Copper Queen Branch 36 West Highway 92 Bisbee, Arizona 85603 Fernando J. Alday Senior Environmental Engineer 520.432.6206 falday@fmi.com

VIA CERTIFIED MAIL # 7017 1070 0000 5903 2699 Return Receipt Requested

August 31, 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 June 1, 2017 through August 31, 2017

Dear Ms. Bhatia:

Freeport Minerals Corporation, Copper Queen Branch (CQB) is submitting the thirty-seventh Status Report in accordance with Section V.A. of Mitigation Order on Consent No. P-121-07. This submittal covers the period from June 1, 2017 through August 31, 2017 in accordance with ADEQ's February 12, 2008 approval of the schedule for submission of quarterly Status Reports.

Since June 1, 2017, the following measures have been taken under Section III of the MO:

- Submitted Mitigation Action Report for POWER 639 Well (ADWR 55-222639) on August 30, 2017.
- Conducted the annual CAG meeting on July 26. 1, 2017.
- Submitted the Conceptual Design and Critical Path Analysis Study on June 28, 2017.
- Conducted third quarter groundwater monitoring and quarterly groundwater sampling on 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:

 Conduct fourth quarter groundwater monitoring and quarterly groundwater sampling on newly installed wells for the expanded groundwater monitoring network. All new wells have now been sampled for a minimum of eight (8) continuous quarters. Ms. Nirupma Bhatia August 31, 2017 Page 2 of 2

If you have any questions regarding this Status Report, please contact me at (520) 432-6206 or our project manager Stuart Brown at (602) 366-8303.

Sincerely

Fernándo Alday

Senior Environmental Engineer

Copper Queen Branch

cc: David Lelsz, ADEQ

Stuart Brown/Freeport-McMoRan Corporation

Robert Quintanar / Freeport Minerals Corporation, Copper Queen Branch

Sheila Deely/Freeport-McMoRan Corporation

Jim Norris/Clear Creek Associates