



Janet Napolitano  
Governor

# ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

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Stephen A. Owens  
Director

September 5, 2008

Attention: E. L. (Ned) Hall  
Freeport McMoran Copper & Gold Inc.  
Sierrita Operations  
6200 W. Duval Mine Road  
P.O. Box 527  
Green Valley, AZ 85622-0527

Re: Mitigation Order on Consent, Docket No. P-50-06  
ADEQ Response to Freeport's August 25, 2008 Letter

Dear Mr. Hall:

The Arizona Department of Environmental Quality (ADEQ) has reviewed your letter dated August 25, 2008, requesting an extension of time for Freeport-McMoRan (Freeport) to submit a Feasibility Study (FS) required by Mitigation Order P-50-06. ADEQ grants your requests to extend the deadline to October 25, 2008. However, ADEQ requests that Freeport address the following conditions or comments:

1. In its August 25, 2008 letter, Freeport references new data it has received from the Upper Santa Cruz Providers and Users Group (USC/PUG) in April 2008 relating to water use and additional information it received from the Bureau of Reclamation in August 2008, relating to the Central Arizona Project (CAP) recharge proposals. Freeport states that this information was incorporated into its groundwater flow and transport model (PDSIM) and that it will use this revised model in conducting the Feasibility Study. ADEQ would like to see the information Freeport incorporated into the model and a description of how the PDSIM was revised based on this information prior to receiving the Feasibility Study. Please provide this information to ADEQ on or before October 1, 2008.

2. Freeport should schedule a meeting of the Community Action Group (CAG) in September 2008 or early October 2008 for the purpose of giving the CAG an update and explanation of the necessity for an extension of time to submit the Feasibility Study. As you know, the Mitigation Order requires at least four (4) meetings of the CAG each year. In order to meet that requirement, Freeport should conduct the next meeting in the near future so at least one additional meeting can be held before the end of the calendar year.

3. In approving the Aquifer Characterization Report (ACR), ADEQ endorsed Freeport's suggestion to install a nested sentinel well on the southeastern portion of the sulfate

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plume, west of Community Water Company's Well #10. If that well has not already been installed, ADEQ believes the well should be installed and sampled during this quarter for inclusion in the quarterly groundwater sampling.

ADEQ looks forward to your response regarding these concerns. As previously noted, the deadline for submission of the Mitigation Plan will be sixty (60) days after Freeport's receipt of ADEQ's written review of the FS.

If you have any questions or concerns, please contact me at (602) 771-2209.

Sincerely,



Cynthia S. Campbell, Manager  
Water Quality Compliance Section

cc: Stuart M. Brown, President  
Bridgewater Group, Inc.  
4500 SW Kruse Way Suite 110  
Lake Oswego, OR 97035

Ray Lazuk, Freeport McMoran Gold & Copper Inc.

Joan Card, Director, WQD, ADEQ  
Henry Darwin, Administrative Counsel, ADEQ  
David Haag, Senior Hydrologist, Groundwater Section, ADEQ  
Michele Robertson, Manager, Groundwater Section, ADEQ  
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