

# Resolution Copper Project and Land Exchange Environmental Impact Statement

USDA Forest Service  
Tonto National Forest  
Arizona

November 11, 2016

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## Process Memorandum to File

### Water Rights and Central Arizona Project Allocations

*Note: The Section 508 amendment of the Rehabilitation Act of 1973 requires that the information in federal documents be accessible to individuals with disabilities. The Forest Service has made every effort to ensure that the information in the Resolution Copper Project and Land Exchange Environmental Impact Statement is accessible. However, this appendix is not fully compliant with Section 508, and readers with disabilities are encouraged to contact John Scaggs at [john.scaggs@usda.gov](mailto:john.scaggs@usda.gov) or (602) 225-5292 if they would like access to the information.*

This document is deliberative and is prepared by the third-party contractor in compliance with the National Environmental Policy Act and other laws, regulations, and policies to document ongoing process and analysis steps. This document does not take the place of any Line Officer's decision space related to this project.

**Prepared by:**  
**DeAnne Rietz**  
**Surface Water Specialist**  
**SWCA Environmental Consultants**



## Purpose of Process Memorandum

The purpose of this process memorandum is to provide a summary of the U.S. Department of Agriculture Forest Service review of publicly available documentation regarding Resolution Copper Mining, LLC's (Resolution Copper's) water rights information. This process memorandum covers four basic topics:

- An apparent inconsistency in reported water needs
- Existing groundwater rights
- Central Arizona Project (CAP) allotment status
- Long-term storage status.

Documents attached to this memorandum in support of the discussion presented below include:

1. Project map overlain with Arizona Department of Water Resources (ADWR) Active Management Areas (AMAs)
2. Groundwater rights documents downloaded from ADWR website
3. CAP allotment reallocation application
4. Draft Environmental Assessment for CAP reallocation
5. ADWR long-term storage July 2016 statements
6. Recharge documents downloaded from ADWR website
7. Excel spreadsheet detailing all downloaded documents

## Key Process Steps

### **Apparent inconsistency in reported water needs**

Resolution Copper has provided a water balance in Section 3.6.1 of their General Plan of Operations (GPO) that is based on the existing water rights, CAP allotment, and long-term storage credits. In the discussion of water sources (Section 3.6.1.1) it is stated that 500,000 acre-feet (ac-ft) of water will be needed for the life of the mine. However, considering the following water supply portfolio that is laid out, there is a discrepancy of over 100,000 ac-ft.

- 349,000 ac-ft (long-term storage credits that have been acquired, 312,000 + 37,000 ac-ft)
- 89,520 ac-ft (anticipated allocation of CAP Non-Indian Agricultural water is 2,238 ac-ft/year)
- 170,000 ac-ft (stated acquisition still needed)

This apparent inconsistency is not addressed in this memorandum, and will need to be investigated further.

## Existing Groundwater Rights

In Arizona, ADWR oversees the use of surface and groundwater resources under State jurisdiction. Five AMAs across the state are subject to regulations pursuant to the 1980 Arizona Groundwater Code. The Resolution Copper project footprint is almost entirely within the Phoenix AMA (see Attachment 1).

A review of ADWR online records revealed that Resolution Copper has multiple existing groundwater rights, three of which are within the Phoenix AMA and listed in the GPO. The ADWR interactive website was searched on July 21, 2016, to obtain any publicly available records on these water rights (<http://infoshare.azwater.gov/docushare/dsweb/HomePage>). The search (conducted for “Groundwater Documents” and further refined with “Resolution” listed in the owner criteria) resulted in locating 38 water rights documents associated with the three water rights. The ADWR documents were then downloaded and are provided here as Attachment 2; a summary of the documents is presented in Table 1 below.

**Table 1. Summary of groundwater rights documents downloaded from ADWR website**

DOCUMENT TYPE	NUMBER OF DOCUMENTS	ASSOCIATED WATER RIGHT	LISTED IN GPO
<ul style="list-style-type: none"> <li>● Annual Water Withdrawal and Use Report (2006 – 2015)</li> <li>● Dewatering Permit/Permit Modification</li> <li>● Facility Report</li> </ul>	<ul style="list-style-type: none"> <li>● 11</li> <li>● 2</li> <li>● 1</li> </ul>	59-524492	Yes
<ul style="list-style-type: none"> <li>● Annual Water Withdrawal and Use Report (2005 – 2015)</li> <li>● Certificate for Type 2 Non-irrigation Grandfathered Right</li> </ul>	<ul style="list-style-type: none"> <li>● 11</li> <li>● 1</li> </ul>	58-130703	Yes
<ul style="list-style-type: none"> <li>● Annual Water Withdrawal and Use Report (2005 – 2015)</li> <li>● Certificate for Type 2 Non-irrigation Grandfathered Right</li> </ul>	<ul style="list-style-type: none"> <li>● 11</li> <li>● 1</li> </ul>	58-117402	Yes

The three existing water rights listed in the GPO include 59-524492, 58-130703, and 58-117402:

- 59-524492. This is a dewatering right. Dewatering rights have a limited time frame, a specific geographic area, and a specific annual volume allowed to be pumped. There are four well locations associated with this dewatering right, which appear to be located near Shaft 10 and Shaft 3.
- 58-130703. This is a Type 2 right, or more officially a “Type 2 Non-Irrigation Grandfathered Right,” specifically for mineral extraction or processing. Type 2 rights were established by the 1980 Groundwater Management Act. While Type 1 grandfathered rights are tied to a specific piece of land, Type 2 rights are “floaters.” They can be used anywhere within the AMA. They have no expiration, and Arizona groundwater law has no priority dates associated with groundwater rights. But they do have a specific annual volume allowed to be pumped, and they can only be used for designated uses (in this case, mineral extraction and processing). This groundwater right is for 1,490 acre-feet.
- 58-117402. This groundwater right is also a Type 2 right, this one for 315 acre-feet.

## **CAP Allotment Status**

In Resolution Copper's water budget, they also consider use of CAP allotments. To date, Resolution Copper has recharged excess CAP water without their own dedicated CAP contract. However, there is a process under which abandoned CAP allocations will be periodically redistributed. During the current ongoing reallocation process, which is conducted by the Central Arizona Water Conservation District and the U.S. Bureau of Reclamation, Resolution Copper applied to receive a CAP contract. There are two pertinent documents regarding this process that have been placed in the Resolution Copper Project and Land Exchange project record:

1. ADWR. The process starts with applications for a contracted CAP allotment being submitted to ADWR. On June 14, 2013, Resolution Copper submitted their application for 6,350 acre-feet of CAP water (*Application for Non-Indian Agricultural (NIA) Water Reallocation*). ADWR recommended that Resolution Copper be given part of the reallocation. Resolution Copper's 2013 application to ADWR was downloaded from their website<sup>1</sup> and is provided as Attachment 3.
2. U.S. Bureau of Reclamation. The Bureau of Reclamation then has to make a decision based on ADWR's recommendation. Since it is a Federal decision, they have to conduct a National Environmental Policy Act (NEPA) analysis to disclose the effects. The Draft Environmental Assessment came out in June 2016 (*Proposed Recommendation for the Reallocation of Non-Indian Agricultural Water within the Central Arizona Project System, in Accordance with the Arizona Water Settlements Act of 2004*). This document was downloaded from the Bureau of Reclamation's website<sup>2</sup> and is provided as Attachment 4.

## **Long-Term Storage Status**

ADWR administers the Underground Water Storage, Savings and Replenishment Program (the "recharge program") which allows for the storage of surplus water underground to be recovered later for the storer's use.

A variety of permits are needed to successfully accomplish groundwater recharge. These include:

- A Long-Term Storage Account, obtained by the entity wishing to recharge groundwater and obtain credits, in this case Resolution Copper. One storage account can be used for multiple recharge activities. These permits have the extension: "70-".
- A water storage permit. A water storage permit is obtained by the entity wishing to recharge groundwater (Resolution Copper), and is specific to a certain amount of water to be recharged at a certain location. The location must be a permitted recharge facility. These permits have the extension: "73-".
- A permitted recharge storage facility. Permits for these facilities are obtained by the operator of the storage facility, not the entity wishing to recharge water. ADWR permits two different types of storage facilities. An Underground Storage Facility can be either constructed (i.e., an

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<sup>1</sup> Downloaded from ADWR website July 21, 2016. <https://infoshare.azwater.gov/docushare/dsweb/View/Collection-17445>

<sup>2</sup> Downloaded from U.S. Bureau of Reclamation website July 21, 2016. <http://www.usbr.gov/lc/phoenix/>

injection well or spreading basin) or managed (i.e., recharge through infiltration in a natural streambed); these permits have the extension: “71-“. A Groundwater Savings Facility allows an entity to deliver a renewable water supply (called “in-lieu” water) to a Groundwater Savings Facility, and in return the Groundwater Savings Facility agrees to curtail legal pumping of groundwater by the same amount; these permits have the extension: “72-“.

- Recovery permits. If any well is to be used to recover groundwater allowed by the recharge program, the water user must obtain a recovery well permit; these permits have the extension: “74-“.

The following two ADWR long-term storage reports posted on ADWR’s recharge program website were reviewed and are provided in Attachment 5:

- *Annual Status Report: Underground Water Storage, Savings and Replenishment (Recharge) Program July 28, 2016*
- *Long Term Storage Account Summary updated July 26, 2016.*

According to these documents, Resolution Copper has two Long-Term Storage Accounts (LTSAs), one of which is in the Phoenix AMA with over 220,000 acre-feet of recoverable water. This LTSA and the associated seven ADWR permits for water storage are detailed in Table 2 below.

**Table 2. Summary of Resolution Copper long-term storage in Phoenix AMA**

LTSA	TOTAL RECOVERABLE LTSA BALANCE (acre-feet as of 12-31-14)*	ASSOCIATED WATER STORAGE PERMIT	ALLOTMENT (acre-feet)	ASSOCIATED STORAGE FACILITY
70-441200.0000 (Phoenix AMA)	220,942.70	<ul style="list-style-type: none"> <li>• 73-534888.0604</li> <li>• 73-545695.1400</li> <li>• 73-569775.1600</li> <li>• 73-584466.1500</li> <li>• 73-593305.1800</li> <li>• 73-569776.1600</li> </ul>	<ul style="list-style-type: none"> <li>• 54,000</li> <li>• 25,000</li> <li>• 20,000</li> <li>• 20,000</li> <li>• 20,000</li> <li>• 20,000</li> </ul>	<ul style="list-style-type: none"> <li>• 72-534888.0005 (NMIDD)</li> <li>• 72-545695.0006 (Roosevelt Water Conservation District)</li> <li>• 71-569775.0006 (Agua Fria)</li> <li>• 71-584466.0003 (Hieroglyphic Mts.)</li> <li>• 71-593305.0002 (Tonopah Desert)</li> <li>• 71-569776.0007 (Agua Fria)</li> </ul>

Source: ADWR Annual Status Report: Underground Water Storage, Savings and Replenishment (Recharge) Program July 28, 2016<sup>3</sup>

\* ADWR Long Term Storage Account Summary updated July 26, 2016.<sup>4</sup>

Note: NMIDD = New Magma Irrigation and Drainage District

A search was also conducted on ADWR’s infoshare website for recharge documents with Resolution Copper listed as the owner. This resulted in discovering 57 documents associated with the storage permits in the Phoenix AMA.<sup>5</sup> For the most part, these documents are Annual Water Storage Reports,

<sup>3</sup> ADWR 2016. Available at <http://www.azwater.gov/AzDWR/WaterManagement/Recharge/default.htm>. Accessed August 18, 2016.

<sup>4</sup> Ibid.

