



6200 W. Duval Mine Road • P. O. Box 527 • Green Valley, AZ 85622-0527
(520) 648-8500

June 19, 2007

Hand Delivered

Mr. Jerry H. Smit
Arizona Department of Environmental Quality
1110 W Washington St.
Phoenix, AZ 85007

Re: Phelps Dodge Sierrita Voluntary Remediation Program Application

Dear Mr. Smit:

Attached please find Phelps Dodge Sierrita Inc's (PDSI) application for the sites entry into the Arizona Department of Environmental Quality's (ADEQ) Voluntary Remediation Program. PDSI looks forward to working with ADEQ on this project.

Should have any questions regarding the application, please call Mr. Ned Hall at (520) 648-8857 or myself at (520) 648-8700.

Very truly yours,

A handwritten signature in black ink that reads "Chad D. Fretz". The signature is written in a cursive, flowing style.

Chad D. Fretz, Manager
Environment, Land & Water

CDF:cdf
DMS tracking number

xc: w/o attachments
Amanda Stone (ADEQ)
William Cobb
John Brack
Ned Hall
David Wallis



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY VOLUNTARY REMEDIATION PROGRAM APPLICATION

PART I VOLUNTARY REMEDIATION PROGRAM (VRP) INFORMATION AND APPLICATION OVERVIEW

VRP Overview

The State of Arizona enacted Senate Bill 1454, which created a new Voluntary Remediation Program (VRP), to be implemented by the Arizona Department of Environmental Quality (ADEQ). The new VRP statutes went into effect on July 18, 2000. In accordance with the new statutes, ADEQ submitted a Notice of Exempt Rulemaking with the Secretary of State on January 19, 2000. This action finalized the adoption of the VRP interim fee rules. These interim fee rules went into effect on February 9, 2001 and can be found in the Arizona Administrative Code (A.A.C), Title 18, Chapter 7, Article 5.

Fees

The interim fee rules:

- establish a \$2,000 non-refundable application fee (note that upon acceptance into the VRP, the fee will be credited against total reimbursable costs);
- establish an hourly VRP oversight rate of \$110 per hour;
- provide for an initial deposit of \$4,000 to be submitted with the applicant's work plan or request for No Further Action (NFA) or Conditional NFA;
- request additional deposits of \$4,000, if an account drops below \$1,000;
- provide small businesses with the opportunity to pay the application fee in installments under an agreement with the department;
- provide for quarterly billing statements.

The above is represented as a summary of the main elements of the interim fee rule. Contact the Secretary of State at (602) 542-4086, or the VRP at (602) 771-4398, or toll free in Arizona at 800-234-5677 Ext. 4398 to obtain complete copies of the rule. Additional information can also be found on the ADEQ website, www.adeq.state.az.us.

Application Overview

The application is subdivided into five parts: **PART I**, VRP Information and Application Overview; **PART II**, VRP Eligibility; **PART III**, Applicant, Site and Remedial Action Information; **PART IV**, Voluntary Remediation Agreement; and, **PART V**, Correctness of Information and Terms and Conditions Agreement Statement.

Application Fee and Process

After completing PARTS II - V of the application, the applicant shall include with the application a **non-refundable application fee of \$2,000**, pursuant to A.R.S. § 49-179 (A) and A.A.C. R18-7-502(A). The fee should be in the form of a company check, cashier's check, certified check, or money order **made payable to ADEQ**. Small businesses as defined in A.R.S. § 41-1001(19), may have their application approved upon receipt of a partial payment of the application fee, in an amount approved by ADEQ and an agreement to pay the remainder of the fee in scheduled installments.

Please return the completed application and the \$2,000 non-refundable fee to the:

Arizona Department of Environmental Quality
Voluntary Remediation Program, Fourth Floor
1110 W. Washington Street, MC 4415B-2
Phoenix, AZ 85007

After receipt of the application, the VRP will promptly review the application and approve, deny, or request modifications in order to determine the applicant's eligibility to participate in the VRP. An application shall be deemed complete unless the department, within sixty days of receipt, notifies the applicant that the application is incomplete or has been denied.

PART II: VRP ELIGIBILITY

Section I: Verification of VRP Eligibility

A. VRP Eligibility

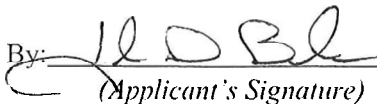
Please verify that your remedial activities are eligible for the VRP by answering "yes" or "no" to the below listed eligibility requirements specified in A.R.S. § 49-172(B). **If you circle "yes" to any of the remedial activities listed in the box below, contact the VRP for assistance at (602) 771-4398 or toll free in Arizona at (800) 234-5677 ext. 4398.**

<p>Are remedial actions required by the terms of any of the following :</p>		
<p>1) a written agreement between the applicant and the Director entered into before the date of the application;</p>	Yes	<input type="radio"/> No
<p>2) a judicial judgment or decree;</p>	Yes	<input type="radio"/> No
<p>3) an administrative order issued before the date of the application;</p>	Yes	<input type="radio"/> No
<p>Are remedial actions: sought to be required in the complaint in a judicial action filed and served by the state before the date of the application;</p>	Yes	<input type="radio"/> No
<p>Are remedial activities subject to:</p>		
<p>1) corrective action at or closure of a facility, that has qualified for interim status or to which a permit has been issued pursuant to A.R.S. § 49-922;</p>	Yes	<input type="radio"/> No
<p>2) listing on the WQARF Registry [see A.R.S § 49-287.01(D)] or location in a WQARF boundary area with the same contaminant(s) of concern. Specifically remedial actions at a site or portion of a site listed on the registry maintained pursuant to § 49-287.01, subsection D that address a contaminant of concern at that site, except that the department may accept an application under this article for remediation of a site or a portion of a site for which a preliminary investigation has been commenced or completed pursuant to § 49-287.01 but that has not been listed on the registry maintained pursuant to § 49-287.01, subsection D;</p>	Yes	<input type="radio"/> No
<p>3) a corrective action pursuant to A.R.S. § 49-1005, unless the person waives any right to reimbursement from the State Assurance Fund. Answer "no" to this question if the applicant and property owner agree not to seek reimbursement from the State Assurance Fund for LUST corrective actions, or no USTs are found on site. In all cases, if the applicant answers "no" to this question, the "Waiver of State Assurance Fund Reimbursement" must be completed.</p>	Yes	<input type="radio"/> No

