

Copper Queen Branch/Freeport-McMoRan Corporation 36 West Highway 92 Bisbee, Arizona 85603

CERTIFIED MAIL # 7011 3500 0001 0664 3249 Return Receipt Requested

February 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 December 1, 2012 through February 28, 2013

Dear Ms. Cross:

Freeport-McMoRan Corporation, Copper Queen Branch (CQB) is submitting the nineteenth Status Report in accordance with Section V.A. of Mitigation Order on Consent No. P-121-07. This submittal covers the period from December 1, 2012 through February 28, 2013, in accordance with ADEQ's February 12, 2008, approval of the schedule for submission of quarterly Status Reports.

Since December 1, 2012, the following measures have been taken under Section III of the MO:

- Submitted Fourth Quarter 2012, quarterly groundwater monitoring report dated January 18, 2013.
- Completed first quarter 2013 groundwater monitoring.
- Completed drilling project for six replacement well installations.
- A point of use reverse osmosis treatment system has been installed at Panagakos.
- Continued working with Naco Water Company (NWC) for mitigation of NWC 03 as well as the Marcell extension. Construction work is more than 75% complete. Project completion is expected in April 2013, pending final inspections.
- Held the fourth Community Advisory Group (CAG) meeting on December 13, 2013.

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

• Implement second quarter 2013 groundwater monitoring.

- Begin work on first quarter 2013 groundwater monitoring report.
- Continue working on implementation of selected mitigation options.
- Hold first CAG meeting for 2013 on March 14.

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

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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