<sup>5</sup> Downloaded from ADWR website August 18, 2016. <https://infoshare.azwater.gov/docushare/dsweb/View/Collection-17445>

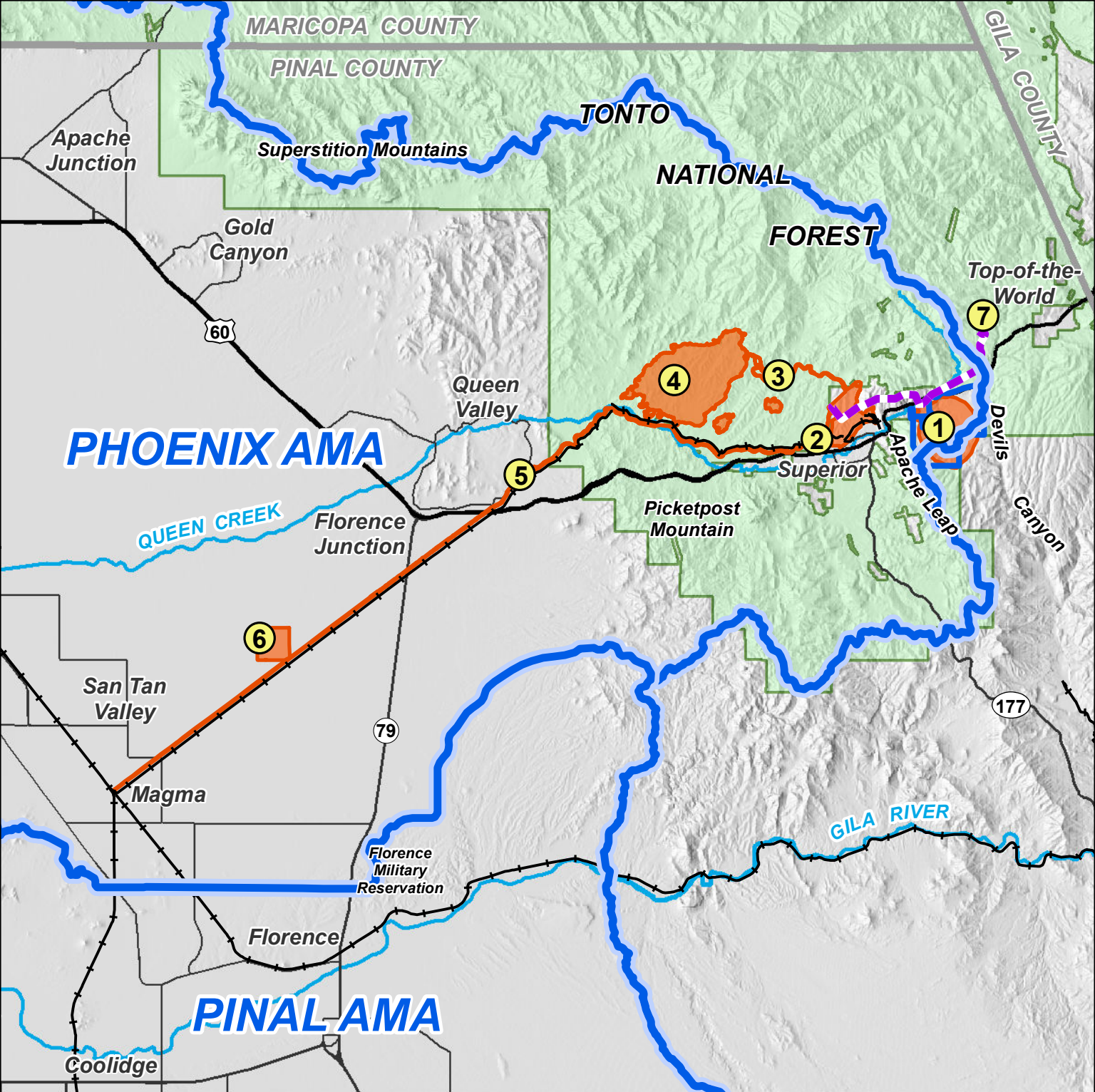
and they indicate that from 2005 to 2015, Resolution Copper has delivered 231,757 ac-ft of water to the NMIDD Groundwater Savings Facility and an additional 1,912 ac-ft of water delivered to the NMIDD that was not for long-term storage credit. These downloaded documents are summarized in Table 3 and are provided in Attachment 6.

**Table 3. Summary of Resolution Copper recharge documents in Phoenix AMA**

DOCUMENT TYPE	NUMBER OF DOCUMENTS	ASSOCIATED STORAGE PERMIT
<ul style="list-style-type: none"> <li>● Annual Water Storage Report (2005 – 2015)</li> <li>● Permit</li> </ul>	<ul style="list-style-type: none"> <li>● 12</li> <li>● 5</li> </ul>	73-534888
<ul style="list-style-type: none"> <li>● Annual Water Storage Report (2008 – 2015)</li> </ul>	<ul style="list-style-type: none"> <li>● 40 (duplicates of 73-534888)</li> </ul>	73-569775, 73-569776, 73-584466, 73-545695, 73-593305, 73-545695

**ATTACHMENT 1**

Figure of Resolution Copper Project and Phoenix Active Management Area



**PHOENIX AMA**

**PINAL AMA**

<p><b>Project Areas</b></p> <p>① Underground Mine and East Plant Site, which includes shafts and surface facilities.</p> <p>② West Plant Site, which includes stockpiles, concentrator complex, administration, and infrastructure.</p> <p>③ Tailings Corridor, which includes water pipelines, tailings pipelines, roads &amp; power.</p>	<p>④ Tailings Storage Facility and Borrow Areas</p> <p>⑤ MARRCO corridor, which includes MARRCO railroad, concentrate pipelines, water supply pipelines, power and pump stations, and well field.</p> <p>⑥ Filter Plant and Loadout Facility</p> <p>⑦ Silver King Substation</p>	<p><b>Land Ownership</b></p> <p><span style="border: 1px solid green; display: inline-block; width: 15px; height: 10px;"></span> USFS</p> <p><span style="border: 2px solid blue; display: inline-block; width: 15px; height: 10px;"></span> Land Exchange Parcel to be conveyed to Resolution Copper</p> <p><span style="border-bottom: 2px dashed purple; display: inline-block; width: 15px;"></span> New Power Line</p> <p><span style="border: 2px solid blue; display: inline-block; width: 15px; height: 10px;"></span> ADWR Active Management Area</p>
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**ATTACHMENT 2**

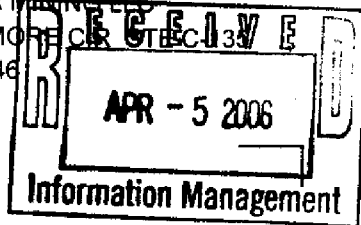
Arizona Department of Water Resources Downloaded Groundwater Rights Documents



# ANNUAL WATER WITHDRAWAL AND USE REPORT GROUNDWATER SUMMARY - WQ 2005

### OWNER OF GROUNDWATER RIGHT

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146



### REPORTING PARTY

58-117402.0001

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146

### TYPE OF RIGHT

TYPE-2 MINERAL EXTRACT GFR

### RIGHT / PERMIT NO.

58-117402.0001

PHOENIX AMA (602) 771-8585

LOCATION: SW NW NW 36 1.0S 12.0E

WITHDRAWAL AUTHORITY ALLOTMENT: 1490.00 AF

### FACILITY NAME:

RESOLUTION COPPER MINING

If any of the information preprinted on this report is incorrect, please make the necessary changes.

*None*

### PART I GROUNDWATER WITHDRAWN

From Box 14 Schedule A attached  
Complete this section only if you operate a non-exempt well.

53.67 ACRE - FEET X Withdrawal Fee = \$ 2.75 \$ 147.59

### PART II WATER DELIVERED TO OTHER RIGHTS

From Box 24 Schedule D attached

- 0 - ACRE - FEET

### PART III WATER RECEIVED FROM OTHER SOURCES

Total from Schedule E attached

- 0 - ACRE - FEET

### PART IV TOTAL WATER USED BY THIS RIGHT

Calculate as follows: Part I + Part III - Part II

53.67 ACRE - FEET

### PART V LATE FEES

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late - 0 - (Maximum of 6)

2) Calculate Late Report Fee \$ - 0 -  
(\$25.00 X number of months late)

3) Calculate Late Payment Fee \$ - 0 -  
(10 % X number of months late X withdrawal  
fee calculated in Part I above)

### PART VI WATER QUALITY

From WQARF Worksheet attached \$ 113.78

### PART VII TOTAL FEES DUE

Add amounts from Parts I, V and VI \$ 261.37

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Department of Water Resources. If mailed, the report must be postmarked no later than

Resolution Copper Mining, LLC  
2525 E. Arizona Biltmore Circle  
Suite C-135  
Phoenix, AZ 85016

Wells Fargo Bank, N.A.  
Salt Lake City, UT 84111

11-24  
1270

00004543

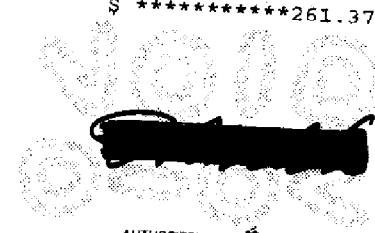
DATE 03/31/06

PAY TWO HUNDRED SIXTY ONE DOLLARS AND 37 CENTS

TO THE ORDER OF ARIZONA DEPT. OF WATER RESOURCES  
500 NORTH THIRD STREET

PHOENIX AZ 85004

\$ \*\*\*\*\*261.37



AUTHORIZED SIGNATURE

THE SECURITY FEATURES OF THIS DOCUMENT ARE DETAILED IN BACK OF CHECK. IF CHECK FEATURES ARE NOT PRESENT, DO NOT CASH

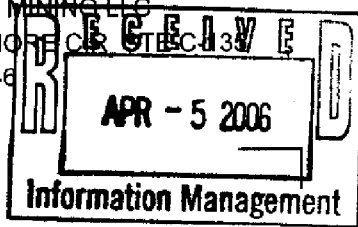
NOTE: THIS REPORT MUST BE FILED

# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2005

**OWNER OF GROUNDWATER RIGHT**

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146



**TYPE OF RIGHT**

TYPE-2 MINERAL EXTRACT GFR

**RIGHT / PERMIT NO.**

58-117402.0001



PHOENIX AMA (602) 771-8585

LOCATION: SW NW NW 36 1.0S 12.0E

WITHDRAWAL AUTHORITY ALLOTMENT: 1490.00 AF

**REPORTING PARTY**

58-117402.0001

RESOLUTION COPPER MINING LLC

2525 E ARIZONA BILTMORE CIR STE C-135

PHOENIX AZ 85016-2146

**FACILITY NAME:**

RESOLUTION COPPER MINING

If any of the information preprinted on this report is incorrect, please make the necessary changes.

*New Sweat*

**PART I GROUNDWATER WITHDRAWN**

From Box 14 Schedule A attached  
Complete this section only if you operate a non-exempt well.

53.67 ACRE - FEET X \$ 2.75 Withdrawal Fee = \$ 147.59

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

- 0 - ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

- 0 - ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

53.67 ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late - 0 - (Maximum of 6)

2) Calculate Late Report Fee \$ - 0 -  
(\$25.00 X number of months late)

3) Calculate Late Payment Fee \$ - 0 -  
(10 % X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached \$ 113.78

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI \$ 261.37

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2006. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2006.

REPORTS FILED AFTER MARCH 31, 2006 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X [Signature]  
AUTHORIZED SIGNATURE

VICE PRESIDENT  
TITLE

27 MARCH 2006  
DATE

W.R. WILLIAMS  
PRINTED NAME

520 689 9374  
TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.



# SCHEDULE G-1

## METAL MINING FACILITIES

### ANNUAL REPORT 2005

ARIZONA DEPARTMENT OF WATER RESOURCES

Facility Name: RESOLUTION COPPER MINING

Facility No.: 11-211001.0000

Facility Owner : \_\_\_\_\_  
 Contact Name: WILLIAMS, WILLIAM R.  
 Contact Address: RESOLUTION COPPER MINING  
PO BOX 1944  
SUPERIOR, AZ 85273  
 Contact Phone: 520-689-9374

Rights Used at Facility:	
58-117402.0001	_____
_____	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2005 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all metal mining facilities are required to supply the following information. Please complete one form per metal mining facility. Instructions are listed on the reverse side of this form.*

#### PART 1 - MAKE-UP WATER USES

Purpose	Measured (AF)	Estimated (AF)
Domestic	53.67	
Equipment Washing		
Tailing Transport		
Tailing Revegetation		
Miling Operations		
Leaching Operations	Water Use (AF)	
	Vat:	Heap:
	In Situ:	

#### PART 2 - RECOVERED WATER

Tailing Impoundments	Surface: AF	Interceptors: AF	
Pit Dewatering	AF		
Leaching Operations	Vat: AF	Heap: AF	In Situ: AF

#### PART 3 - AVERAGE DEPTH OF WATER AT DECANT SITE

Impoundment Name	Average depth at Decant Site	Average % Solids (by wt.)

#### PART 4 - AMOUNTS PROCESSED

Product	Material Mined	Ore Milled	Ore Vat Leached	Ore In-Situ Leached	Ore Stacked to Heap Leached
Tonnage	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -

# WORKSHEET W-1 2005

GROUNDWATER RIGHT/PERMIT/ **58-117402.0001**  
BMP Farm Unit NO.

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-525311	SW	NW	NW	36	1.0S	12.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	TOTALIZER	Variomag					
	SIZE	UNITS MEASURED					
	8 inch	Gallons					
	INSTALLATION OR OVERHAUL DATE						
	January 1993						
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	6020008	156648				
	ENERGY CONSUMPTION		UNITS				
	-0-		kWh				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
583274170	583274170	-0-

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	-0-	9 BREAKDOWN ESTIMATE	-0-
-------------	-----	----------------------	-----

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	-0-
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1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-525312	SE	NW	NW	32	1.0S	13.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	TOTALIZER	Sergus W-350					
	SIZE	UNITS MEASURED					
	3 inch	Gallons					
	INSTALLATION OR OVERHAUL DATE						
	4-16-02						
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	6020008	156648				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
23,562,300	41,050,100	17,487,800

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	53.67	9 BREAKDOWN ESTIMATE	-0-
-------------	-------	----------------------	-----

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	53.67
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1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	SIZE	UNITS MEASURED					
	INSTALLATION OR OVERHAUL DATE						
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	SIZE	UNITS MEASURED					
	INSTALLATION OR OVERHAUL DATE						
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

**WQARF WORKSHEET**  
 WATER QUALITY ASSURANCE  
 REVOLVING FUND

**ANNUAL REPORT 2005**

OWNER

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT NUMBER

58-117402.0001



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page
- Calculate groundwater withdrawn pursuant to this right/permit that is **NOT** subject to the WQARF fee as follows:

A.  Acre-Feet

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

Box 1  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

Box 2  
Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

Box 3  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B.  Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

Box C  
(Acre-feet on which WQARF fees apply)

X \$2.12 =

WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2006.