If you have answered "no" to all of the above items, your site may be eligible for participation in the VRP. If you have any questions regarding eligibility requirements or application elements, please contact the VRP prior to submittal. **(Please note that the application fee is non-refundable)**

B. Waiver of State Assurance Fund Reimbursement (signatures are mandatory for VRP acceptance)

The applicant and property owner (if different from the applicant) shall not seek or request reimbursement from the ADEQ/State Assurance Fund for LUST corrective actions performed or approved under the Voluntary Remediation Program.

By:  Name: John D. Brack Date: 6.15.07
(Applicant's Signature) *(Print or type)*

The property owner must sign, if different from the applicant.

By: _____ Name: _____ Date: _____
(Owner's Signature) *(Print or type)*

PART III: APPLICANT RELATED, SITE AND REMEDIAL ACTION INFORMATION

Section I: Applicant Related Information

A. Applicant

Name John D. Brack
Company Phelps Dodge Sierrita, Inc.
Address 6200 West Duval Mine Road
City Green Valley State AZ Zip Code 85641
Phone (520) 648-8510 Fax (520) 648-8573 E-mail John_Brack@FMI.com
Nature of the Relationship to the Site General Manager
Type of Business: (Please circle ALL that apply to your business)

N - Native American Owned Entity O - Operator on Native American Property F - Federal Government
S - State Government C - County Government P - Partnership **(R)** Corporation M - Municipality
Other _____

B. Applicant's Authorized Agent (if any)

Name David Wallis Relationship to Applicant Attorney
Company Gallagher & Kennedy
Address 2575 East Camelback Road City _____ State _____
Zip Code 85016 Phone (602) 530-8000 Fax (602) 530-8500 E-mail dlw@gknet.com
Describe Agent's Authority Unrestricted

C. Property Owner

Name Contact: Chad D. Fretz Title Manager Environment, Land & Water
Company Phelps Dodge Sierrita, Inc.
Address P.O. Box 527 City Green Valley State AZ
Zip Code 85614 Phone (520) 648-8700 Fax (520) 648-8573 E-mail Chad_Fretz@FMI.com

D. Billing Information

Name Chad D. Fretz
Company Phelps Dodge Sierrita, Inc.
Address P.O. Box 527 City Green Valley State AZ
Zip Code 85614 Phone (520) 648-8700 Fax (520) 648-8573 E-mail Chad_Fretz@FMI.com

Section II: Site Information

A. Description of the Location and Boundaries of the Site or Portion of the Site, that is Subject to the Remediation

Site Name Phelps Dodge Sierrita, Inc.
Address 6200 West Duval Mine Road
City Green Valley County Pima Zip Code 85614
Approximate Center of the Property:
Latitude 31 ° 52 ' 36 Longitude -111 ° 05 ' 59 ...
Site Size (acres or sq. feet) 14812 Parcel Number See attachments A & B
Township 17 & 18 South Range 12, 13, 14, East
Section Several of the _____ ¼ of the _____ ¼ of the _____ ¼
Legal description of the Property (attach a map showing the site): See attachments A & B.

B. Investigation Information

To the best of your knowledge, is the property (or any activity conducted on the property) **currently** the subject of an administrative, civil, or criminal investigation related to protection of the environment? Yes No [circle one]
If yes, please describe: See attachment C.

To the best of your knowledge, has the property (or any activity conducted on the property) **ever been** the subject of an administrative, civil or criminal investigation related to protection of the environment? Yes No [circle one]
If yes, please describe (including the approximate date of the investigation and any known outcome of the investigation): See attachment C.

Section III: Site Characterization

A. Description

Provide a general description of the results of the site characterization activities performed at the site or portion of the site (attach additional sheets if necessary): Characterization activities will be performed according to a work plan that will be submitted pursuant to A.R.S. § 49-175 that will address uranium in groundwater including background conditions. In addition the work plan may address other issues (i.e. stormwater runoff, historic activities, past releases, etc.) at the discretion of Phelps Dodge Sierrita, Inc.

Section IV: Remedial Actions

A. Remediation

Indicate if the remediation is: Proposed In progress Completed
Provide a general description of the work to be performed or already performed. (attach additional sheets if necessary): Remediation if warranted, will take place after completion of site investigation activities identified in the work plan and completion of a feasibility study.

B. Please Check ALL Your Remedial Objectives While Participating in the VRP:

SOIL

- Residential Soil Remediation Levels
- Non-residential Soil Remediation Levels
- Property specific risk-based residential levels
- Property specific risk-based non-residential levels
- Background levels
- Intended cleanup** level not known at this time

List contaminants Potential areas of investigation and COCs are to be determined.

WATER

- Aquifer water quality standards
- Surface water quality standards
- Intended cleanup level not known** at this time

List contaminants Uranium and other potential areas of investigation and COCs are to be determined.

RISK ASSESSMENT

Please Describe No risk assessment has been conducted at this site. It has not been determined whether a risk assessment will be conducted at a later date.

