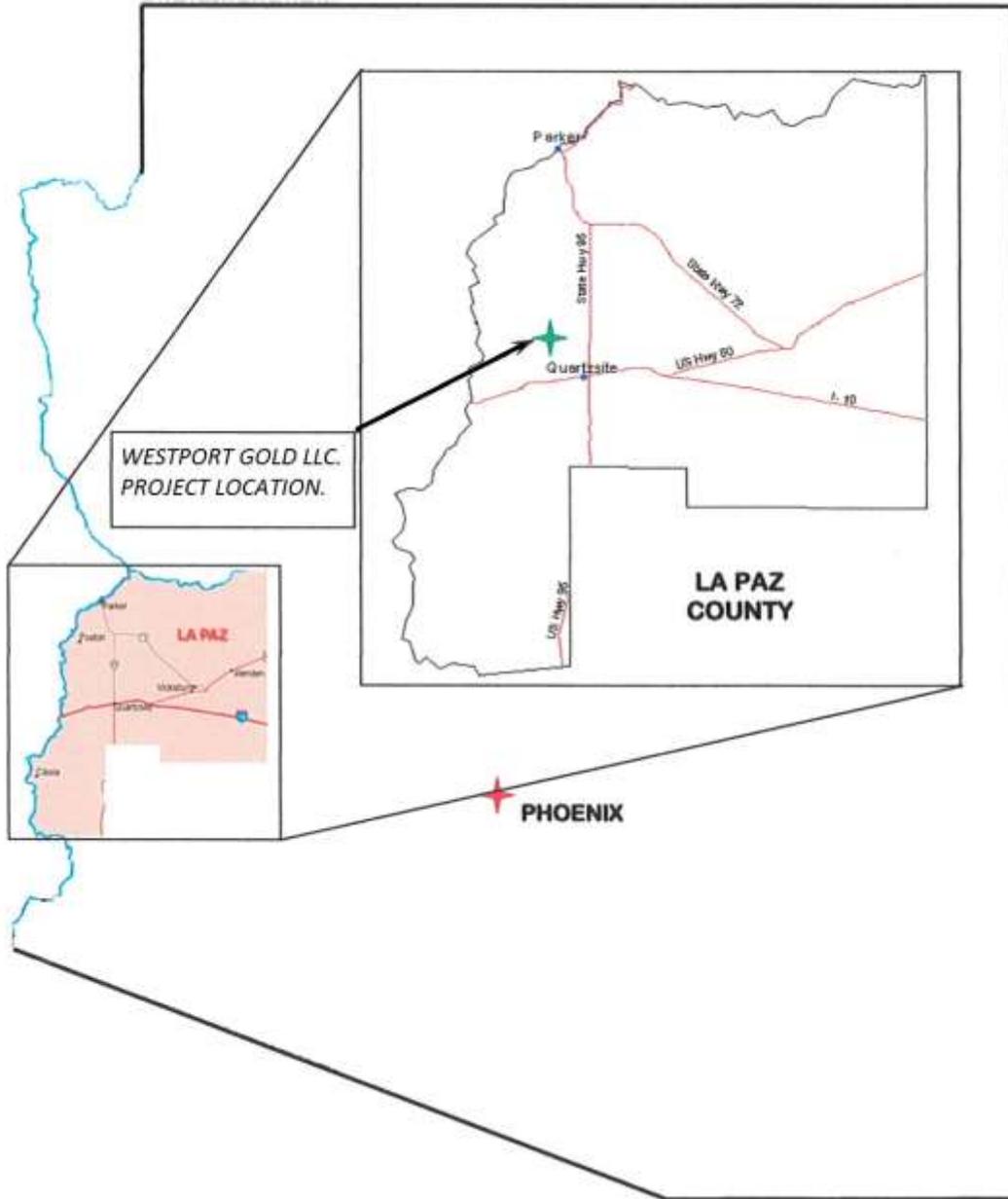
MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

RECLAMATION BOND CALCULATION SPREADSHEET – WPE #2

	A	B	C	D	E	F	G	H
123	Tires							
124	Off road		How many?					
135	Highway		How many?					
136								
137	Chemical drums		How many?					
138								
139	Fuel/oil/lube drums		How many?					
140								
141	Explosives		Lbs.					
142								
143	Non-metal trash and scrap		Cubic yards					
144								
145	Recyclable metal scrap		Cubic yards		(Crushers, conveyors, screens, steel scrap, etc.)			
146								
147	Mobile equipment & vehicles		How many?	8	(Includes cars, trucks, dozers, etc.)			
148								
149	Distance to public landfill		Miles	15	(Entry required)			
150								
151	Distance to equipment rental		Miles	15	(Entry required)			
152								
153	HAZMAT site assessment, testing				(Place an "x" in this box if testing is required)			
154								
155	Your reclamation bond is:		\$23,681					

MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA

VICINITY MAP







**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

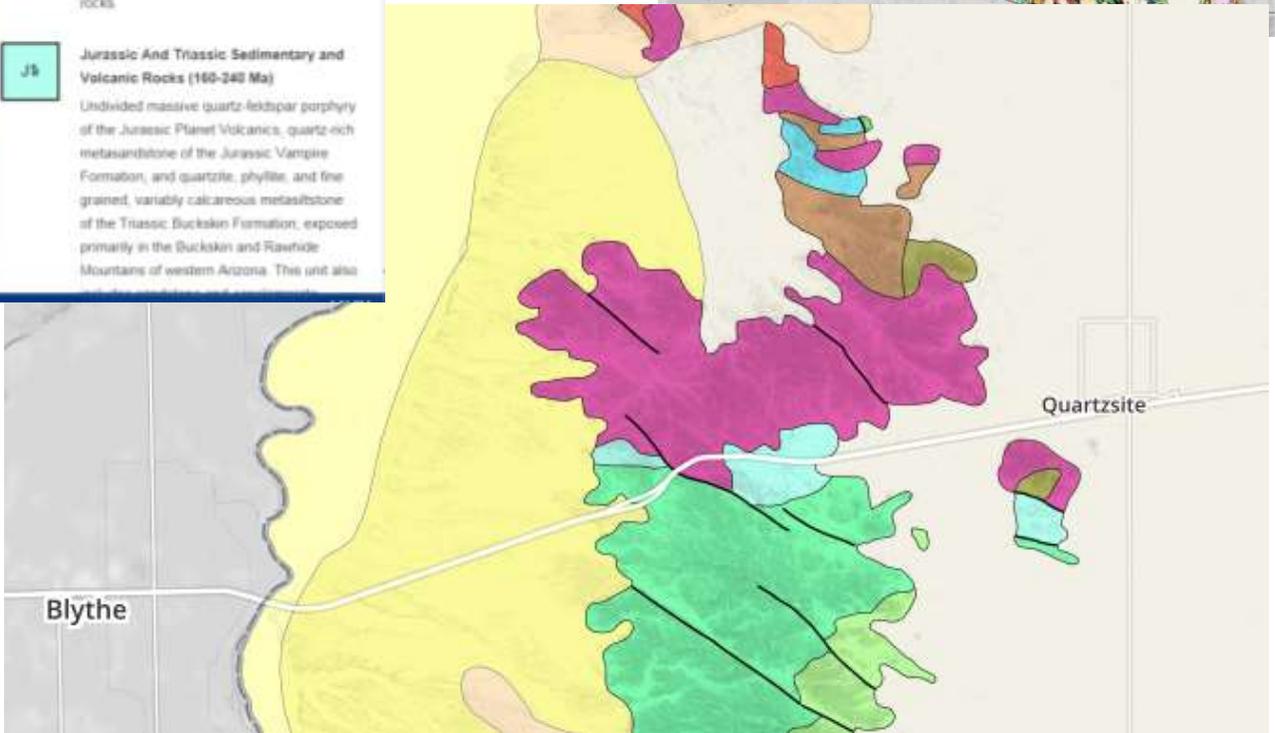
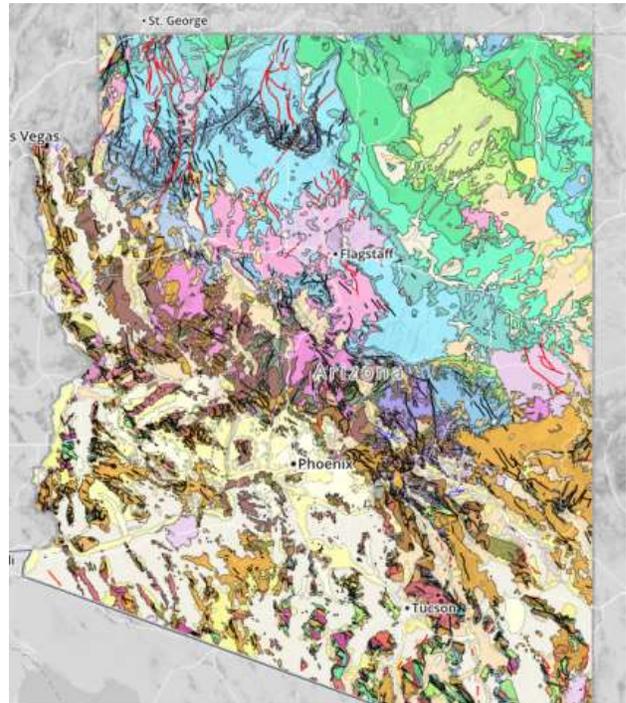
**GENERALIZED GEOLOGIC MAP**

quartz-rich sandstone and sparse limestone.

