

Freeport-McMoRan Sierrita Inc.  
6200 W. Duval Mine Rd.  
PO Box 527  
Green Valley, Arizona 85622-0527

December 30, 2008

**Via Certified Mail #7007 3020 0001 8578 1968**  
**Return Receipt Requested**

Ms. Cynthia S. Campbell  
Arizona Department of Environmental Quality  
Water Quality Compliance Section  
1110 West Washington Street  
Phoenix, Arizona 85007-2935

**Re: Mitigation Order on Consent Docket No. P-50-06**  
**October 1, 2008 through December 31, 2008 Status Report**

Dear Ms. Campbell:

In accordance with Section V.A. of Mitigation Order on Consent Docket No. P-50-06, Freeport-McMoRan Sierrita Inc. (Sierrita) submits the Status Report covering the period from October 1, 2008, through December 31, 2008.

Since the last Status Report was submitted, the following measures have been taken under Section III of the Mitigation Order:

- Sierrita completed fourth quarter 2008 groundwater monitoring activities.
- October 7 and December 12, 2008, Sierrita held Community Advisory Group meetings to review the Feasibility Study process and report submitted to Arizona Department of Environmental Quality (ADEQ).
- On October 20, 2008, Sierrita representatives met with ADEQ to discuss the Feasibility Study.
- On October 23 2008, Sierrita submitted the *Feasibility Study for Sulfate with Respect to Drinking Water Supplies in the Vicinity of the Freeport-McMoRan Sierrita Inc. Tailing Impoundment, Mitigation Order on Consent Docket No. P-50-06*.
- On November 20, 2008, Sierrita met with ADEQ to discuss the Feasibility Study report.
- On December 15, 2008, Sierrita requested ADEQ approval that no additional Community Advisory Group meetings were needed in 2008, after the December 12, 2008 meeting.
- On December 23, 2008, Sierrita submitted a letter requesting that ADEQ agree to revise the Mitigation Order groundwater monitoring program until the mitigation alternative is implemented. At that time, the groundwater monitoring program in the proposed in the Mitigation Plan will be implemented.
- On December 19, 2008, Sierrita submitted to ADEQ the *Fourth Quarter 2008 Groundwater Monitoring Report, Tasks 2.2 of Aquifer Characterization Plan for Mitigation Order on Consent Docket No. P-50-06*.
- Selected a site for the new monitoring well to be installed between the southeast portion of the sulfate plume and Community Water Company's Well #10. Initiated access negotiations, permitting and driller procurement.

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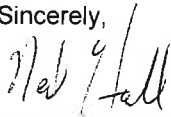
- Initiated revisions to the Aquifer Characterization Report (ACR) in response to ADEQ's comments.

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

- Submit the revised ACR in January 2009.
- Complete installation of the monitoring well between the southeast portion of the sulfate plume and Community Water Company's Well #10.
- Complete first quarter 2009 groundwater monitoring activities by March 31, 2009.
- Submit the Mitigation Plan 60 days after the ADEQ approves the recommended mitigation alternative.
- Hold the next Community Advisory Group meeting after the Mitigation Plan is submitted to ADEQ.

Please do not hesitate to contact Mr. Stuart Brown at (503) 675-5252 or myself at (520) 648-8857 if you have any question regarding this submittal.

Sincerely,



E. L. (Ned) Hall  
Chief Environmental Engineer

ELH:ms  
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xc: Joan Card, Arizona Department of Environmental Quality  
John Broderick, Sierrita  
Chad Fretz, Sierrita  
Manager, Water Quality Programs, Freeport-McMoRan Copper & Gold Inc.  
Stuart Brown, Bridgewater Group, Inc.  
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