OTHER COMMENTS

C. Please Check ALL the Approval(s) that you will Seek While Participating in the VRP:

- Site Characterization Work Plan Approval, pursuant to A.R.S. § 49-177
- Remediation Work Plan Approval, pursuant to A.R.S. § 49-177
- No Further Action (NFA) Determination, pursuant to A.R.S. § 49-181
- Conditional NFA Determination, pursuant to A.R.S. § 49-181(D), includes all sites closed through the use of engineering controls (DEUR sites with engineering controls, only)

Section V: Actions to be Suspended

A. Suspended Actions

If applicable, a list of actions that the applicant proposes to be suspended by the approval (examples include, but are not limited to, WQARF preliminary investigations commenced or completed on the site, or deadlines under Notices of Violation).

See attachment D.

PART IV: VOLUNTARY REMEDIATION AGREEMENT

Section I: Voluntary Remediation Agreement - Access

A. Access Agreement

The undersigned Owner(s) is/are the sole Owner(s) of the Property, and hereby grant(s) permission to ADEQ and its authorized agents and contractors to enter upon the Property at reasonable times to verify that the work is being performed in accordance with the work plan, approved pursuant to A.R.S § 49-177, or has been performed in accordance with the report submitted pursuant to A.R.S § 49-181. ADEQ's review may include field inspection and reasonable sampling. If the applicant is different from the Owner, the applicant must secure the Owner's signature on this document, granting right of entry. At ADEQ's request, the Owner, or his authorized agent, shall unlock any entry gate or door to the property and/or remove any lock on any well(s). This access agreement terminates upon receipt by ADEQ of written withdrawal notification from the applicant, issuance by ADEQ of a NFA determination, or by ADEQ notifying the Owner that they are being terminated from the program (A.R.S § 49-178).

By: [Signature]
(Property Owner Signature)
Date: 6.15.07

Name: John D. Brack
(Print or type)

STATE OF AZ)
) ss.
County of Pima)

Notary Public State of Arizona
Pima County
Brenda Villa
Expires October 28, 2008

This application was subscribed and sworn to before me this 15 day of June by
John D. Brack, Owner of Property.

My commission expires:
10/28/2008

[Signature]
(Notary Public)

Section II: Voluntary Remediation Agreement - Costs/Fees, Tasks, & Meetings

A. Reimbursement of ADEQ Costs

The applicant agrees to reimburse ADEQ for all reasonable and necessary costs of actions taken by ADEQ, pursuant to A.R.S §§ 49-173 through 49-182, and 49-185. Reimbursable costs include time spent by the ADEQ employees and the costs of goods and services contracted by ADEQ to carry out the activities described in the VRP authorities listed above (A.A.C. R18-7-504). The interim hourly reimbursement rate for ADEQ staff is \$110 per hour (A.A.C. R18-7-505). The applicant is responsible for costs associated with the services of any contractor retained by ADEQ. The applicant agrees to pay all costs incurred in collecting any amounts due under this agreement, including ADEQ’s attorneys’ fees, and other goods and services. If an application is withdrawn or terminated from the VRP, the applicant shall reimburse ADEQ for all costs incurred prior to the withdrawal or termination (A.A.C. R18-7-507).

B. Advance Deposits

The applicant agrees to provide an initial deposit of \$4,000 to ADEQ [A.A.C. 18-7 503(A)], to be submitted with the applicant’s work plan or request for NFA or Conditional NFA, and before the applicant’s work plan (A.R.S § 49-175) or NFA/CNFA report (A.R.S § 49-181) will be reviewed by the VRP. The deposit must be in the form of a company check, cashier’s check, certified check, or money order made payable to ADEQ. A site-specific deposit account will be established for the site and ADEQ will charge all incurred reimbursable costs attributable to the applicant’s site against the account. If the applicant’s account falls below \$1,000, additional deposits of \$4,000 will be requested of the applicant. All deposits are due within 30-days of the request date. If any requested deposit is not received within 60-days of request, the applicant’s site may be terminated from participation in the VRP. For more information see A.A.C. R18-7-503.

C. Work Plan Schedule

The applicant agrees to carry out the tasks described in the work plan pursuant to A.R.S § 49-175 in accordance with the schedule provided in the work plan, or to submit a report pursuant to A.R.S § 49-181.

D. Meeting and Confering with ADEQ

The applicant agrees to meet and confer with the department regarding the progress of the tasks performed in accordance with the work plan, approved pursuant to A.R.S § 49-177, if applicable.

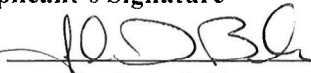
E. Notice of Referral

Please note that upon closure, withdrawal, or termination from the VRP, any environmental issues not resolved will be referred to the appropriate ADEQ program for further investigation and/or action

PART V: CORRECTNESS OF INFORMATION AND TERMS AND CONDITIONS AGREEMENT STATEMENT

I certify under penalty of law that this application and all attachments are, to the best of my knowledge and belief, true, and complete. I also agree to the terms and conditions as specified in PART IV, Section I and II - Voluntary Remediation Agreement. I am aware that there are significant penalties for submitting false information, including the possibility of a fine and imprisonment for knowing violations.

Applicant’s Signature

By: 
(Applicant’s Signature)

Name: John D. Brack
(Print or type)