**TO: ACCOUNTS PAYABLE (RTSI – Utah)**

**FROM: Resolution Copper Mining**

**DATE: 27 March 2006**

**PLEASE ISSUE PAYMENT TO:  
Arizona Department of Water  
Resources**

**AMOUNT (USD): \$261.37**

**IN PAYMENT FOR:  
Groundwater extraction**

**DOCUMENTATION ATTACHED:  
Copy of groundwater report**

**REQUESTED BY:**

**Ian Edgar**

---

**APPROVED BY:**

**Ian Edgar**

**DELIVERY INSTRUCTIONS:**

**Mail check to:  
P.O. Box 1944  
102 Magma Heights  
Superior  
Arizona  
85273**

**CHARGE CODE NUMBER:**

*73150. 7331001*

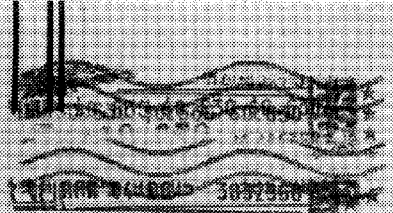
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**Arizona Department  
of Water Resources**

Groundwater Management Support Section  
500 North 3rd Street  
Phoenix, Arizona 85004-3903

PHOENIX AZ 850

04 APR 19 05 PM 3 L



ARIZONA DEPARTMENT OF WATER RESOURCES  
PO Box 458  
Phoenix AZ 85001-0458





# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2006

**OWNER OF GROUNDWATER RIGHT**

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146

**TYPE OF RIGHT**

TYPE-2 MINERAL EXTRACT GFR

**RIGHT / PERMIT NO.**

58-117402.0001

R

**REPORTING PARTY**

58-117402.0001

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146



PHOENIX AMA (602) 771-8585

LOCATION: SW NW NW 36 1.0S 12.0E

WITHDRAWAL AUTHORITY ALLOTMENT: 1490.00 AF

**FACILITY NAME:**

RESOLUTION COPPER MINING

**RECEIVED**

MAR 26 2007

**INFO MGMT**

If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 14 Schedule A attached  
Complete this section only if you operate a non-exempt well.

50.15 ACRE - FEET X \$ 2.75 Withdrawal Fee = \$ 137.91

ACRE - FEET X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

- 0 - ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

- 0 - ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

50.15 ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late - 0 - (Maximum of 6)

2) Calculate Late Report Fee \$ - 0 -  
(\$25.00 X number of months late)

3) Calculate Late Payment Fee \$ - 0 -  
(10 % X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached \$ 107.82

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI \$ 245.73

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2007. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2007.

REPORTS FILED AFTER MARCH 31, 2007 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X W.R. Williams  
AUTHORIZED SIGNATURE

Vice President  
TITLE

21 MAR 07  
DATE

W.R. Williams  
PRINTED NAME

520-689-9374  
TELEPHONE NUMBER

ADWR Name: \_\_\_\_\_ Check No: 00006373 Amount: \$ 245.73  
Use Only Address: \_\_\_\_\_

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.

R.T.

# SCHEDULE A

## REPORT OF PUMPING

Owner

RESOLUTION COPPER MINING LLC

1 RIGHT/PERMIT/BMP Farm Unit NO.

58-117402.0001

## ANNUAL REPORT 2006

Note: Pumpage for each well must be shown on the attached well worksheets. Information for up to four wells may be shown on each worksheet.

2 DWR WELL REGISTRATION NO.		3 Depth to Static Water Level (Designated Providers Only)				4 Ground-water Pumped				RECOVERED WATER PUMPED				PUMPED WATER RECEIVED IN EXCHANGE				13
10	40	160	LOCATION	Date # 1	Date # 2	Msmt # 1	Msmt # 2	Well Running? (Y/N)	5	6	7	8	9	10	11	12	Total Pumped	
Q	Q	Q	SEC TWN RNG						CAP	SW	EFF/ N	EFF/ OUT	GW	CAP	SW	EFF		
55-525311																		
SW	NW	NW	36	1.0S	12.0E													-0-
55-525312																		
SE	NW	NW	32	1.0S	13.0E													50.15
14 TOTAL GROUNDWATER WITHDRAWN (acre-feet)																	50.15	
ENTER TOTAL ACRE-FEET OF GROUNDWATER WITHDRAWN IN PART I OF THE SUMMARY PAGE.																		

# WORKSHEET W-1 2006

GROUNDWATER RIGHT/PERMIT/ 58-117402.0001  
BMP Farm Unit NO.

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-525311	SW	NW	NW	36	1.0S	12.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL <i>Vario MAG</i>					
	TOTALIZER	<i>FTC 1943070963589</i>					
	SIZE	UNITS MEASURED <i>8 inch Gallons</i>					
INSTALLATION OR OVERHAUL DATE <i>January 1993</i>							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	6020008	156648				
		ENERGY CONSUMPTION	UNITS				
		- 0 -	Kwh				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
<i>583274170</i>	<i>583274170</i>	<i>- 0 -</i>

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	<i>- 0 -</i>	9 BREAKDOWN ESTIMATE	<i>- 0 -</i>
-------------	--------------	----------------------	--------------

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET	<i>- 0 -</i>
-----------------------	--------------

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-525312	SE	NW	NW	32	1.0S	13.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	TOTALIZER	<i>Sensus W-350</i>					
	SIZE	UNITS MEASURED <i>3 inch Gallons</i>					
INSTALLATION OR OVERHAUL DATE <i>4-16-02</i>							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	6020008	156648				
		ENERGY CONSUMPTION	UNITS				
		- 0 -	Kwh				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
<i>41,050,100</i>	<i>57,391,200</i>	<i>16,341,100</i>

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	<i>50.15</i>	9 BREAKDOWN ESTIMATE	<i>- 0 -</i>
-------------	--------------	----------------------	--------------

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET	<i>50.15</i>
-----------------------	--------------

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-525312	SE	NW	NW	32	1.5	13E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	Totalizer	<i>994M503-3</i>					
	SIZE	UNITS MEASURED <i>6 inch Gallons</i>					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	<i>Salt River Project</i>	<i>6020008</i>	<i>156648</i>				
		ENERGY CONSUMPTION	UNITS				
		- 0 -	Kwh				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	SIZE	UNITS MEASURED					
	INSTALLATION OR OVERHAUL DATE						
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
		ENERGY CONSUMPTION	UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

# SCHEDULE G-1

## METAL MINING FACILITIES

### ANNUAL REPORT 2006

ARIZONA DEPARTMENT OF WATER RESOURCES

Facility Name: RESOLUTION COPPER MINING

Facility No.: 11-211001.0000

Facility Owner : \_\_\_\_\_  
 Contact Name: WILLIAMS, WILLIAM R.  
 Contact Address: RESOLUTION COPPER MINING  
PO BOX 1944  
SUPERIOR, AZ 85273  
 Contact Phone: 520-689-9374

Rights Used at Facility:	
<u>58-117402.0001</u>	_____
_____	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2006 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all metal mining facilities are required to supply the following information. Please complete one form per metal mining facility. Instructions are listed on the reverse side of this form.*

#### PART 1 - MAKE-UP WATER USES

Purpose	Measured (AF)	Estimated (AF)
Domestic	<u>50.15</u>	
Equipment Washing	<u>-0-</u>	
Tailing Transport	<u>-0-</u>	
Tailing Revegetation	<u>-0-</u>	
Miling Operations	<u>-0-</u>	
Leaching Operations	Water Use (AF)	
	Vat: <u>-0-</u>	Heap: <u>-0-</u> In Situ: <u>-0-</u>

#### PART 2 - RECOVERED WATER

Tailing Impoundments	Surface: <u>-0-</u> AF	Interceptors: <u>-0-</u> AF	
Pit Dewatering	<u>-0-</u> AF		
Leaching Operations	Vat: <u>-0-</u> AF	Heap: <u>-0-</u> AF	In Situ: <u>-0-</u> AF

#### PART 3 - AVERAGE DEPTH OF WATER AT DECANT SITE

Impoundment Name	Average depth at Decant Site	Average % Solids (by wt.)

#### PART 4 - AMOUNTS PROCESSED

Product	Material Mined	Ore Milled	Ore Vat Leached	Ore In-Situ Leached	Ore Stacked to Heap Leach
Tonnage	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

# WQARF WORKSHEET

WATER QUALITY ASSURANCE  
REVOLVING FUND

## ANNUAL REPORT 2006

OWNER

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT NUMBER

58-117402.0001



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A.   
Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

Box 1  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

Box 2  
Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

Box 3  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B.   
Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

Box C  
(Acre-feet on which WQARF fees apply)

X \$2.12 =

WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2007.

# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2007

**OWNER OF GROUNDWATER RIGHT**

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146

MAR 25 2008

**TYPE OF RIGHT**

TYPE 2 MINERAL EXTRACT GFR

**RIGHT / PERMIT NO.**

58-117402.0001

R

**REPORTING PARTY**

58-117402.0001

RESOLUTION COPPER MINING LLC  
~~2525 E ARIZONA BILTMORE CIR STE C-135~~  
~~PHOENIX AZ 85016-2146~~

102 Magma Heights  
P.O. Box 1944  
Superior, AZ 85273



PHOENIX AMA (602) 771-8585

LOCATION: SW NW NW 36 1.0S 12.0E

WITHDRAWAL AUTHORITY ALLOTMENT: 1490.00 AF

**FACILITY NAME:**

RESOLUTION COPPER MINING

CK # 00000811  
PR 285.29

If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 14 Schedule A attached  
Complete this section only if you operate a non-exempt well.

58.58 ACRE - FEET X \$ 2.75 Withdrawal Fee = \$ 161.10

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

0 ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

0 ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

58.58 ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late 0 (Maximum of 6)

2) Calculate Late Report Fee \$ 0 (\$25.00 X number of months late)

3) Calculate Late Payment Fee \$ 0 (10% X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached \$ 124.19

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI \$ 285.29

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2008. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2008.

REPORTS FILED AFTER MARCH 31, 2008 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X W.R. Williams  
AUTHORIZED SIGNATURE

Vice President  
TITLE

13 MAR 2008  
DATE

W. R. Williams  
PRINTED NAME

520.689.9574  
TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.



# SCHEDULE G-1

## METAL MINING FACILITIES

### ANNUAL REPORT 2007

ARIZONA DEPARTMENT OF WATER RESOURCES

Facility Name: RESOLUTION COPPER MINING

Facility No.: 11-211001.0000

Facility Owner : \_\_\_\_\_  
 Contact Name: WILLIAMS, WILLIAM R.  
 Contact Address: RESOLUTION COPPER MINING  
PO BOX 1944  
SUPERIOR, AZ 85273  
 Contact Phone: 520-689-9374

Rights Used at Facility:	
<u>58-117402.0001</u>	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2007 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all metal mining facilities are required to supply the following information. Please complete one form per metal mining facility. Instructions are listed on the reverse side of this form.*

#### PART 1 - MAKE-UP WATER USES

Purpose	Measured (AF)	Estimated (AF)
Domestic	<u>58.58</u>	
Equipment Washing	<u>- 0 -</u>	
Tailing Transport	<u>- 0 -</u>	
Tailing Revegetation	<u>- 0 -</u>	
Milling Operations	<u>- 0 -</u>	
Leaching Operations	Water Use (AF)	
	Vat: <u>- 0 -</u>	Heap: <u>- 0 -</u> In Situ: <u>- 0 -</u>

#### PART 2 - RECOVERED WATER

Tailing Impoundments	Surface: <u>- 0 -</u> AF	Interceptors: <u>- 0 -</u> AF	
Pit Dewatering	<u>- 0 -</u> AF		
Leaching Operations	Vat: <u>- 0 -</u> AF	Heap: <u>- 0 -</u> AF	In Situ: <u>- 0 -</u> AF

#### PART 3 - AVERAGE DEPTH OF WATER AT DECANT SITE

Impoundment Name	Average depth at Decant Site	Average % Solids (by wt.)

#### PART 4 - AMOUNTS PROCESSED

Product	Material Mined	Ore Milled	Ore Vat Leached	Ore In-Situ Leached	Ore Stacked to Heap Leach
Tonnage	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>



# WORKSHEET W-1 2007

GROUNDWATER RIGHT/PERMIT/ 58-117402.0001  
BMP Farm Unit NO.