**Jg** **Jurassic Granitic Rocks (150-180 Ma)**  
Granite to diorite, locally foliated and locally alkalic; includes Triassic(?) granitoids in the Trigo Mountains. This unit includes two dominant assemblages of igneous rocks. The Kit Peak-Trigo Peaks super-unit includes, from oldest to youngest: dark, foliated or gneissic diorite, medium-grained equigranular to porphyritic granodiorite, and small, irregular intrusions of light-colored, fine-grained granite. The Ka Vaya super-unit, limited to south-central Arizona, includes texturally heterogeneous K-feldspar-rich granitic rocks.

**Jv** **Jurassic Volcanic Rocks (160-200 Ma)**  
Massive quartz-feldspar porphyry, generally interpreted as thick, welded rhyolite tuffs, with locally abundant lava, and sandstone and conglomerate derived from volcanic rocks. Rare eolian quartzite units are interbedded in southern Arizona. Includes All Moine Formation, Mount Wrightson Formation, part of the Canino Hills Volcanics, Cibola Ridge tuff, Black Rock volcanics, Planet Volcanics, and equivalent rocks.

**Js** **Jurassic And Triassic Sedimentary and Volcanic Rocks (160-240 Ma)**  
Undivided massive quartz-feldspar porphyry of the Jurassic Planet Volcanics; quartz-rich metasandstone of the Jurassic Vampire Formation, and quartzite, phyllite, and fine-grained, variably calcareous metaslstone of the Triassic Buckskin Formation, exposed primarily in the Buckskin and Rawhide Mountains of western Arizona. This unit also



MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
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ACCESS ROADS AND TRAILS MAP



## LIST OF ACRONYMS AND ABBREVIATIONS

### ACRONYMS

ACC	Arizona Corporation Commission
ADOT	Arizona Department of Transportation
ADWR	Arizona Department of Water Resources
ADEQ	Arizona Department of Environmental Quality
AGFD	Arizona Game & Fish Department
AG	Acid generating
AMA	Active Management Area
ANFO	Ammonium nitrate and fuel oil
APP	Aquifer Protection Permit
ARD	Acid rock drainage
BADCT	Best Available Demonstrated Control Technology
BLM	Bureau of Land Management
BMPs	Best Management Practices
CAP	Central Arizona Project
CAWCD	Central Arizona Water Conservation District
CESQG	Conditionally Exempt Small Quantity Generator
CLS	Conservation Lands System
CNF	Coronado National Forest
DES	Department of Economic Security
DOT	Department of Transportation
EIS	Environmental Impact Statement
EPA	Environmental Protection Agency
ESA	Endangered Species Act

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

**ACRONYMS**

FCO	Full Cutoff Optics
FR	Forest Road
FS	Forest Service
GCL	Geosynthetic Clay Liner
GVRHC	Green Valley Recreation Hiking Club
HAPs	Hazardous Air Pollutants
HC	Hydrogeologic Characterization
HDPE	High-Density Polyethylene
LLNB	Lesser long-nose bat
LPS	Low Pressure Sodium
MCE	Maximum Credible Earthquake
ME	Mineral Extraction
MPE	Maximum Probable Earthquake
MPO	Mine Plan of Operations
MSHA	Mine Safety and Health Administration
NAAQS	National Ambient Air Quality Standards
NAG	Non-acid generating
NEPA	National Environmental Protection Act
NHPA	National Historic Preservation Act
OLC	Outdoor Lightning Code
PAG	Potentially Acid Generating
PC	Pit Characterization
PCDEQ	Pima County Department of Environmental Quality
PHSRAC	Parkways and Historic and Scenic Roads Advisory Committee
PLS	Pregnant Leach Solution

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## **ACRONYMS**

PMA	Pollutant Management Area
PMF	Probable Maximum Flood
PSD	Prevention of Significant Deterioration
PWTS	Process Water Temporary Storage
RCRA	Resource Conservation and Recovery Act
ROM	Run of Mine
RP	Point of Compliance
SABO	Southern Arizona Bird Observatory
SAG	Semi-autogenous Grinding
SAMBA	Southern Arizona Mountain Biking Association
SDCP	Sonoran Desert Conservation Plan
SHPO	State Historic Preservation Office
SPCC	Spill Prevention Control and Countermeasure
SR	State Route
SRER	Santa Rita Experimental Range
SWMP	Site Water management Program
SWPPP	Storm Water Pollution Prevention Plan
SWTC	Southwest Transmission Cooperative
SX	Solvent Extraction
TEP	Tucson Electric Power
TSS	Total Suspended Solids
WAPA	Western Area Power Administration
WECC	Western Electricity Coordinating Council

**MINE PLAN OF OPERATIONS for WEST PORT ENERGY, LLC  
WPE PLACER GOLD PROJECT in LA PAZ COUNTY, ARIZONA**

## **ABBREVIATIONS**

af	acre feet
cf	cubic feet
cy	cubic yard
dt/d	dry tons per day
dt/y	dry tons per year
gpm	gallon per minute
hp	horse power
lbs	pounds
L	liter
lbs	pound si
msl	mean sea level
MT	million tons
MW	mega watts
oz	ounces
T	tons
tpd	tons per day
tpy	tons per year