Date: 06.15.07

ATTACHMENT A
PARCEL INFORMATION

PDSI Pima County Parcels							
OWNER	PARCEL #	ACRES	LEGAL 1	LEGAL 2	twndship	range	section
PD SIERRITA	304-02-001F	12.700	IRR PCL IN SW COR SW4 SE4 LYG S & W OF MISSION TWIN BUTTES RD 12.70 AC	SEC 01-18-12	18	12	1
PD SIERRITA	304-02-0110	20.661	U S PAT MINE PIMA DIST SENATOR MORGAN 20.661 AC	SEC 01-18-12	18	12	1
PD SIERRITA	304-02-0120	19.695	U S PAT MINE PIMA DIST SENATOR MORGAN 2 19.695 AC	SEC 01-18-12	18	12	1
PD SIERRITA	304-02-0130	13.386	U S PAT MINE PIMA DIST TAURUS FRACTION 13.386 AC	SEC 01-18-12	18	12	1
PD SIERRITA	304-03-0020	20.358	U S PAT MINE PIMA DIST CALCUTTA 20.358 AC	SEC 02-18-12	18	12	2
PD SIERRITA	304-03-0040	1.163	U S PAT MINE PIMA DIST SUMMIT 1.163 AC	SEC 02-18-12	18	12	2
PD SIERRITA	304-03-0050	20.298	U S PAT MINE PIMA DIST GLADSTONE 20.298 AC	SEC 02-18-12	18	12	2
PD SIERRITA	304-03-0060	20.298	U S PAT MINE PIMA DIST MARGARET 20.298 AC	SEC 02-18-12	18	12	2
PD SIERRITA	304-03-008B	25.540	LOT 9 SEC 2-18-12 25.54 AC	SEC 02-18-12	18	12	2
PD SIERRITA	304-03-0100	4.600	LOT 10 4.60 AC	SEC 02-18-12	18	12	2
PD SIERRITA	304-08-0050	20.661	U S PAT MINE PIMA DIST ATLANTIC 20.661 AC	SEC 02-18-12	18	12	2
PD SIERRITA	304-08-0060	20.661	U S PAT MINE PIMA DIST JOSEPHINE 2 20.661 AC	SEC 02-18-12	18	12	2
PD SIERRITA	304-03-008C	279.610	LOT 3, 4 & 8 & S2 NW4 & W2 SW4 279.61 AC	SEC 02-18-12	18	12	2
PD SIERRITA	304-01-001C	80.000	W2 OF SW4 80.00 AC TOTAL VALUE OF OPERATING PROPERTY	SEC 03-18-12	18	12	3
PD SIERRITA	304-01-001D	478.620	S2 & NE4 & N2 NW4 EXC RD & EXC W2 SW4 478.62 AC	SEC 03-18-12	18	12	3
PD SIERRITA	304-52-001G	51.980	PTN LOTS 1 & 2 LYG S & ADJ TO RD EXC W100.63' 51.98 AC	SEC 04-18-12	18	12	4
PD SIERRITA	304-52-005A	154.310	SE4 EXC PTN OF W97.39' 154.31 AC TOTAL VALUE OF OPERATING PROPERTY	SEC 04-18-12	18	12	4
PD SIERRITA	304-52-0040	1.840	S200' OF N4420' OF W400' OF SEC 4-18-12 1.84 AC	SEC 04-18-12	18	12	4
PD SIERRITA	304-52-005D	3.110	W90.98' S1460.40' SE4 3.11 AC	SEC 04-18-12	18	12	4
PD SIERRITA	304-52-0170	20.000	E2 SE4 SW4 20 AC	SEC 04-18-12	18	12	4
PD SIERRITA	304-52-0180	20.000	W2 SE4 SW4 20 AC	SEC 04-18-12	18	12	4
PD SIERRITA	304-52-0190	40.000	E2 W2 SW4 40 AC	SEC 04-18-12	18	12	4
PD SIERRITA	304-52-02006	28.160	W2 SW4 SW4 EXC CTRL PTN & SW4 NW4 SW4 28.16 AC	SEC 04-18-12	18	12	4
PD SIERRITA	304-01-005D	350.610	N2 LYG SLY OF MC GEE RANCH RD & N2 S2 EXC IRR PCL IN SE 350.61 AC	SEC 05-18-12	18	12	5

OWNER	PARCEL #	ACRES	LEGAL 1	LEGAL 2	township	range	section
PD SIERRITA	304-02-001F	12.700	IRR PCL IN SW COR SW4 SE4 LYG S & W OF MISSION TWIN BUTTES RD 12.70 AC	SEC 01-18-12	18	12	1
PD SIERRITA	304-01-005G	8.540	S464.67' APPX W720.92' N2 SE4 8.54 AC	SEC 05-18-12	18	12	5
PD SIERRITA	304-01-005J	29.950	PTN E644.59' S2064.19' SE4 29.95 AC	SEC 05-18-12	18	12	5
PD SIERRITA	304-01-006C	21.430	W717.52' S2 SE4 21.43 AC	SEC 05-18-12	18	12	5
PD SIERRITA	304-01-006D	29.940	PTN W665.91' E1310.5' S1997.94' SE4 29.94 AC	SEC 05-18-12	18	12	5
PD SIERRITA	304-01-006E	29.940	PTN W689.65' E2000.15' S1932.52' SE4 29.94 AC	SEC 05-18-12	18	12	5
PD SIERRITA	304-04-001E	119.790	E2 NE4 & NE4 SE4 119.79 AC	SEC 06-18-12	18	12	6
PD SIERRITA	304-04-005F	10.000	E2 E2 SW4 SE4 10 AC	SEC 06-18-12	18	12	6
PD SIERRITA	304-13-007B	2.300	PT OF N57.61' OF S207.61' OF SW4 LYG BETWEEN RR R/W & DUVAL MINE RD 2.30 AC	SEC 07-18-13	18	13	7
PD SIERRITA	304-13-007F	12.640	THAT PTN OF LOTS 2 & 3 LYG W OF TWIN BUTTES RD 12.64 AC	SEC 07-18-13	18	13	7
PD SIERRITA	304-13-007H	31.150	THAT PTN OF S2 OF SW4 LYG W OF TWIN BUTTES RD EXC PT OF N57.61' OF S207.61' THEREOF & EXC DUVAL MINE RD INCL RR R/W 31.15 AC	SEC 07-18-13	18	13	7
PD SIERRITA	304-01-008A	74.930	E2 NE4 EXC TRI PTN IN S2 OVERLAP COPPER JOHN EXT 38-39 74.93 AC TOTAL VALUE OF PRODUCING PROPERTY	SEC 08-18-12	18	12	8
PD SIERRITA	304-01-009B	80.000	S2 OF NE4 80.00 AC (UNSPOILED) TOTAL VALUE OF PRODUCING PROPERTY	SEC 09-18-12	18	12	9
PD SIERRITA	304-01-009C	80.000	N2 OF NE4 80 AC TOTAL VALUE OF OPERATING PROPERTY	SEC 09-18-12	18	12	9
PD SIERRITA	304-01-010N	443.480	IRR PTN E2 & N2 SE4 SW4 & S2 NW4 & PT ABAND DUVAL MINE RD SEC 10 & PT SE4 443.48 AC INCL PAT MILLSITES 1-43 INCL UNPAT MINE CLM RESER (UNSPOILED)	SEC 09-18-12	18	12	9
PD SIERRITA	304-01-010G	68.260	IRREG PARCEL IN E2 OF E2 OF SEC 10-18-12 68.26 AC (UNSPOILED) TOTAL VALUE OF PRODUCING PROPERTY	SEC 10-18-12	18	12	10
PD SIERRITA	304-01-010H	40.000	NW4 OF NW4 40 AC TOTAL VALUE OF OPERATING PROPERTY	SEC 10-18-12	18	12	10
PD SIERRITA	304-01-010J	73.460	NW4 NE4 & THAT PT OF NE4 NE4 LYG N OF SPRR SPUR 73.46 AC	SEC 10-18-12	18	12	10
PD SIERRITA	304-01-010L	6.540	THAT PT OF NE4 NE4 LYG S OF SPRR SPUR 6.54 AC TOTAL VALUE OF PRODUCING PROPERTY	SEC 10-18-12	18	12	10