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-525311	SW	NW	NW	36	1.0S	12.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL <i>Variomag</i>					
	TOTALIZER	<i>F7C1943070903589</i>					
	SIZE	UNITS MEASURED GALLONS <i>8 inch</i>					
INSTALLATION OR OVERHAUL DATE <i>January 1993</i>							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	6020008	156648				
		ENERGY CONSUMPTION	UNITS				
		<i>-0-</i>	<i>Kwh</i>				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
583274170	583274174	-0-

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	<i>-0-</i>	9 BREAKDOWN ESTIMATE	<i>-0-</i>
-------------	------------	----------------------	------------

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET	<i>-0-</i>
-----------------------	------------

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-525312	SE	NW	NW	32	1.0S	13.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	TOTALIZER	<i>Sensus W-350</i>					
	SIZE	UNITS MEASURED GALLONS <i>3 inch</i>					
INSTALLATION OR OVERHAUL DATE <i>4-16-02</i>							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	6020008	156648				
		ENERGY CONSUMPTION	UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
57391200	76,479,200	19,088,000

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	<i>58.58</i>	9 BREAKDOWN ESTIMATE	<i>-0-</i>
-------------	--------------	----------------------	------------

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET	<i>58.58</i>
-----------------------	--------------

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-525312	SE	NW	NW	32	1.0S	13.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	TOTALIZER	<i>Controlation</i>					
	SIZE	UNITS MEASURED GALLONS <i>6 inch</i>					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	6020008	156648				
		ENERGY CONSUMPTION	UNITS				
		<i>-0-</i>	<i>Kwh</i>				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	SIZE	UNITS MEASURED					
	INSTALLATION OR OVERHAUL DATE						
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
		ENERGY CONSUMPTION	UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

# WQARF WORKSHEET

WATER QUALITY ASSURANCE  
REVOLVING FUND

## ANNUAL REPORT 2007

OWNER

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT NUMBER

58-117402.0001



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A.   
Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

Box 1  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

Box 2  
Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

Box 3  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B.   
Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

Box C  
(Acre-feet on which  
WQARF fees apply)

X \$2.12 =   
WQARF  
Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2008.

## Arizona Department of Water Resources

3550 N Central Ave  
Phoenix AZ 85012

RESOLUTION COPPER MINING

Date: 3/26/2008

102 WEST MAGMA HEIGHTS

Cashier: WRPAB

SUPERIOR,AZ 85273

Type: Mail

DCS/INV#	DESCRIPTION	ATTR	SIZE	QTY	PRICE	EXT PRICE
F 15	15510 ANNUAL REPORT - PHOENIX AMA			1	285.29	285.29
			1 Unit(s)		Subtotal:	285.29
					<b>RECEIPT TOTAL:</b>	<b>285.29</b>
					Tendered:	285.29

Check #: 285.29 # 0000008111

58-117402.0001

***We Appreciate Your Business!***

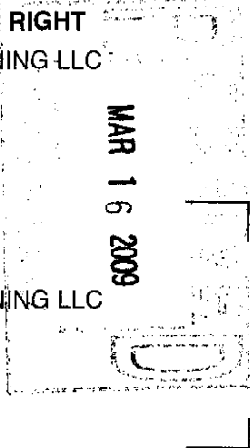
# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2008

CK# 000009602  
\$328.33

**OWNER OF GROUNDWATER RIGHT**  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85273

**REPORTING PARTY**  
58-117402.0001  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85273



**TYPE OF RIGHT**  
TYPE 2 MINERAL EXTRACT GFR

**RIGHT / PERMIT NO.**

58-117402.0001

R



PHOENIX AMA (602) 771-8585  
LOCATION: SW NW NW 36 1.0S 12.0E  
WITHDRAWAL AUTHORITY ALLOTMENT: 1490.00 AF

**FACILITY NAME:**  
RESOLUTION COPPER MINING

If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 14 Schedule A attached  
Complete this section only if you operate a non-exempt well.

64.13 ACRE - FEET X \$ 3.00 Withdrawal Fee = \$ 192.38

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

- 0 - ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

- 0 - ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

64.13 ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late - 0 - (Maximum of 6)

2) Calculate Late Report Fee \$ - 0 -  
(\$25.00 X number of months late)

3) Calculate Late Payment Fee \$ - 0 -  
(10% X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached \$ 135.95

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI \$ 328.33

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2009. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2009.

REPORTS FILED AFTER MARCH 31, 2009 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X Rich A. Helg AUTHORIZED SIGNATURE VP - Resolution Copper TITLE Mar 12, 2009 DATE  
RICH A. HELG PRINTED NAME 520-827-9770 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.



# WORKSHEET W-1 2008

GROUNDWATER RIGHT/PERMIT/ 58-117402.0001  
BMP Farm Unit NO.

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-525311	SW	NW	NW	36	1.0S	12.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	TOTALIZER						
	SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	6020008	156648				
ENERGY CONSUMPTION						UNITS	

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
Enter total Acre-feet		10 TOTAL IN ACRE-FEET	
Shown in 10 in Column 13 of Schedule A			

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-525312	SE	NW	NW	32	1.0S	13.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	TOTALIZER						
	SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	6020008	156648				
ENERGY CONSUMPTION						UNITS	

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
76479200	77,739,600	1,260,400

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	included in breakdown since date not known	9 BREAKDOWN ESTIMATE	12.12
Enter total Acre-feet		10 TOTAL IN ACRE-FEET	
Shown in 10 in Column 13 of Schedule A		12.12	

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-525312	SE	NW	NW	32	1.0S	13.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	Totalizer	Hersey 2" Horizontal					
	SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE							
2"							Gallons
19 March 2008							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	Salt River Project	6020008	156648				
ENERGY CONSUMPTION						UNITS	

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
0	16,948,400	16,948,400

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	52.01	9 BREAKDOWN ESTIMATE	-0-
Enter total Acre-feet		10 TOTAL IN ACRE-FEET	
Shown in 10 in Column 13 of Schedule A		52.01	

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
ENERGY CONSUMPTION						UNITS	

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
Enter total Acre-feet		10 TOTAL IN ACRE-FEET	
Shown in 10 in Column 13 of Schedule A			

# SCHEDULE G-1

## METAL MINING FACILITIES

### ANNUAL REPORT 2008

ARIZONA DEPARTMENT OF WATER RESOURCES

Facility Name: RESOLUTION COPPER MINING

Facility No.: 11-211001.0000

Facility Owner : \_\_\_\_\_  
 Contact Name: WILLIAMS, WILLIAM R.  
 Contact Address: RESOLUTION COPPER MINING  
PO BOX 1944  
SUPERIOR, AZ 85273  
 Contact Phone: 520-689-9374

Rights Used at Facility:	
<u>58-117402.0001</u>	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2008 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all metal mining facilities are required to supply the following information. Please complete one form per metal mining facility. Instructions are listed on the reverse side of this form.*

#### PART 1 - MAKE-UP WATER USES

Purpose	Measured (AF)	Estimated (AF)
Domestic	<u>64.13</u>	
Equipment Washing	<u>- 0 -</u>	
Tailing Transport	<u>- 0 -</u>	
Tailing Revegetation	<u>- 0 -</u>	
Miling Operations	<u>- 0 -</u>	

Leaching Operations	Water Use (AF)		
	Vat: <u>- 0 -</u>	Heap: <u>- 0 -</u>	In Situ: <u>- 0 -</u>

#### PART 2 - RECOVERED WATER

Tailing Impoundments	Surface: <u>- 0 -</u> AF	Interceptors: <u>- 0 -</u> AF	
Pit Dewatering	<u>- 0 -</u> AF		
Leaching Operations	Vat: <u>- 0 -</u> AF	Heap: <u>- 0 -</u> AF	In Situ: <u>- 0 -</u> AF

#### PART 3 - AVERAGE DEPTH OF WATER AT DECANT SITE

Impoundment Name	Average depth at Decant Site	Average % Solids (by wt.)

#### PART 4 - AMOUNTS PROCESSED

Product	Material Mined	Ore Milled	Ore Vat Leached	Ore In-Situ Leached	Ore Stacked to Heap Leach
Tonnage	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>

# WQARF WORKSHEET

WATER QUALITY ASSURANCE  
REVOLVING FUND

## ANNUAL REPORT 2008

**OWNER**

RESOLUTION COPPER MINING LLC

**RIGHT/PERMIT NUMBER**

58-117402.0001



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page
- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

A. 64.13  
Acre-Feet

1. Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

- 0 - **Box 1**  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

2. Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

- 0 - **Box 2**  
Acre-Feet

3. Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

- 0 - **Box 3**  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B. - 0 -  
Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

■ Total WQARF fees owed:  $\text{Box A} - \text{Box B} =$  64.13 **Box C**  $\times \$2.12 =$  \$ 135.96  
(Acre-feet on which WQARF fees apply) WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2009.



Printed: 3/17/2009 10:26:20 AM

Arizona Department of Water Resources

3550 N Central Ave.  
Phoenix AZ 85012

Customer:

RESOLUTION COPPER MINING  
102 WEST MAGMA HEIGHTS  
SUPERIOR, AZ 85273

Receipt #: 09-4035  
Office: MAIN OFFICE  
Receipt Date: 3/17/2009  
Sale Type: Mail  
Cashier: WRCCC

Item No.	Index	AOBJ	Description	Ref ID	Qty	Unit Price	Ext Price
29	15510	4699-00	ANNUAL REPORT - PHOENIX AMA	58-117402.0001	1	328.33	328.33
<b>RECEIPT TOTAL:</b>							<b>328.33</b>

Payment type: CHECK

Amount Paid: \$328.33

Check # 0000009602

Notes: owner / reporting party: RESOLUTION COPPER MINING LLC

# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2009

*✓ # 10914  
AMOUNT \$ 333.89*

**OWNER OF GROUNDWATER RIGHT**  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

**TYPE OF RIGHT**

TYPE 2 MINERAL EXTRACT GFR

**RIGHT / PERMIT NO.**

58-117402.0001

*R*

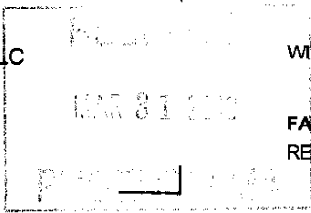


PHOENIX AMA (602) 771-8585

**REPORTING PARTY**  
58-117402.0001  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

WITHDRAWAL AUTHORITY ALLOTMENT: 1490.00 AF

**FACILITY NAME:**  
RESOLUTION COPPER MINING



If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 10 Schedule A attached  
Complete this section only if you operate a non-exempt well.

65.21      \$ 3.00      \$ 195.64

ACRE - FEET X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

-0-      ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

-0-      ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

-0-      ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late  (Maximum of 6)

2) Calculate Late Report Fee   
(\$25.00 X number of months late)

3) Calculate Late Payment Fee   
(10 % X number of months late X withdrawal  
fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2010. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2010.

REPORTS FILED AFTER MARCH 31, 2010 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X Richard A. HEG      UP - Resolution Copper      3/29/2010  
 AUTHORIZED SIGNATURE      TITLE      DATE  
Richard A. HEG      526-689-3338  
 PRINTED NAME      TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.

# SCHEDULE A

## REPORT OF PUMPING

Owner

RESOLUTION COPPER MINING LLC

1 RIGHT/PERMIT/BMP Farm Unit NO.

58-117402.0001

## ANNUAL REPORT 2009

Note: Pumpage for each well must be shown on the attached well worksheets. Information for up to four wells may be shown on each worksheet.

2 DWR WELL REGISTRATION NO.				3 Depth to Static Water Level (Designated Providers Only)				4 Ground -water Pumped				5 RECOVERED WATER PUMPED				9 Total Water Pumped	
10 Q	40 Q	160 Q	LOCATION	Date # 1	Date # 2	Msmt # 1	Msmt # 2	Well Running? (Y/N)	5 CAP	6 SW	7 EFFA N	8 EFF/ OUT					
			55-525311														
			SW NW/1NW 36 1.0S 12.0E														
			55-525312														
			SE NW/1NW 32 1.0S 13.0E														
TOTAL WATER WITHDRAWN (acre-feet)													10*			11**	65.21

\* ENTER TOTAL ACRE-FEET OF GROUNDWATER WITHDRAWN IN PART I OF THE SUMMARY  
 \*\* ENTER ACRE-FEET OF TOTAL WATER PUMPED IN PART IV D. 1 OF THE SCHEDULE AWS.

# WORKSHEET W-1 2009

GROUNDWATER RIGHT/PERMIT/ 58-117402.0001  
BMP Farm Unit NO.

