

CERTIFIED MAIL # 7013 0600 0000 9404 8046
Return Receipt Requested

March 24, 2014

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

**SUBJECT: Interim Action Report for Power Well
Mitigation Order on Consent No. P-121-07**

Dear Ms. Cross:

In accordance with Section III.D of Mitigation Order on Consent Docket No. P-121-07, Freeport-McMoran Corporation, Copper Queen Branch (CQB) is providing this interim action report for the Power well.

The Mitigation Order requires a report to Arizona Department of Environmental Quality within 30 days of implementing a mitigation action. The Mitigation Order states the report shall "state the name of the owner(s)/operator(s) of the affected well, the location and type of well (public or private) affected, and the interim action selected."

The affected well is a private domestic well used for potable supply at a residence in the San Jose area. The well is registered to April Power and was installed at 2314 S. Hope Street, Bisbee, Arizona 85603 in October 2013. The Arizona Department of Water Resources registration number for the well is 55-222639.

Water samples collected from the well in January, February, and March 2014 had sulfate concentrations of 234 milligrams per liter (mg/L), 328 mg/L, and 187 mg/L, respectively. As described in the Mitigation Order Workplan¹ if the discrete sulfate concentration of a drinking water supply is found to exceed 250 mg/l sulfate, interim action selection and implementation will begin immediately. In March, CQB implemented an interim mitigation action of bottled water.

¹ Hydro Geo Chem, Inc. 2008. Revision 1, Work Plan to Characterize and Mitigate Sulfate with Respect to Drinking Water Supplies in the Vicinity of the concentrator Tailing Storage Area, Cochise county, Arizona. July 3, 2008

CQB will collect and analyze water samples from the well monthly for the next two months (April and May) and then transition to quarterly sampling. The monthly samples will be used to verify the sulfate concentration and identify any trend in the sulfate concentrations. A decision on future well monitoring and mitigation will be made based on the results of the monthly water samples.

If you have any questions about the information we have provided, please call me, at (520) 432-6209.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Quintanar", written over a horizontal line.

Robert Quintanar
Manager
Freeport-McMoRan Corporation, Copper Queen Branch

cc: Stuart Brown/Freeport-McMoRan Copper and Gold
Jim Norris/Clear Creek Associates