OWNER	PARCEL #	ACRES	LEGAL 1	LEGAL 2	township	range	section
PD SIERRITA	304-02-001F	12.700	IRR PCL IN SW COR SW4 SE4 LYG S & W OF MISSION TWIN BUTTES RD 12.70 AC	SEC 01-18-12	18	12	1
PD SIERRITA	304-01-011C	90.210	(UNSPOIL) PLANTSITE IN SEC 10,15 & PT ABAND DUVAL MINE RD S2 SE4 SW4,S2 SW4 SE4 SW4 SE4, SE4 SW4 SE4 SE4 IN SEC 10 49.87 AC INC UNPAT CLAIMS 90.21 AC	SEC 10-18-12	18	12	10
PD SIERRITA	304-01-010K	40.000	NE4 OF NW4 40.00 AC	SEC 10-18-12	18	12	10
PD SIERRITA	304-01-012A	30.830	THAT PT OF NW4 NW4 LYG N OF SPRR SPUR 30.83 AC	SEC 11-18-12	18	12	11
PD SIERRITA	304-01-012C	89.170	NW4 OF SW4 & SW4 OF NW4 & THAT PT OF NW4 NW4 LYG S OF SPRR SPUR 89.17 AC	SEC 11-18-12	18	12	11
PD SIERRITA	04-01-013A7-300	135.660	S2 S2 EXC S150' & EXC TRI PARCEL IN NE COR OF SE4 SE4 135.66 AC	SEC 11-18-12	18	12	11
PD SIERRITA	304-01-013B	4.920	TRI PCL IN NE COR OF SE4 SE4 4.92 AC	SEC 11-18-12	18	12	11
PD SIERRITA	304-03-0030	20.661	U S PAT MINE PIMA DIST OREGON 20.661 AC	SEC 11-18-12	18	12	11
PD SIERRITA	304-01-014B	5.230	PT OF N 57.61' OF S 207.61' OF SEC 12-18-12 LYG BETWEEN RR R/W & DUVAL MINE RD 5.23 AC	SEC 12-18-12	18	12	12
PD SIERRITA	304-01-014C	101.200	S2 SE4 SE4 SW4 EXC DUVAL MINE RD & EXC N57.61' M/L S207.61' M/L INCL RR R/W 101.20 AC	SEC 12-18-12	18	12	12
PD SIERRITA	304-01-015B	27.330	THAT PT OF SW4 SW4 LYG N OF SOUTHERN PACIFIC SPUR TRACK 27.33 AC	SEC 12-18-12	18	12	12
	304-01-015C	6.120	THAT PT OF SW4 SW4 LYG S OF SOUTHERN PACIFIC SPUR TRACT & N OF DUVAL MINE RD 6.12 AC	SEC 12-18-12	18	12	12
PD SIERRITA	304-08-0040	20.661	U S PAT MINE PIMA DIST OLYMPIA 20.661 AC	SEC 12-18-12	18	12	12
PD SIERRITA	304-08-0070	20.661	U S PAT MINE PIMA DIST ORIENT 20.661 AC	SEC 12-18-12	18	12	12
PD SIERRITA	304-08-0090	3.470	U S PAT MINE PIMA DIST MARCONI 1 3.47 AC	SEC 12-18-12	18	12	12
PD SIERRITA	304-08-0100	8.585	U S PAT MINE PIMA DIST DAILY NEWS 8.585 AC	SEC 12-18-12	18	12	12
PD SIERRITA	304-08-0110	20.661	U S PAT MINE PIMA DIST NELLIE 20.661 AC	SEC 12-18-12	18	12	12
PD SIERRITA	304-08-0120	13.730	U S PAT MINE PIMA DIST WASHINGTON 13.73 M/L AC	SEC 12-18-12	18	12	12
PD SIERRITA	304-08-0130	20.661	U S PAT MINE PIMA DIST PACIFIC 20.661 AC	SEC 12-18-12	18	12	12
PD SIERRITA	304-08-0140	20.661	U S PAT MINE PIMA DIST JOSEPHINE 2 20.661 AC	SEC 12-18-12	18	12	12
PD SIERRITA	304-08-0150	20.661	U S PAT MINE PIMA DIST SAN ANTONIO 2 20.661 AC	SEC 12-18-12	18	12	12
PD SIERRITA	304-08-0160	20.661	U S PAT MINE PIMA DIST SAN ANTONIO 3 20.661 AC	SEC 12-18-12	18	12	12