1 DWR WELL REGISTRATION NO. 55-525311	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	SW	NW	NW	36	1.0S	12.0E
2 TYPE OF MEASURING DEVICE TOTALIZER SIZE INSTALLATION OR OVERHAUL DATE	MAKE / MODEL					
	UNITS MEASURED					
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008	POWER METER NO. 156648				
	ENERGY CONSUMPTION UNITS					

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET

1 DWR WELL REGISTRATION NO. 55-525312	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	SE	NW	NW	32	1.0S	13.0E
2 TYPE OF MEASURING DEVICE TOTALIZER SIZE INSTALLATION OR OVERHAUL DATE	MAKE / MODEL					
	UNITS MEASURED GALLONS					
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008	POWER METER NO. 156648				
	ENERGY CONSUMPTION UNITS					

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
16948400	38,198,200	21,249,800

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE
65.21	0

Enter total Acre-feet Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET
65.21

1 DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
2 TYPE OF MEASURING DEVICE TOTALIZER SIZE INSTALLATION OR OVERHAUL DATE	MAKE / MODEL					
	UNITS MEASURED					
3 POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	ENERGY CONSUMPTION UNITS					

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET

1 DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
2 TYPE OF MEASURING DEVICE TOTALIZER SIZE INSTALLATION OR OVERHAUL DATE	MAKE / MODEL					
	UNITS MEASURED					
3 POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	ENERGY CONSUMPTION UNITS					

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET

# SCHEDULE G-1

## METAL MINING FACILITIES

### ANNUAL REPORT 2009

ARIZONA DEPARTMENT OF WATER RESOURCES

Facility Name: RESOLUTION COPPER MINING

Facility No.: 11-211001.0000

Facility Owner : \_\_\_\_\_  
 Contact Name: WILLIAMS, WILLIAM R.  
 Contact Address: RESOLUTION COPPER MINING  
PO BOX 1944  
SUPERIOR, AZ 85173  
 Contact Phone: 520-689-9374

Rights Used at Facility:	
<u>58-117402.0001</u>	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2009 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all metal mining facilities are required to supply the following information. Please complete one form per metal mining facility. Instructions are listed on the reverse side of this form.*

#### PART 1 - MAKE-UP WATER USES

Purpose	Measured (AF)	Estimated (AF)
Domestic	<u>65.21</u>	
Equipment Washing	<u>- 0 -</u>	
Tailing Transport	<u>- 0 -</u>	
Tailing Revegetation	<u>- 0 -</u>	
Miling Operations	<u>- 0 -</u>	
Leaching Operations	Water Use (AF)	
	Vat: _____	Heap: _____ In Situ: _____

#### PART 2 - RECOVERED WATER

Tailing Impoundments	Surface: <u>- 0 -</u> AF	Interceptors: <u>- 0 -</u> AF	
Pit Dewatering	AF		
Leaching Operations	Vat: <u>- 0 -</u> AF	Heap: <u>- 0 -</u> AF	In Situ: <u>- 0 -</u> AF

#### PART 3 - AVERAGE DEPTH OF WATER AT DECANT SITE

Impoundment Name	Average depth at Decant Site	Average % Solids (by wt.)

#### PART 4 - AMOUNTS PROCESSED

Product	Material Mined	Ore Milled	Ore Vat Leached	Ore In-Situ Leached	Ore Stacked to Heap Leach
Tonnage	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>

# WQARF WORKSHEET

WATER QUALITY ASSURANCE  
REVOLVING FUND

ANNUAL REPORT 2009

OWNER

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT NUMBER

58-117402.0001



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A. 65.21  
Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

- 0 - Box 1  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

- 0 - Box 2  
Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

- 0 - Box 3  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B. - 0 -  
Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

65.21  
Box C  
(Acre-feet on which  
WQARF fees apply)

X \$2.12 =

\$ 138.25  
WQARF  
Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2010.

Printed: 4/2/2010 8:27:43 AM

Arizona Department of Water Resources

3550 N Central Ave.  
Phoenix AZ 85012

Customer:  
RESOLUTION COPPER MINING  
102 WEST MAGMA HEIGHTS  
SUPERIOR, AZ 85273

Receipt #: 10-11391  
Office: MAIN OFFICE  
Receipt Date: 4/2/2010  
Sale Type: Mail  
Cashier: WRAYVA

Item No.	Index	AOBJ	Description	Ref ID	Qty	Unit Price	Ext Price
29	15510	4699-00	ANNUAL REPORT - PHOENIX AMA	58-117402.0001	1	333.89	333.89
<b>RECEIPT TOTAL:</b>							<b>333.89</b>

Payment type: CHECK

Amount Paid: \$333.89

Payment Received Date: 3/25/2010

Notes:

Check # 0000010914
--------------------

# ANNUAL WATER WITHDRAWAL AND USE REPORT GROUNDWATER SUMMARY - WQ 2010

*# 000012300  
942254*

**OWNER OF GROUNDWATER RIGHT**  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

**TYPE OF RIGHT**  
TYPE 2 MINERAL EXTRACT GFR

**RIGHT / PERMIT NO.**  
58-117402.0001

PHOENIX AMA (602) 771-8585

**REPORTING PARTY**  
58-117402.0001  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

RECEIVED  
MAR 25 2011  
WATER DIVISION

WITHDRAWAL AUTHORITY ALLOTMENT: 1490.00 AF

**FACILITY NAME:**  
RESOLUTION COPPER MINING

*RGR*

If any of the information preprinted on this report is incorrect, please make the necessary changes.

<p><b>PART I GROUNDWATER WITHDRAWN</b></p> <p>From Box 10 Schedule A attached Complete this section only if you operate a non-exempt well.</p> <p><input type="text" value="82.43"/> <b>\$ 3.00</b> <input type="text" value="\$ 247.29"/></p> <p>ACRE - FEET X Withdrawal Fee =</p> <p><b>PART II WATER DELIVERED TO OTHER RIGHTS</b></p> <p>From Box 24 Schedule D attached</p> <p><input type="text" value="- 0 -"/> ACRE - FEET</p> <p><b>PART III WATER RECEIVED FROM OTHER SOURCES</b></p> <p>Total from Schedule E attached</p> <p><input type="text" value="- 0 -"/> ACRE - FEET</p> <p><b>PART IV TOTAL WATER USED BY THIS RIGHT</b></p> <p>Calculate as follows: Part I + Part III - Part II</p> <p><input type="text" value="- 0 -"/> ACRE - FEET</p>	<p><b>PART V LATE FEES</b></p> <p>Complete if filing after March 31.</p> <p>Note: A portion of a month after March 31 is counted as a full month.</p> <p>1) Enter number of months late <input type="text" value="- 0 -"/> (Maximum of 6)</p> <p>2) Calculate Late Report Fee <input type="text" value="\$ - 0 -"/> (\$25.00 X number of months late)</p> <p>3) Calculate Late Payment Fee <input type="text" value="\$ - 0 -"/> (10 % X number of months late X withdrawal fee calculated in Part I above)</p> <p><b>PART VI WATER QUALITY</b></p> <p>From WQARF Worksheet attached <input type="text" value="\$ 174.75"/></p> <p><b>PART VII TOTAL FEES DUE</b></p> <p>Add amounts from Parts I, V and VI <input type="text" value="\$ 422.04"/></p>
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2011. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2011.

REPORTS FILED AFTER MARCH 31, 2011 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X Rich A. Hell VP - Resolution Copper Mar 14, 2011  
 AUTHORIZED SIGNATURE TITLE DATE  
Rich A. Hell 520-689-3338  
 PRINTED NAME TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.





# SCHEDULE G-1

## METAL MINING FACILITIES

### ANNUAL REPORT 2010

ARIZONA DEPARTMENT OF WATER RESOURCES

Facility Name: RESOLUTION COPPER MINING

Facility No.: 11-211001.0000

Facility Owner : \_\_\_\_\_  
 Contact Name: WILLIAMS, WILLIAM R.  
 Contact Address: RESOLUTION COPPER MINING  
PO BOX 1944  
SUPERIOR, AZ 85173  
 Contact Phone: 520-689-9374

Rights Used at Facility:	
<u>58-117402.0001</u>	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2010 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all metal mining facilities are required to supply the following information. Please complete one form per metal mining facility. Instructions are listed on the reverse side of this form.*

#### PART 1 - MAKE-UP WATER USES

Purpose	Measured (AF)	Estimated (AF)
Domestic	82.43	
Equipment Washing	0	
Tailing Transport	0	
Tailing Revegetation	0	
Milling Operations	0	

Leaching Operations	Water Use (AF)		
	Vat: _____	Heap: _____	In Situ: _____

#### PART 2 - RECOVERED WATER

Tailing Impoundments	Surface: 0 AF	Interceptors: 0 AF	
Pit Dewatering	AF		
Leaching Operations	Vat: 0 AF	Heap: 0 AF	In Situ: 0 AF

#### PART 3 - AVERAGE DEPTH OF WATER AT DECANT SITE

Impoundment Name	Average depth at Decant Site	Average % Solids (by wt.)

#### PART 4 - AMOUNTS PROCESSED

Product	Material Mined	Ore Milled	Ore Vat Leached	Ore In-Situ Leached	Ore Stacked to Heap Leach
Tonnage	0	0	0	0	0

# WORKSHEET W-1 2010

GROUNDWATER RIGHT/PERMIT/ 58-117402.0001  
BMP Farm Unit NO.

1 DWR WELL REGISTRATION NO. 55-525311	10 Q	40 Q	160 Q	LOCATION Sec Twp Rng		
	SW	NW	NW	36	1.0S	12.0E
2 TYPE OF MEASURING DEVICE TOTALIZER	MAKE / MODEL					
SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008		POWER METER NO. 156648			
ENERGY CONSUMPTION			UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET

1 DWR WELL REGISTRATION NO. 55-525312	10 Q	40 Q	160 Q	LOCATION Sec Twp Rng		
	SE	NW	NW	32	1.0S	13.0E
2 TYPE OF MEASURING DEVICE TOTALIZER	MAKE / MODEL					
SIZE	UNITS MEASURED GALLONS					
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008		POWER METER NO. 156648			
ENERGY CONSUMPTION			UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
38198200	65059500	26,861,300

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE
82.43	0

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET
82.43

1 DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twp Rng		
2 TYPE OF MEASURING DEVICE	MAKE / MODEL					
SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME	ACCOUNT NO.		POWER METER NO.			
ENERGY CONSUMPTION			UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET

1 DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twp Rng		
2 TYPE OF MEASURING DEVICE	MAKE / MODEL					
SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME	ACCOUNT NO.		POWER METER NO.			
ENERGY CONSUMPTION			UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET

**WQARF WORKSHEET**  
 WATER QUALITY ASSURANCE  
 REVOLVING FUND

**ANNUAL REPORT 2010**

OWNER

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT NUMBER

58-117402.0001



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A. 82.43  
 Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

- 0 - **Box 1**  
 Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

- 0 - **Box 2**  
 Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

- 0 - **Box 3**  
 Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B. - 0 -  
 Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

82.43  
**Box C**  
 (Acre-feet on which WQARF fees apply)

X \$2.12 = \$ 174.75  
 WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2011.

# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2011

### OWNER OF GROUNDWATER RIGHT

RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

### TYPE OF RIGHT

TYPE 2 MINERAL EXTRACT GFR

### RIGHT / PERMIT NO.

58-117402.0001



PHOENIX AMA (602) 771-8585

### REPORTING PARTY

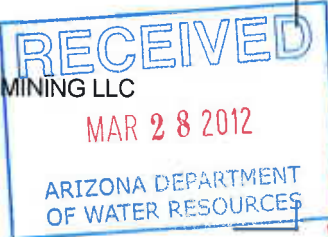
58-117402.0001

RESOLUTION COPPER MINING LLC

102 MAGMA HEIGHTS

P.O. BOX 1944

SUPERIOR AZ 85173



WITHDRAWAL AUTHORITY ALLOTMENT: 1490.00 AF

### FACILITY NAME:

RESOLUTION COPPER MINING

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I GROUNDWATER WITHDRAWN

From Box 10 Schedule A attached  
Complete this section only if you operate a non-exempt well.

69.0 ACRE - FEET X 3.00 Withdrawal Fee = \$ 207.00

ACRE - FEET X Withdrawal Fee =

### PART II WATER DELIVERED TO OTHER RIGHTS

From Box 24 Schedule D attached

-0- ACRE - FEET

### PART III WATER RECEIVED FROM OTHER SOURCES

Total from Schedule E attached

-0- ACRE - FEET

### PART IV TOTAL WATER USED BY THIS RIGHT

Calculate as follows: Part I + Part III - Part II

69.0 ACRE - FEET

### PART V LATE FEES

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late -0- (Maximum of 6)

2) Calculate Late Report Fee \$-0-  
(\$25.00 X number of months late)

3) Calculate Late Payment Fee \$-0-  
(10 % X number of months late X withdrawal fee calculated in Part I above)

### PART VI WATER QUALITY

From WQARF Worksheet attached \$146.28

### PART VII TOTAL FEES DUE

Add amounts from Parts I, V and VI \$353.28

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2012. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2012.

REPORTS FILED AFTER MARCH 31, 2012 ARE SUBJECT TO LATE FEES (A.R.S. §45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X Bradley Jk AUTHORIZED SIGNATURE  
Bradley J. Ross PRINTED NAME  
Manager Infrastructure TITLE  
3-26-12 DATE  
520-689-3320 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.



# SCHEDULE G-1

METAL MINING FACILITIES

## ANNUAL REPORT 2011

ARIZONA DEPARTMENT OF WATER RESOURCES

Facility Name: RESOLUTION COPPER MINING

Facility No.: 11-211001.0000

Facility Owner : \_\_\_\_\_  
 Contact Name: WILLIAMS, WILLIAM R.  
 Contact Address: RESOLUTION COPPER MINING  
PO BOX 1944  
SUPERIOR, AZ 85173  
 Contact Phone: 520-689-9374

Rights Used at Facility:	
<u>58-117402.0001</u>	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2011 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all metal mining facilities are required to supply the following information. Please complete one form per metal mining facility. Instructions are listed on the reverse side of this form.*

### PART 1 - MAKE-UP WATER USES

Purpose	Measured (AF)	Estimated (AF)
Domestic		
Equipment Washing		
Tailing Transport		
Tailing Revegetation		
Miling Operations		
Leaching Operations	Water Use (AF)	
	Vat:	Heap: In Situ:

### PART 2 - RECOVERED WATER

Tailing Impoundments	Surface: AF	Interceptors: AF	
Pit Dewatering	AF		
Leaching Operations	Vat: AF	Heap: AF	In Situ: AF

### PART 3 - AVERAGE DEPTH OF WATER AT DECANT SITE

Impoundment Name	Average depth at Decant Site	Average % Solids (by wt.)

