November 28, 2011

Ms. Mindi Cross
Water Quality Compliance Section
Arizona Department of Environmental Quality
1110 West Washington Street
Phoenix, Arizona 85007

Re: Mitigation Order on Consent No. P-121-07
September 1, 2011 through November 30, 2011 Status Report

Dear Ms. Cross:

Freeport-McMoRan Corporation, Copper Queen Branch (CQB) is submitting the fourteenth Status Report in accordance with Section V.A. of Mitigation Order on Consent No. P-121-07. This submittal covers the period from September 1, 2011 through November 30, 2011, in accordance with ADEQ’s February 12, 2008, approval of the schedule for submission of quarterly Status Reports.

Since September 1, 2011, the following measures have been taken under Section III of the MO:

- Met with ADEQ on September 28, 2011 for an update on well mitigation activities.
- Received ADEQ comments dated October 4, 2011 regarding Review of Revision 1 – Aquifer Characterization Report.
- Submitted Interim Action Report for Marcell on October 5, 2011.
- Held second Community Advisory Board meeting of 2011 on October 25, 2011.
- Submitted email on October 27, 2011, requesting consensus from ADEQ on holding two Community Advisory Group meetings for calendar year 2011, no response to date.
- Completed fourth quarter 2011 groundwater monitoring.
Continued with private meetings with well owners in the Naco Highway/Purdy Lane area electing to have replacement wells installed, in preparation for a drilling bid document.
Continued working with Naco Water Company for planned mitigation of NWC – 03.
Continued working with Arizona Water Company on implementation of pipeline extensions for private well mitigation in San Jose area.

During the next quarter, the following activities will be conducted:

- Complete first quarter 2012 groundwater monitoring.
- Prepare report on fourth quarter 2011 groundwater monitoring.
- Continue working on implementation of selected mitigation options.

If you have any questions regarding this Status Report, please contact me or our project manager Stuart Brown.

Sincerely,

Rebecca A. Sawyer
Sr. Environmental Engineer
Freeport-McMoRan Corporation, Copper Queen Branch

cc: Stuart Brown/Freeport-McMoRan Copper and Gold
Mike Jaworski/Freeport-McMoRan Corporation, Copper Queen Branch
Jim Norris/Clear Creek Associates