OWNER	PARCEL #	ACRES	LEGAL 1	LEGAL 2	township	range	section
PD SIERRITA	304-02-001F	12.700	IRR PCL IN SW COR SW4 SE4 LYG S & W OF MISSION TWIN BUTTES RD 12.70 AC	SEC 01-18-12	18	12	1
PD SIERRITA	304-08-0170	20.661	U S PAT MINE PIMA DIST SAN ANTONIO 20.661 AC	SEC 12-18-12	18	12	12
PD SIERRITA	304-08-0180	20.661	U S PAT MINE PIMA DIST SAN ANTONIO 4 20.661 AC	SEC 12-18-12	18	12	12
PD SIERRITA	304-08-0190	640.000	ALL OF SEC 640 AC SEC 13-18-12 (SPOILED) MINE TAILING POND (AZ PATENT NO 7528) (DEED: D7753 P832 4/1/86) TOTAL VALUE OF PRODUCING PROPERTY	SEC 13-18-12	18	12	13
PD SIERRITA	304-01-016F	1,434.240	SEC 16-18-12 ACREAGE & CLAIMS IN SEC 8,9,10,11,16, 17; W2 NW4, NE4 NW4 IN SEC 15 COPPER JOHN EXT 33 SEC 8 & 9 COPPER JOHN EXT 34, NEW YEARS EVE 1 & 2 ET AL	SEC 16-18-12	18	12	16
PD SIERRITA	304-13-099E	78.550	W2 W2 W2 EXC IRR 276.68' PTN ALONG E BOUNDARY IN N2 N2 THEREOF 78.55 AC PATENT NO 7541	SEC 16-18-13	18	13	16
PD SIERRITA	304-13-102B	151.080	W2 W2 151.08 AC SEC 18-18-13 (SPOILED) MINE TAILING POND (PAT #7537 9577/800)	SEC 18-18-13	18	13	18
PD SIERRITA	304-01-018B	1,271.080	ALL SEC 19 S2 OF SEC 20 & S2 SEC 21-18-12 1271.08 AC & MINING CLAIMS OAKIE 27 TINAJA 20 22 & 25 (UNSPOLED) TOTAL VALUE OF PRODUCING PROPERTY	SEC 21-18-12	18	12	21
PD SIERRITA	304-01-018E	590.800	N2 SEC 20 LOTS 1 THRU 4 & NW4 NW4 & S2 N2 SEC 21-18-12 & MINE CLAIMS R.H.X. 1 7 10-12 OA 169 21-27 CJX 17 19 21 23-25 27-31 & MARY & TIN 1 590.80 AC (SPOILED) (PAT 9577/790 & 792)	SEC 21-18-12	18	12	21
PD SIERRITA	304-12-00301	19.350	U S PAT MINE PIMA DIST ESPERANZA 19.35 AC (DEED: D 7753 P 832 4/1/86)	SEC 21-18-12	18	12	21
PD SIERRITA	304-13-099D	120.000	W2 SW4 & W2 W2 NW4 120.00 AC SEC 21-18-13 PATENT NO 7540	SEC 21-18-13	18	13	21
PD SIERRITA	304-12-0140	320.000	NE4 & NE4 NW4 & N2 SE4 & SE4 SE4 320 AC (AZ PATENT NO 7534) (UNSPOLED)	SEC 24-18-12	18	12	24
PD SIERRITA	304-12-015B	3.980	PTN N591.20' E587.85' SW4 SE4 3.98 AC	SEC 24-18-12	18	12	24
PD SIERRITA	304-12-015C	5.260	PTN N792' E579.83' SE4 NW4 5.26 AC	SEC 24-18-12	18	12	24
PD SIERRITA	304-12-015D	6.840	PTN N634.54' E741.51' NW4 NW4 6.84 AC	SEC 24-18-12	18	12	24
PD SIERRITA	304-01-016M	5.130	PTN E753.61' N656.98' NE4 5.13 AC	SEC 25-18-12	18	12	25
PD SIERRITA	304-13-099C	160.000	W2 W2 160.00 AC SEC 28-18-13 PATENT NO 7535	SEC 28-18-13	18	13	28

OWNER	PARCEL #	ACRES	LEGAL 1	LEGAL 2	twnship	range	section
PD SIERRITA	304-02-001F	12.700	IRR PCL IN SW COR SW4 SE4 LYG S & W OF MISSION TWIN BUTTES RD 12.70 AC	SEC 01-18-12	18	12	1
PD SIERRITA	304-01-008C	1,722.390	T18-R12 S2SW4 SEC5 SE4SE4 SEC6 PTN SEC7 8 17 18 PEB 1-11 KRN 1 2 BJ 1-24 28 30 31 BJX 1 2HP 1-7 DC 1 2 PB 2 5 6 PABX 1 5 MY B 41 43 JU 1 CJ 1-9 (SPOILED) (PAT 9577/788)		18	12	5,6,7,8,17,18
PD SIERRITA	304-08-020B	712.000	N2 & N2 SE4 SEC 14 NE4 NE4, S2 NE4, SE4 NW4 PT AB DUVAL MINE RD, W2 SW4, NE4 SW4, KATHERINE & JUSTICE CLMS SEC 15 ANTICIPATION 21 & TINAJA 2, 15 16 CLMS SEC 16 712 AC RD 8433/573 (PAT 9577/784 & 786)		18	12	14,15,16
PD SIERRITA	304-13-101A	1,920.000	ALL SECS 17 20 & 29 1920.00 AC 18-13(SPOILED) (TOTAL VALUE OF PRODUCING PROPERTY GROUP 975) (PAT #7536 9577/798 PAT #7542 9577/810) (PAT #7539 9577/804)		18	13	17,20,29
PD SIERRITA	304-13-102A	1,627.310	ALL SEC 18 EXC W2 W2 & ALL SEC 19 & SEC 30 EXC SE4 SW4 & EXC W2 SW4 1627.31 AC 18-13 (UNSPOLED) (PAT #7537 9577/800) (PAT #7538 9577/802 PAT #7543 9577/812)		18	13	18,19,30
PD SIERRITA TOTAL		14,421.686					
BLM	304-01-016G	173.160	Portion of SW1/4 Sec 17		18	12	16,17
BLM	304-01-009D	217.790	All of the NW 1/4sec 9 , portion of SW 1/4 sec 9,portion of SE1/4 sec 8		18	12	8,9
BLM TOTAL		390.950					
Total		14,812.636					