### PART 4 - AMOUNTS PROCESSED

Product	Material Mined	Ore Milled	Ore Vat Leached	Ore In-Situ Leached	Ore Stacked to Heap Leach
Tonnage					



# WORKSHEET W-1 2011

GROUNDWATER RIGHT/PERMIT/ **58-117402.0001**  
BMP Farm Unit NO.

1 DWR WELL REGISTRATION NO. 55-525311	10	40	160	LOCATION		
	Q	Q	Q	Sec	Twn	Rng
	SW	NW	NW	36	1.0S	12.0E
2 TYPE OF MEASURING DEVICE TOTALIZER	MAKE / MODEL					
	SIZE					
	UNITS MEASURED GALS					
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008		POWER METER NO. 156648			
	ENERGY CONSUMPTION		UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
65059500	87553500	22,494,000

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	69.0	9 BREAKDOWN ESTIMATE	- 0 -
-------------	------	----------------------	-------

Enter total Acre-feet Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	69.0
-----------------------	------

1 DWR WELL REGISTRATION NO. 55-525312	10	40	160	LOCATION		
	Q	Q	Q	Sec	Twn	Rng
	SE	NW	NW	32	1.0S	13.0E
2 TYPE OF MEASURING DEVICE TOTALIZER	MAKE / MODEL					
	SIZE					
	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008		POWER METER NO. 156648			
	ENERGY CONSUMPTION		UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

1 DWR WELL REGISTRATION NO.	10	40	160	LOCATION		
	Q	Q	Q	Sec	Twn	Rng
2 TYPE OF MEASURING DEVICE	MAKE / MODEL					
	SIZE					
	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME	ACCOUNT NO.		POWER METER NO.			
	ENERGY CONSUMPTION		UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

1 DWR WELL REGISTRATION NO.	10	40	160	LOCATION		
	Q	Q	Q	Sec	Twn	Rng
2 TYPE OF MEASURING DEVICE	MAKE / MODEL					
	SIZE					
	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME	ACCOUNT NO.		POWER METER NO.			
	ENERGY CONSUMPTION		UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--



**WQARF WORKSHEET**  
 WATER QUALITY ASSURANCE  
 REVOLVING FUND

**ANNUAL REPORT 2011**

**OWNER**

RESOLUTION COPPER MINING LLC

**RIGHT/PERMIT NUMBER**

58-117402.0001



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page
- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

A.   
Acre-Feet

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

Box 1  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

Box 2  
Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

Box 3  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B.   
Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

**Box C**  
(Acre-feet on which WQARF fees apply)

X \$2.12 =   
WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2012.

## WHY ARE THESE WQARF FEES COLLECTED?

This fund is administered by the Director of the Arizona Department of Environmental Quality. The funds shall be used for reasonable and necessary costs of monitoring, assessing, identifying, locating and evaluating the degradation, destruction, loss of or threat to the waters of the state resulting from a release of a hazardous substance to the environment. These funds shall also be used for costs of conducting site investigations, feasibility studies, health effect studies and risk assessments related to environmentally threatened waters. Monies are also to be used for the costs incurred to control, manage or cleanup hazardous substances to protect public health and allow the maximum beneficial use of the waters of the state.

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## INSTRUCTIONS

A.R.S. § 45-616 requires that the Department of Water Resources collect a water quality assurance fee for deposit to the Water Quality Assurance Revolving Fund (WQARF) established pursuant to A.R.S. § 49-282.

### To calculate WQARF fees owed (if any):

- 1) Enter in Box A the total amount of groundwater in acre-feet withdrawn pursuant to this right or permit. This amount is found on PART I of the Annual Water Withdrawal and Use Report Summary page.
- 2) In Boxes 1, 2 and 3, enter the amounts of groundwater that are exempted from the WQARF fee.
- 3) Add the amounts from Boxes 1, 2, and 3, and enter the total in Box B.
- 4) Subtract the amounts of groundwater exempted (Box B) from the total amount of groundwater withdrawn (Box A) to calculate the total amount of groundwater on which WQARF fees must be paid (Box C)
- 5) Multiply amount in Box C by \$2.12 for the total amount of WQARF fee that is owed.
- 6) Transfer this amount to PART VI on the Annual Water Withdrawal and Use Report Summary page.

**Please Note**

### The WQARF fee is **ONLY** applicable to groundwater that is:

- Withdrawn pursuant to a TYPE 1 or TYPE 2 Non-Irrigation Right or a groundwater withdrawal permit and put to a beneficial use.

### The WQARF fee is **NOT** applicable to:

- Surface water, effluent, recovered effluent, spill water or other types of water besides groundwater.
- Any water that is subject to the tax on portable water imposed by A.R.S. § 42-1552, (i.e., water delivered to customers by cities, towns, private water companies, or domestic water improvement districts).
- Groundwater received from another right and/or permit, irrigation district or other water provider (not withdrawn pursuant to this right/permit).

For specific questions pertaining to calculating the amount of the WQARF fee that is owed pursuant to a particular groundwater right or withdrawal permit, contact the office of the Annual Reports & Planning Section.

Please contact the Annual Reports & Planning Section if you need assistance completing this form.

(602) 771-8585

This is the original annual report for authority: 58-117402.0001

Note created: 4/5/2013

--- The document starts on the next page. ---

ARIZONA DEPARTMENT OF WATER RESOURCES, 3550 NORTH CENTRAL AVENUE, PHOENIX, AZ 85012-2105

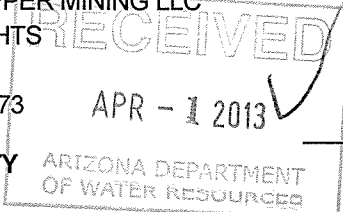
# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2012

A 1  
G1 1  
W1 1  
WQ 1

**OWNER OF GROUNDWATER RIGHT**

RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173



**TYPE OF RIGHT**  
TYPE 2 MINERAL EXTRACT GFR

**RIGHT / PERMIT NO.**

58-117402.0001



PHOENIX AMA (602) 771-8585

**REPORTING PARTY**  
58-117402.0001

RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

WITHDRAWAL AUTHORITY ALLOTMENT: 1490.00 AF

**FACILITY NAME:**  
RESOLUTION COPPER MINING

If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 10 Schedule A attached  
Complete this section only if you operate a non-exempt well.

53 ACRE - FEET      \$ 3.00      \$ 159.00

ACRE - FEET X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

0 ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

0 ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

53 ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late 0 (Maximum of 6)

2) Calculate Late Report Fee \$ 0  
(\$25.00 X number of months late)

3) Calculate Late Payment Fee \$ 0  
(10 % X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached \$ 112.36

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI \$ 271.36

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2013. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2013.

REPORTS FILED AFTER MARCH 31, 2013 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X David Stanley  
AUTHORIZED SIGNATURE

Manager Infrastructure  
TITLE

3/6/13  
DATE

David Stanley  
PRINTED NAME

570-689-3219  
TELEPHONE NUMBER

# SCHEDULE A

## REPORT OF PUMPING

### ANNUAL REPORT 2012

Owner

RESOLUTION COPPER MINING LLC

1 RIGHT/PERMIT/BMP Farm Unit NO.

58-117402.0001

Note: Pumpage for each well must be shown on the attached well worksheets. Information for up to four wells may be shown on each worksheet.

2 DWR WELL REGISTRATION NO.				3 Depth to Static Water Level (Designated Providers Only)				4 Ground -water Pumped				5 RECOVERED WATER PUMPED				9 Total Water Pumped	
10 Q	40 Q	160 Q	LOCATION	Date # 1	Date # 2	Mmnt # 1	Mmnt # 2	Well Running? (Y/N)	5 CAP	6 SW	7 EFF/ N	8 EFF/ OUT					
55-525311																	
			SW NW NW 36 1.0S 12.0E													53	
55-525312																	
			SE NW NW 32 1.0S 13.0E													53	
TOTAL WATER WITHDRAWN (acre-feet)														10*	53	11**	53

\* ENTER TOTAL ACRE-FEET OF GROUNDWATER WITHDRAWN IN PART I OF THE SUMMARY PAGE.

\*\* ENTER ACRE-FEET OF TOTAL WATER PUMPED IN PART IV D. 1 OF THE SCHEDULE AWS.

# WORKSHEET W-1 2012

GROUNDWATER RIGHT/PERMIT/ **58-117402.0001**  
BMP Farm Unit NO.

1 DWR WELL REGISTRATION NO. 55-525311	10 Q	40 Q	160 Q	LOCATION Sec TwN Rng		
	SW	NW	NW	36	1.0S	12.0E
2 TYPE OF MEASURING DEVICE TOTALIZER SIZE INSTALLATION OR OVERHAUL DATE	MAKE / MODEL					
	UNITS MEASURED GALS					
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008		POWER METER NO. 156648			
	ENERGY CONSUMPTION		UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
87553500	104924600	17371100

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	53	9 BREAKDOWN ESTIMATE	0
-------------	----	----------------------	---

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET	53
-----------------------	----

1 DWR WELL REGISTRATION NO. 55-525312	10 Q	40 Q	160 Q	LOCATION Sec TwN Rng		
	SE	NW	NW	32	1.0S	13.0E
2 TYPE OF MEASURING DEVICE TOTALIZER SIZE INSTALLATION OR OVERHAUL DATE	MAKE / MODEL					
	UNITS MEASURED					
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008		POWER METER NO. 156648			
	ENERGY CONSUMPTION		UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
		0

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	0	9 BREAKDOWN ESTIMATE	0
-------------	---	----------------------	---

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET	0
-----------------------	---

1 DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec TwN Rng		
2 TYPE OF MEASURING DEVICE TOTALIZER SIZE INSTALLATION OR OVERHAUL DATE	MAKE / MODEL					
	UNITS MEASURED					
3 POWER CO. NAME	ACCOUNT NO.		POWER METER NO.			
	ENERGY CONSUMPTION		UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

1 DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec TwN Rng		
2 TYPE OF MEASURING DEVICE TOTALIZER SIZE INSTALLATION OR OVERHAUL DATE	MAKE / MODEL					
	UNITS MEASURED					
3 POWER CO. NAME	ACCOUNT NO.		POWER METER NO.			
	ENERGY CONSUMPTION		UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

# WQARF WORKSHEET

WATER QUALITY ASSURANCE  
REVOLVING FUND

## ANNUAL REPORT 2012

OWNER

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT NUMBER

58-117402.0001



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A.   
Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

Acre-Feet **Box 1**

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

Acre-Feet **Box 2**

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

Acre-Feet **Box 3**

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B.   
Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

**Box C**

(Acre-feet on which WQARF fees apply)

X \$2.12 =

WQARF

Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2013.

This is the original annual report for authority: 58-117402.0001

Note created: 4/25/2014

--- The document starts on the next page. ---



# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2013

**OWNER OF GROUNDWATER RIGHT**  
 RESOLUTION COPPER MINING LLC  
 ATT:DAVID STANLEY  
 102 MAGMA HEIGHTS OR P.O. BOX 1944  
 SUPERIOR AZ 85173

**TYPE OF RIGHT**  
 TYPE 2 MINERAL EXTRACT GFR

**RIGHT / PERMIT NO.**  
 58-117402.0001

PHOENIX AMA (602) 771-8585

**REPORTING PARTY**  
 58-117402.0001  
 RESOLUTION COPPER MINING LLC  
 ATT:DAVID STANLEY  
 102 MAGMA HEIGHTS OR P.O. BOX 1944  
 SUPERIOR AZ 85173

WITHDRAWAL AUTHORITY ALLOTMENT: 1490.00 AF

**FACILITY NAME:**  
 RESOLUTION COPPER MINING

RECEIVED  
 APR 24 2014  
 ADWR

If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 10 Schedule A attached  
 Complete this section only if you operate a non-exempt well.

70 \$ 3.00 \$ 210.00

ACRE - FEET X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

0 ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

0 ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

70 ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late 1 (Maximum of 6)

2) Calculate Late Report Fee \$ 25.00  
 (\$25.00 X number of months late)

3) Calculate Late Payment Fee \$ 21.00  
 (10 % X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached \$ 149.00

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI \$ 405.00

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2014. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2014.

REPORTS FILED AFTER MARCH 31, 2014 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X David Stanley AUTHORIZED SIGNATURE Principal Advisor Infrastructure TITLE 3/24/14 DATE  
David Stanley PRINTED NAME 520-689-3219 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.

ARIZONA DEPARTMENT OF WATER RESOURCES

Owner

RESOLUTION COPPER MINING LLC

# SCHEDULE A

REPORT OF PUMPING

1 RIGHT/PERMIT/BMP Farm Unit NO.

58-117402.0001

## ANNUAL REPORT 2013

Note: Pumpage for each well must be shown on the attached well worksheets.  
Information for up to four wells may be shown on each worksheet.

