



Sierrita Operations
Environment, Land & Water Department
6200 West Duval Mine Road
PO Box 527
Green Valley, Arizona 85622-0527

December 30, 2011

Via Certified Mail # 7011 1150 0000 0283 5439
Return Receipt Requested

Ms. Mindy Cross
Arizona Department of Environmental Quality
Water Quality Compliance Section
1110 West Washington Street
Phoenix, Arizona 85007-2935

**Re: Mitigation Order on Consent Docket No. P-50-06
October 1st through December 30, 2011 Status Report**

Dear Ms. Cross:

In accordance with Section V.A. of the Mitigation Order on Consent, Docket No. P-50-06, Freeport-McMoRan Sierrita Inc. (Sierrita) submits the Status Report covering the period from October 1st through December 30, 2011.

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

- Completed the 4th quarter 2011 groundwater monitoring activities.
- Held the fourth CAG meeting of the year on December 13, 2011.
- Continued work towards acquisition of State Trust land. Appeals from grazing lessee have been withdrawn, and purchase is moving forward.
- Continued work on obtaining the easements and/or rights-of-way on public or private land where new wells and associated infrastructure will be placed.
- Worked with developer to secure access via easement and/or purchase of land for MC-2 and MC-3 wells locations.
- Continued construction of the water conveyance system and associated infrastructure for the four new interceptor wells (IW-25 through IW-28).
- Commenced drilling of the new four Plume Stabilization (PS) wells drilling. Construction of PS-1 well has been completed.
- Continued work on the feasibility study for the new tailings impoundment.

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

- Complete construction of the water conveyance system and associated infrastructure for the four new interceptor wells.
- Continue drilling of PS wells.
- Begin construction of booster station for the entire conveyance system.
- Continue work to obtain the easements and/or right-of-ways on public or private lands where new wells that are not dependant on the purchase of State Land will be placed.
- Continue work towards acquiring State Trust land.
- Continue working on the feasibility study for the new tailings impoundment.

- Conduct quarterly groundwater monitoring according to the revised groundwater monitoring schedule.

Please do not hesitate to contact Mr. Stuart Brown at (602) 448-0972 or Mrs. Martha Mottley at (520) 393-2696 if you have any question regarding this submittal.

Sincerely,



Clinton D. Beck
Environmental Engineer
Freeport-McMoRan Sierrita Inc.

CDB:cdb
dms: 20111230_001

xc: Henry Darwin, Arizona Department of Environmental Quality
Marcia Colquitt, Arizona Department of Environmental Quality
John Broderick, Sierrita
Lana Fretz, Sierrita
Ned Hall, Freeport-McMoRan Copper & Gold
Stuart Brown, Freeport-McMoRan Copper & Gold
Jim Norris, Clear Creek Associates