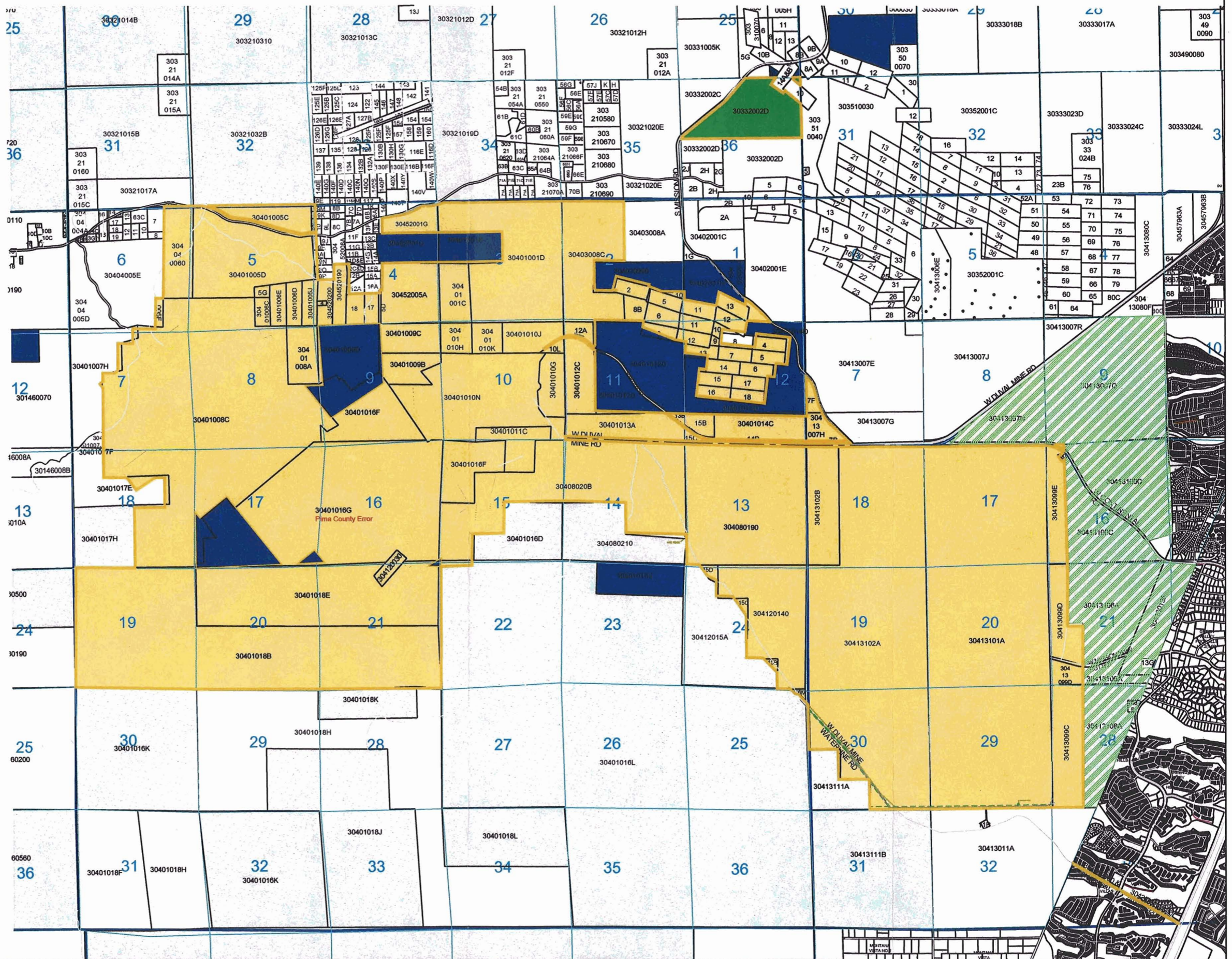
R12E

R13E

T17S

T18S

- LEGEND**
- # Pima County Assessor Parcel
 - # Phelps Dodge Lands (Pima County Assessor Records)
 - Phelps Dodge Lease Lands (Pima County Assessor Records)
 - Phelps Dodge Grazing Lease (State)
 - BLM
 - State Trust
 - Private
 - Town of Sahuarita
 - Township
 - Section



Data Source: Pima County Land Information System
 10-03-06
 Projection: Custom (Mine Projection Approx)
 Note:

WestLand Resources, Inc. assumes no responsibility for the accuracy or completeness of the File(s) and any use or reuse of such electronic data for any purpose shall be at User's sole risk. Furthermore, in consideration for the use of the electronic data and the File, User agrees, to the fullest extent permitted by law, to defend (by legal counsel selected by WestLand Resources, Inc. indemnify and hold WestLand Resources, Inc. harmless from any and all claims, damages, losses, costs, and expenses, including attorney's fees and court costs (including the costs of any appeals) arising out of or resulting from User's use, reuse, or use by others, regardless of whether such claims, damages, losses, costs and expenses are caused in whole or in part by WestLand Resources, Inc. The duty to defend, indemnify and hold WestLand Resources, Inc. harmless shall apply regardless of whether such claims, damages, losses, costs, and expenses arise out of causes of action for tort, including negligence, contract, warranty or strict liability.