2	DWR WELL	3	Depth to Static Water Level (Designated Providers Only)				4	RECOVERED WATER PUMPED					9							
			REGISTRATION NO.	LOCATION	Date # 1	Metrt # 1		Well Running? (Y/N)	Ground -water Pumped	5	6	7		8	Total Water Pumped					
10	40	Q	Q	SEC	TWN	RNG	Date # 2	Metrt # 2				EFF/ N	EFF/ OUT							
	55-525311																			
	55-525312																			
	SE NW/4 NW	32	1.0S			13.0E														
TOTAL WATER WITHDRAWN (acre-feet)													10*						11**	

\* ENTER TOTAL ACRE-FEET OF GROUNDWATER WITHDRAWN IN PART I OF THE SUMMARY PAGE.

\*\* ENTER ACRE-FEET OF TOTAL WATER PUMPED IN PART IV D. 1 OF THE SCHEDULE AWS.

# SCHEDULE G-1

## METAL MINING FACILITIES

### ANNUAL REPORT 2013

ARIZONA DEPARTMENT OF WATER RESOURCES

Facility Name: RESOLUTION COPPER MINING

Facility No.: 11-211001.0000

Facility Owner : \_\_\_\_\_  
 Contact Name: WILLIAMS, WILLIAM R.  
 Contact Address: RESOLUTION COPPER MINING  
PO BOX 1944  
SUPERIOR, AZ 85173  
 Contact Phone: 520-689-9374

Rights Used at Facility:	
<u>58-117402.0001</u>	_____
_____	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2013 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all metal mining facilities are required to supply the following information. Please complete one form per metal mining facility. Instructions are listed on the reverse side of this form.*

#### PART 1 - MAKE-UP WATER USES

Purpose	Measured (AF)	Estimated (AF)
Domestic		20
Equipment Washing		
Tailing Transport		
Tailing Revegetation		
Milling Operations		
Leaching Operations	Water Use (AF)	
	Vat:	Heap:
	In Situ:	

#### PART 2 - RECOVERED WATER

Tailing Impoundments	Surface: AF	Interceptors: AF	
Pit Dewatering	AF		
Leaching Operations	Vat: AF	Heap: AF	In Situ: AF

#### PART 3 - AVERAGE DEPTH OF WATER AT DECANT SITE

Impoundment Name	Average depth at Decant Site	Average % Solids (by wt.)

#### PART 4 - AMOUNTS PROCESSED

Product	Material Mined	Ore Milled	Ore Vat Leached	Ore In-Situ Leached	Ore Stacked to Heap Leach
Tonnage					

# WQARF WORKSHEET

WATER QUALITY ASSURANCE  
REVOLVING FUND

## ANNUAL REPORT 2013

OWNER

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT NUMBER

58-117402.0001



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A.  Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

Box 1  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

Box 2  
Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

Box 3  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B.  Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

Box C  
(Acre-feet on which WQARF fees apply)

X \$2.12 =  WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2014.

# WORKSHEET W-1 2013

GROUNDWATER RIGHT/PERMIT/ 58-117402.0001  
BMP Farm Unit NO.

1 DWR WELL REGISTRATION NO. 55-525311	10 Q	40 Q	160 Q	LOCATION Sec Twr Rng		
	SW	NW	NW	36	1.0S	12.0E
2 TYPE OF MEASURING DEVICE TOTALIZER	MAKE / MODEL					
SIZE	UNITS MEASURED GALS					
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008		POWER METER NO. 156648			
ENERGY CONSUMPTION			UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
104924600		

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet

Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

1 DWR WELL REGISTRATION NO. 55-525312	10 Q	40 Q	160 Q	LOCATION Sec Twr Rng		
	SE	NW	NW	32	1.0S	13.0E
2 TYPE OF MEASURING DEVICE TOTALIZER	MAKE / MODEL					
SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008		POWER METER NO. 156648			
ENERGY CONSUMPTION			UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	70	9 BREAKDOWN ESTIMATE	
-------------	----	----------------------	--

Enter total Acre-feet

Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	70
-----------------------	----

1 DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twr Rng		
2 TYPE OF MEASURING DEVICE	MAKE / MODEL					
SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME	ACCOUNT NO.		POWER METER NO.			
ENERGY CONSUMPTION			UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet

Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

1 DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twr Rng		
2 TYPE OF MEASURING DEVICE	MAKE / MODEL					
SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME	ACCOUNT NO.		POWER METER NO.			
ENERGY CONSUMPTION			UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet

Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

JANICE K. BREWER  
Governor



MICHAEL J. LACEY  
Director

ARIZONA DEPARTMENT OF WATER RESOURCES  
PO Box 36020  
PHOENIX, ARIZONA 85067-36020  
(602) 771-8585

April 18, 2014

58-117402.0001  
RESOLUTION COPPER MINING LLC  
ATT:DAVID STANLEY  
102 MAGMA HEIGHTS OR P.O. BOX 1944  
SUPERIOR, AZ 85173



**NOTICE OF VIOLATION**  
**FAILURE TO FILE 2013 ANNUAL REPORT**

Arizona Department of Water Resources ("Department") records indicate that the 2013 Annual Report for the right or permit listed above has not been filed. The Annual Report must be filed with the Director of the Department no later than March 31st of each year for the preceding calendar year. The Annual Report must be filed regardless of whether or not water was used pursuant to the right or permit. You are in receipt of this Notice of Violation for failure to file an Annual Report for one of the following statutes:

Pursuant to A.R.S. § 45-632(O) an Annual Water Withdrawal and Use Report must be filed no later than March 31 of each year for the preceding calendar year. This includes Annual Reports filed for service area rights, grandfathered groundwater rights, groundwater withdrawal permits, irrigation district and BMP groundwater summaries, recovery well reports and BMP enrollees, among others.

The penalty for failure to file an Annual Report pursuant to A.R.S. § 45-632(O) is \$25.00 for each month or portion of a month that the Annual Report is delinquent. The total penalty assessed for violations of A.R.S. § 45-632(O) shall not exceed \$150.00. If groundwater was withdrawn in 2013, you are also subject to a late payment fee of ten percent of the unpaid groundwater withdrawal fee for each month or portion of a month that the Annual Report is delinquent, not to exceed sixty percent of the unpaid fee. A.R.S. § 45-614(E). Water Quality Assurance Revolving Fund fees for groundwater withdrawals, if applicable, are also due at this time. A.R.S. § 45-616.

Or

Pursuant to A.R.S. § 45-875.01, an Annual Water Withdrawal and Use Report must be filed no later than March 31 of each year for the preceding calendar year. This includes Annual Reports for water storage facility permits, e.g., GSF, USF, UWS and WS summaries, among others.

The penalty for failure to file an Annual Report pursuant to A.R.S. § 45-875.01(E) is \$25.00 for each month or portion of a month that the Annual Report is delinquent. The total penalty assessed for violations of A.R.S. § 45-875.01(E) shall not exceed \$150.00.

**Please contact the Department at (602) 771-8585 if you believe this Notice of Violation was mailed in error.**

To obtain annual report forms, please go to  
[www.azwater.gov/azdwr/WaterManagement/AMAs/phoenixAMA/AMAWithdrawalandUseAnnualReport.htm](http://www.azwater.gov/azdwr/WaterManagement/AMAs/phoenixAMA/AMAWithdrawalandUseAnnualReport.htm)  
or call us at 602-771-8585, or email us at [earp@azwater.gov](mailto:earp@azwater.gov) and please include your right or permit number.



An amended report was filed by the original filer or another separate report was filed for authority: 58-117402.0001

Note created: 7/30/2015

--- The document starts on the next page. ---



WORKSHEET W-1

2014 JUL 30 2015

GROUNDWATER RIGHT/PERMIT/  
BMP Farm Unit NO.

58-117402.0001

**1** DWR WELL REGISTRATION NO. 55-525311

10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
SW	NW	NW	36	1.0S	12.0E

**2** TYPE OF MEASURING DEVICE TOTALIZER

MAKE / MODEL

SIZE

UNITS MEASURED

INSTALLATION OR OVERHAUL DATE

**3** POWER CO. NAME SALT RIVER PROJECT

ACCOUNT NO. 6020008

POWER METER NO. 156648

ENERGY CONSUMPTION UNITS

**4** DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
<b>5</b> INITIAL	<b>6</b> ENDING	<b>7</b> DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

**8** ACRE FEET

**9** BREAKDOWN ESTIMATE

Enter total Acre-feet Shown in **10** in one of Columns 4-8 of Schedule A

**10** TOTAL IN ACRE-FEET

**1** DWR WELL REGISTRATION NO. 55-525312

10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
SE	NW	NW	32	1.0S	13.0E

**2** TYPE OF MEASURING DEVICE TOTALIZER

MAKE / MODEL

SIZE

UNITS MEASURED Gallons

INSTALLATION OR OVERHAUL DATE

**3** POWER CO. NAME SALT RIVER PROJECT

ACCOUNT NO. 6020008

POWER METER NO. 156648

ENERGY CONSUMPTION UNITS

**4** DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
<b>5</b> INITIAL	<b>6</b> ENDING	<b>7</b> DIFFERENCE
27850400	57855200	22,190,200

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

**8** ACRE FEET 68

**9** BREAKDOWN ESTIMATE

Enter total Acre-feet Shown in **10** in one of Columns 4-8 of Schedule A

**10** TOTAL IN ACRE-FEET 68

**1** DWR WELL REGISTRATION NO.

10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		

**2** TYPE OF MEASURING DEVICE

MAKE / MODEL

SIZE

UNITS MEASURED

INSTALLATION OR OVERHAUL DATE

**3** POWER CO. NAME

ACCOUNT NO.

POWER METER NO.

ENERGY CONSUMPTION UNITS

**4** DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
<b>5</b> INITIAL	<b>6</b> ENDING	<b>7</b> DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

**8** ACRE FEET

**9** BREAKDOWN ESTIMATE

Enter total Acre-feet Shown in **10** in one of Columns 4-8 of Schedule A

**10** TOTAL IN ACRE-FEET

**1** DWR WELL REGISTRATION NO.

10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		

**2** TYPE OF MEASURING DEVICE

MAKE / MODEL

SIZE

UNITS MEASURED

INSTALLATION OR OVERHAUL DATE

**3** POWER CO. NAME

ACCOUNT NO.

POWER METER NO.

ENERGY CONSUMPTION UNITS

**4** DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
<b>5</b> INITIAL	<b>6</b> ENDING	<b>7</b> DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

**8** ACRE FEET

**9** BREAKDOWN ESTIMATE

Enter total Acre-feet Shown in **10** in one of Columns 4-8 of Schedule A

**10** TOTAL IN ACRE-FEET

This is the original annual report for authority: 58-117402.0001

Note created: 4/8/2015

--- The document starts on the next page. ---

# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2014

**OWNER OF GROUNDWATER RIGHT**

RESOLUTION COPPER MINING LLC  
ATTN: DAVID STANLEY  
102 MAGMA HEIGHTS OR P.O. BOX 1944  
SUPERIOR AZ 85173

**TYPE OF RIGHT**

TYPE 2 MINERAL EXTRACT GFR

**RIGHT / PERMIT NO.**

58-117402.0001

**REPORTING PARTY**

58-117402.0001

RESOLUTION COPPER MINING LLC  
ATTN: DAVID STANLEY  
102 MAGMA HEIGHTS OR P.O. BOX 1944  
SUPERIOR AZ 85173



PHOENIX AMA (602) 771-8585

WITHDRAWAL AUTHORITY ALLOTMENT: 1490.00 AF

**FACILITY NAME:**

RESOLUTION COPPER MINING

RECEIVED

APR 02 2015

If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 10 Schedule A attached  
Complete this section only if you operate a non-exempt well.

**\$ 3.00**

ACRE - FEET X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late  (Maximum of 6)

2) Calculate Late Report Fee \_\_\_\_\_ \$

(\$25.00 X number of months late)

3) Calculate Late Payment Fee \_\_\_\_\_ \$

(10 % X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached \$

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI \$

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be mailed to P.O. Box 36020 Phoenix, AZ. 85067 and postmarked no later than March 31, 2015. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2015.

REPORTS FILED AFTER MARCH 31, 2015 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X   
AUTHORIZED SIGNATURE

Principal Advisor Infrastructure 3/20/15  
TITLE DATE

David Stanley  
PRINTED NAME

570-827-0243  
TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.



# SCHEDULE G-1

## METAL MINING FACILITIES

### ANNUAL REPORT 2014

ARIZONA DEPARTMENT OF WATER RESOURCES

Facility Name: RESOLUTION COPPER MINING

Facility No.: 11-211001.0000

Facility Owner : \_\_\_\_\_  
 Contact Name: WILLIAMS, WILLIAM R.  
 Contact Address: RESOLUTION COPPER MINING  
PO BOX 1944  
SUPERIOR, AZ 85173  
 Contact Phone: 520-689-9374

Rights Used at Facility:	
<u>58-117402.0001</u>	_____
_____	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2014 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all metal mining facilities are required to supply the following information. Please complete one form per metal mining facility. Instructions are listed on the reverse side of this form.*

#### PART 1 - MAKE-UP WATER USES

Purpose	Measured (AF)	Estimated (AF)
Domestic		688
Equipment Washing		
Tailing Transport		
Tailing Revegetation		
Milling Operations		

Leaching Operations	Water Use (AF)		
	Vat:	Heap:	In Situ:

#### PART 2 - RECOVERED WATER

Tailing Impoundments	Surface: AF	Interceptors: AF	
Pit Dewatering	AF		
Leaching Operations	Vat: AF	Heap: AF	In Situ: AF

#### PART 3 - AVERAGE DEPTH OF WATER AT DECANT SITE

Impoundment Name	Average depth at Decant Site	Average % Solids (by wt.)

