Copper Queen Branch 36 West Highway 92 Bisbee, Arizona 85603

Robert J. Quintanar Manager, Operations 520.432.6209 rquintan@fmi.com

VIA CERTIFIED MAIL # 7016 2140 0000 2046 2964 Return Receipt Requested

March 1, 2017

Ms. Nirupma Bhatia
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, 2016 through February 28, 2017

Dear Ms. Bhatia:

Freeport Minerals Corporation, Copper Queen Branch (CQB) is submitting the thirty-fifth 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, 2016 through February 28, 2017 in accordance with ADEQ's February 12, 2008 approval of the schedule for submission of quarterly Status Reports.

Since December 1, 2016, the following measures have been taken under Section III of the MO:

- Continued work on the Conceptual Design and Critical Path Analysis Study due to ADEQ by July 1, 2017.
- Conducted first quarter 2017 semiannual groundwater sampling and quarterly sampling at NWC-04 per Long Term Plume Monitoring schedule. Groundwater sampling was also conducted at the newly installed wells for the expanded groundwater monitoring network. All new wells have now been sampled for a minimum of eight (8) continuous quarters.

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

- Submit the third Annual Groundwater Monitoring Report by March 31, 2017.
- Submit the third Annual Mitigation Performance Review Report by April 30, 2017.
- Schedule the annual CAG meeting for 2017.
- Continue work on the Conceptual Design and Critical Path Analysis Study.

If you have any questions regarding this Status Report, please contact me at (520) 432-6209 or our project manager Stuart Brown at (602) 366-8303.

Sincerely,

Robert Quintanar

Manager

Copper Queen Branch

cc: David Lelsz, ADEQ

Stuart Brown/Freeport-McMoRan Corporation
Fernando Alday/Freeport Minerals Corporation, Copper Queen Branch
Sheila Deely/Freeport-McMoRan Corporation
Jim Norris/Clear Creek Associates