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May 28, 2013

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
March 1, 2013 through May 31, 2013

Dear Ms. Cross:

Freeport-McMoRan Corporation, Copper Queen Branch (CQB) is submitting the twentieth Status Report in accordance with Section V.A. of Mitigation Order on Consent No. P-121-07. This submittal covers the period from March 1, 2013 through May 31, 2013, in accordance with ADEQ’s February 12, 2008, approval of the schedule for submission of quarterly Status Reports.

Since March 1, 2013, the following measures have been taken under Section III of the MO:

- Submitted First Quarter 2013, quarterly groundwater monitoring report dated April 15, 2013.
- Completed second quarter 2013 groundwater monitoring.
- Submitted selected private well mitigation options to ADEQ on March 7, 2013.
- Continued working with Naco Water Company (NWC) for mitigation of NWC – 03 and the Marcell extension. The NWC-03 upgrades are complete and all existing NWC-03 customers are now receiving water from the new NWC pipeline. NWC received verbal approval of construction from ADEQ for the Marcell extension. Water service will be initiated shortly.
- Held the first Community Advisory Group (CAG) of 2013 on March 14, 2013.
- Will hold the second CAG meeting of 2013 on May 29, 2013.

During the next quarter, the following activities will be conducted:
• Submittal of Feasibility Study that will address drinking water supplies that may be affected by sulfate in the future in July, 2013.
• Begin third quarter 2013 groundwater monitoring.
• Begin work on second quarter 2013 groundwater monitoring report.
• Hold third CAG meeting for 2013.

Also, please note that separate from the CAG, CQB has had two meetings during the first half of 2013 with AWC (on February 21, 2013 and April 30, 2013) concerning the upcoming Feasibility Study.

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

Sincerely,

[Signature]

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  
Sheila Deely/Freeport-McMoRan Copper and Gold