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MESSAGE
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SCALE: 1"=3600'
 SHEET NO. D
 DATE: 05-24-2007
 CHECKED BY: C. POVELL
 DESIGNED BY: G. FARAD



AREA	2	SHEET NO.	7
TWP		PARCEL NO.	AV-4
Phelps Fee Lands (Pima County Assessor's Records)			

ATTACHMENT B

SITE MAP

ATTACHMENT C
INVESTIGATION INFORMATION

INVESTIGATION INFORMATION

Current Administrative, Civil or Criminal Investigations

On January 22, 2007, Phelps Dodge Sierrita received notice from the U.S. Environmental Protection Agency (EPA) that the site had been reassessed by the State of Arizona for EPA under Section 104 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 as amended [42 U.S.C. 9404], commonly known as Superfund. Based on the reassessment, the EPA determined that further assessment was warranted.

In June 2006, Arizona Department of Environmental Quality and Phelps Dodge Sierrita, Inc. entered into a Mitigation Order on Consent (Docket No. P-50-06) requiring PDSI to characterize the extent of sulfate in groundwater and to develop a Mitigation Plan for any impacted drinking water supplies attributable to the Phelps Dodge Sierrita Tailing Impoundment.

Past Administrative, Civil or Criminal Investigations

In the past, Phelps Dodge Sierrita has been subject to investigations involving air quality and drinking water system. Those investigations do not involve areas that will be the subject of this Application. Listed below are past investigations regarding water quality laws that may cover areas that will be the subject of investigation under this Application.

In April 9, 1996, the US EPA and Cyprus Sierrita entered into a Consent Decree which required Sierrita to pay a penalty for past alleged violations of the Clean Water Act.

On April 9, 1994 the ADEQ issued a Notice of Violation to Cyprus Sierrita, Inc. for past alleged violations of the Clean Water Act based on an inspection that occurred in January 1994.

On March, 16, 1993, the US EPA issued a Finding of Violation to Cyprus Sierrita, Inc for: unauthorized discharge of process waters to Demetrie Wash on January 24 & 25, 1993; August 31, 1992 through January 10, 1993; August 4 and 10, 1992; April 19, 1991; and April 6, 1989; and failure to monitor parameters identified in 308 letter.

On January 17, 1989, the US EPA and Cyprus Sierrita, Inc. entered into a Consent Agreement and Order for Cyprus Sierrita to prevent discharges into Esperanza Wash and Demetrie Wash except as authorized by a ND PES Permit.

On November 24, 1987, the US EPA issued a Finding of Violation and Order for Compliance to Cyprus Sierrita, Inc. to either cease all unauthorized discharges of copper leachate solution, process waters, and storm water runoff from process areas to waters of the U.S., or obtain a National Discharge elimination System (NPDES) permit authorizing these discharges. The discharges of concern included discharges from the No. 4 Headwall to the Esperanza Wash and from "B" Pond to Demetrie Wash.

ATTACHMENT D
ACTIONS TO BE SUSPENDED

ACTIONS TO BE SUSPENDED

Actions to be suspended is the CERCLA site re-assessment of which PDSI was notified of on January 11, 2007. It is also proposed that any potential actions under A.R.S. Title 49 and rules promulgated thereunder for compliance orders, injunctive relief, or any other remedial action subject to suspension under A.R.S. §49-177(D) related to any of the following, be suspended: solid waste (A.R.S. §49-761 et seq.), hazardous waste (A.R.S. §49-141 to 49-144), environmental nuisance (A.R.S. § 49-142 et. seq.) and water quality assurance revolving fund (A.R.S. §49-281 et seq.).



CHECK NUMBER: 572878

CHECK DATE: 06/01/2007

SUPPLIER NUMBER: 91142B

As payment agent for and on behalf of:

For 24 hour access to your invoice status information please check out our website at: vip.phelpsdodge.com

INVOICE NUMBER	INVOICE DATE	PURCHASE ORDER	COMPANY	TELEPHONE NUMBER	GROSS AMOUNT	DISCOUNT AMOUNT	NET AMOUNT
052907	05/29/2007		PHELPS DODGE SIERRIT		2,000.00	0.00	2,000.00

CHECK TOTAL

2,000.00

0.00

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DETACH BEFORE CASHING

Page: 1 of 1

VERIFY THE AUTHENTICITY OF THIS MULTI-TONE SECURITY DOCUMENT.

CHECK BACKGROUND AREA CHANGES COLOR GRADUALLY FROM TOP TO BOTTOM.

ANTI-FRAUD PROTECTION. PATENTS 5,197,769; 5,340,000



One North Central Avenue
Phoenix, AZ 85004

Bank of America, N.A.
Atlanta, DeKalb County, Georgia

64-1278
611

NO. 572878

CHECK DATE

06/01/2007

NET AMOUNT

*****\$2,000.00

PAY

Two thousand and 00/100 Dollars

TO
THE
ORDER
OF

ARIZONA DEPT OF ENVIRONMENTAL QUA
1110 W WASHINGTON STREET
PHOENIX
AZ 85007 US

572878

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AUTHORIZED SIGNATURE

⑈ 572878⑈ ⑆ 061112788⑆ 3299998445⑈

THE ORIGINAL DOCUMENT HAS A WHITE REFLECTIVE WATERMARK ON THE BACK.

HOLD AT AN ANGLE TO SEE THE MARK WHEN CHECKING THE ENDORSEMENTS.