



Sierrita Operations

December 28, 2007

Via Certified Mail #7006 2150 0004 3614 0777
Return Receipt Requested

Mr. Robert Casey
Arizona Department of Environmental Quality
Water Quality Enforcement Unit
1110 West Washington Street
Phoenix, Arizona 85007-2935

Re: Mitigation Order on Consent No. P-50-06
September 30, 2007 through December 31, 2007 Status Report

Dear Mr. Casey:

In accordance with Section V.A. of Mitigation Order on Consent No. P-50-06, Phelps Dodge Sierrita, Inc., operating as Freeport McMoRan Copper and Gold, Sierrita Operations ("Sierrita") submits the Status Report covering the period from September 30, 2007 through December 31, 2007.

Since the last Status Report was submitted, the following measures have been taken under Section III of the MO:

- Sierrita completed fourth quarter 2007 groundwater monitoring activities.
- On October 9, 2007, Sierrita held the third 2007 CAG meeting as required by Section III.G of the Mitigation Order.
- On October 26, 2007, Sierrita submitted a letter requesting a variance from the Mitigation Order requirement to hold at least four CAG meetings in 2007; the letter requested that the fourth meeting be held in January 2008 as requested by the CAG.
- On November 16, 2007, Sierrita submitted the *Revised Report, Evaluation of the Current Effectiveness of the Sierrita Interceptor Wellfield, Phelps Dodge Sierrita Mine*.
- On December 6, 2007, Sierrita met with ADEQ to review the Focused Feasibility Study (FFS) results and the overall Feasibility Study (FS) screening of technologies and options.
- On December 20, 2007, Sierrita submitted the *Groundwater Monitoring Report for Fourth Quarter 2007 Tasks 2.2, 2.3, and 2.4 of Aquifer Characterization Plan for Mitigation Order on Consent No. P-50-06*.
- On December 28, 2007, Sierrita submitted the *Aquifer Characterization Report, Task 5 of Aquifer Characterization Plan, Mitigation Order on Consent Docket No. P-50-06*.
- On December 28, 2007, Sierrita submitted the *Focused Feasibility Study for the Northern Portion of the Interceptor Wellfield, Phelps Dodge Sierrita Mine Tailing Impoundment, Mitigation Order on Consent Docket No. P-50-06*.

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

- Complete first quarter 2008 groundwater monitoring activities by March 31, 2008.

- Continue the overall FS by completing the development, screening and detailed analysis of potential mitigation alternatives.
- Hold the next CAG meeting by the end of January 2008.

Please do not hesitate to contact Mr. Stuart Brown at (503) 675-5252 or myself at (520) 648-8857 if you have any question regarding this submittal.

Very truly yours,



E. L. (Ned) Hall
Chief Environmental Engineer

ELH:ms
20071228-004

xc: Joan Card, Arizona Department of Environmental Quality
Cynthia Campbell, Arizona Department of Environmental Quality
John Broderick, Sierrita
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