#### PART 4 - AMOUNTS PROCESSED

Product	Material Mined	Ore Milled	Ore Vat Leached	Ore In-Situ Leached	Ore Stacked to Heap Leach
Tonnage					

# WORKSHEET W-1 2014

GROUNDWATER RIGHT/PERMIT/ 58-117402.0001  
BMP Farm Unit NO.

1	DWR WELL REGISTRATION NO. 55-525311	10	40	160	LOCATION		
		Q	Q	Q	Sec	Twn	Rng
		SW	NW	NW	36	1.0S	12.0E
2	TYPE OF MEASURING DEVICE TOTALIZER	MAKE / MODEL					
	SIZE	UNITS MEASURED					
	INSTALLATION OR OVERHAUL DATE						
3	POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008	POWER METER NO. 156648				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in 10 in one of  
Columns 4-8 of Schedule A

10 TOTAL IN ACRE-FEET	0
-----------------------	---

1	DWR WELL REGISTRATION NO. 55-525312	10	40	160	LOCATION		
		Q	Q	Q	Sec	Twn	Rng
		SE	NW	NW	32	1.0S	13.0E
2	TYPE OF MEASURING DEVICE TOTALIZER	MAKE / MODEL					
	SIZE	UNITS MEASURED					
	INSTALLATION OR OVERHAUL DATE						
3	POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008	POWER METER NO. 156648				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in 10 in one of  
Columns 4-8 of Schedule A

10 TOTAL IN ACRE-FEET	68
-----------------------	----

1	DWR WELL REGISTRATION NO.	10	40	160	LOCATION		
		Q	Q	Q	Sec	Twn	Rng
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	SIZE	UNITS MEASURED					
	INSTALLATION OR OVERHAUL DATE						
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in 10 in one of  
Columns 4-8 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

1	DWR WELL REGISTRATION NO.	10	40	160	LOCATION		
		Q	Q	Q	Sec	Twn	Rng
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	SIZE	UNITS MEASURED					
	INSTALLATION OR OVERHAUL DATE						
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in 10 in one of  
Columns 4-8 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

# WQARF WORKSHEET

WATER QUALITY ASSURANCE  
REVOLVING FUND

## ANNUAL REPORT 2014

OWNER

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT NUMBER

58-117402.0001



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

### TO CALCULATE WQARF FEES OWED:

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A.  Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

Box 1  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

Box 2  
Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

Box 3  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B.  Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

Box C  
(Acre-feet on which WQARF fees apply)

X \$2.12 =   
WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2015.

This is the original annual report for authority: 58-117402.0001

Note created: 4/29/2016

--- The document starts on the next page. ---



# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2015

### OWNER OF GROUNDWATER RIGHT

RESOLUTION COPPER MINING LLC  
 ATTN: DAVID STANLEY  
 102 MAGMA HEIGHTS, P.O. BOX 1944  
 SUPERIOR AZ 85173

### TYPE OF RIGHT

TYPE 2 MINERAL EXTRACT GFR

### RIGHT / PERMIT NO.

58-117402.0001



PHOENIX AMA (602) 771-8585

WITHDRAWAL AUTHORITY ALLOTMENT: 1490.00 AF

### FACILITY NAME:

RESOLUTION COPPER MINING

### REPORTING PARTY

58-117402.0001

RESOLUTION COPPER MINING LLC  
 ATTN: DAVID STANLEY  
 102 MAGMA HEIGHTS, P.O. BOX 1944  
 SUPERIOR AZ 85173

RECEIVED  
 APR 28 2016  
 ADWR

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I GROUNDWATER WITHDRAWN

From Box 11 Schedule A attached  
 Complete this section only if you operate a non-exempt well.

99 \$ 3.00 \$ 297.00

ACRE - FEET X Withdrawal Fee =

### PART II WATER DELIVERED TO OTHER RIGHTS

From Box 24 Schedule D attached

0 ACRE - FEET

### PART III WATER RECEIVED FROM OTHER SOURCES

Total from Schedule E attached

0 ACRE - FEET

### PART IV TOTAL WATER USED BY THIS RIGHT

Calculate as follows: Part I + Part III - Part II

99 ACRE - FEET

### PART V LATE FEES

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late 1 (Maximum of 6)

2) Calculate Late Report Fee 25.00 \$ 25.00  
 (\$25.00 X number of months late)

3) Calculate Late Payment Fee \$ 29.70  
 (10 % X number of months late X withdrawal  
 fee calculated in Part I above)

### PART VI WATER QUALITY

From WQARF Worksheet attached \$ 209.88

### PART VII TOTAL FEES DUE

Add amounts from Parts I, V and VI \$ 561.58

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be mailed to P.O. Box 36020 Phoenix, AZ. 85067 and postmarked no later than March 31, 2016. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2016.

REPORTS FILED AFTER MARCH 31, 2016 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X David Stanley  
 AUTHORIZED SIGNATURE  
David Stanley  
 PRINTED NAME

Principal Adviser Infrastructure 3/31/16  
 TITLE DATE  
520-689 3219  
 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.

# SCHEDULE A

## REPORT OF PUMPING

Owner

RESOLUTION COPPER MINING LLC

1 RIGHT/PERMIT/BMP Farm Unit NO.

58-117402.0001

## ANNUAL REPORT 2015

Note: Pumpage for each well must be shown on the attached well worksheets. Information for up to four wells may be shown on each worksheet.

2 DWR WELL REGISTRATION NO.	3 SSP SUBZONE (Certain municipal and industrial wells in PINAL AMA only)			4 Depth to Static Water Level (Designated Providers Only)				5 Ground -water Pumped	RECOVERED WATER PUMPED				10 Total Water Pumped			
	10 Q Q		160 Q	Date # 1	Msmt # 1	Well Running ? (Y/N)	6 CAP		7 SW	8 EFF/I N	9 EFF/ OUT					
	SEC	TWN	RNG													
55-525311	N/A															
SW NW NW 36 1.0S 12.0E																
55-525312	N/A							99						99		
SE NW NW 32 1.0S 13.0E																
TOTAL WATER WITHDRAWN (acre-feet)											11*	99			12**	99

\* ENTER TOTAL ACRE-FEET OF GROUNDWATER WITHDRAWN IN PART I OF THE SUMMARY PAGE.

# SCHEDULE G-1

METAL MINING FACILITIES

## ANNUAL REPORT 2015

ARIZONA DEPARTMENT OF WATER RESOURCES

Facility Name: RESOLUTION COPPER MINING

Facility No.: 11-211001.0000

Facility Owner : \_\_\_\_\_  
 Contact Name: WILLIAMS, WILLIAM R.  
 Contact Address: RESOLUTION COPPER MINING  
PO BOX 1944  
SUPERIOR, AZ 85173  
 Contact Phone: 520-689-9374

Rights Used at Facility:	
<u>58-117402.0001</u>	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2015 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all metal mining facilities are required to supply the following information. Please complete one form per metal mining facility. Instructions are listed on the reverse side of this form.*

### PART 1 - MAKE-UP WATER USES

Purpose	Measured (AF)	Estimated (AF)
Domestic		<u>300</u>
Equipment Washing		
Tailing Transport		
Tailing Revegetation		
Miling Operations		

Leaching Operations	Water Use (AF)		
	Vat:	Heap:	In Situ:

### PART 2 - RECOVERED WATER

Tailing Impoundments	Surface: AF	Interceptors: AF	
Pit Dewatering	AF		
Leaching Operations	Vat: AF	Heap: AF	In Situ: AF

### PART 3 - AVERAGE DEPTH OF WATER AT DECANT SITE

Impoundment Name	Average depth at Decant Site	Average % Solids (by wt.)

### PART 4 - AMOUNTS PROCESSED

Product	Material Mined	Ore Milled	Ore Vat Leached	Ore In-Situ Leached	Ore Stacked to Heap Leach
Tonnage					

# WORKSHEET W-1 2015

GROUNDWATER RIGHT/PERMIT/ **58-117402.0001**  
BMP Farm Unit NO.

1 DWR WELL REGISTRATION NO. 55-525311	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	SW	NW	NW	36	1.0S	12.0E
2 TYPE OF MEASURING DEVICE TOTALIZER		MAKE / MODEL				
SIZE		UNITS MEASURED				
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME SALT RIVER PROJECT		ACCOUNT NO. 6020008		POWER METER NO. 156648		
ENERGY CONSUMPTION				UNITS		

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE
Enter total Acre-feet Shown in <b>10</b> in one of Columns 5-9 of Schedule A	
10 TOTAL IN ACRE-FEET	

1 DWR WELL REGISTRATION NO. 55-525312	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	SE	NW	NW	32	1.0S	13.0E
2 TYPE OF MEASURING DEVICE TOTALIZER		MAKE / MODEL				
SIZE		UNITS MEASURED GALLONS				
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME SALT RIVER PROJECT		ACCOUNT NO. 6020008		POWER METER NO. 156648		
ENERGY CONSUMPTION				UNITS		

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
5785200		

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE
99	
Enter total Acre-feet Shown in <b>10</b> in one of Columns 5-9 of Schedule A	
10 TOTAL IN ACRE-FEET	99

1 DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
2 TYPE OF MEASURING DEVICE		MAKE / MODEL				
SIZE		UNITS MEASURED				
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME		ACCOUNT NO.		POWER METER NO.		
ENERGY CONSUMPTION				UNITS		

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE
Enter total Acre-feet Shown in <b>10</b> in one of Columns 5-9 of Schedule A	
10 TOTAL IN ACRE-FEET	

1 DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
2 TYPE OF MEASURING DEVICE		MAKE / MODEL				
SIZE		UNITS MEASURED				
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME		ACCOUNT NO.		POWER METER NO.		
ENERGY CONSUMPTION				UNITS		

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE
Enter total Acre-feet Shown in <b>10</b> in one of Columns 5-9 of Schedule A	
10 TOTAL IN ACRE-FEET	

# WQARF WORKSHEET

WATER QUALITY ASSURANCE  
REVOLVING FUND

## ANNUAL REPORT 2015

OWNER

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT NUMBER

58-117402.0001



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

### TO CALCULATE WQARF FEES OWED:

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A. 99  
Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

0 Box 1  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

0 Box 2  
Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

0 Box 3  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B. 99  
Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

99  
Box C  
(Acre-feet on which  
WQARF fees apply)

X \$2.12 =

\$ 209.88  
WQARF  
Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2016.

DOUGLAS A. DUCEY  
Governor



THOMAS BUSCHATZKE  
Director

April 20, 2016

ARIZONA DEPARTMENT OF WATER RESOURCES  
PO Box 36020  
PHOENIX, ARIZONA 85067-36020  
(602) 771-8585

58-117402.0001  
RESOLUTION COPPER MINING LLC  
ATTN: DAVID STANLEY  
102 MAGMA HEIGHTS, P.O. BOX 1944  
SUPERIOR, AZ 85173



**NOTICE OF VIOLATION**  
**FAILURE TO FILE 2015 ANNUAL REPORT**

Arizona Department of Water Resources ("Department") records indicate that the 2015 Annual Report for the right or permit listed above has not been filed. The Annual Report must be filed with the Director of the Department no later than March 31st of each year for the preceding calendar year. The Annual Report must be filed regardless of whether or not water was used pursuant to the right or permit. You are in receipt of this Notice of Violation for failure to file an Annual Report for one of the following statutes:

- Pursuant to A.R.S. § 45-632(O) an Annual Water Withdrawal and Use Report must be filed no later than March 31 of each year for the preceding calendar year. This includes Annual Reports filed for service area rights, grandfathered groundwater rights, groundwater withdrawal permits, irrigation district and BMP groundwater summaries, recovery well reports and BMP enrollees, among others.

The penalty for failure to file an Annual Report pursuant to A.R.S. § 45-632(O) is \$25.00 for each month or portion of a month that the Annual Report is delinquent. The total penalty assessed for violations of A.R.S. § 45-632(O) shall not exceed \$150.00. If groundwater was withdrawn in 2015, you are also subject to a late payment fee of ten percent of the unpaid groundwater withdrawal fee for each month or portion of a month that the Annual Report is delinquent, not to exceed sixty percent of the unpaid fee. A.R.S. § 45-614(E). Water Quality Assurance Revolving Fund fees for groundwater withdrawals, if applicable, are also due at this time. A.R.S. § 45-616.

Or

- Pursuant to A.R.S. § 45-875.01, an Annual Water Withdrawal and Use Report must be filed no later than March 31 of each year for the preceding calendar year. This includes Annual Reports for water storage facility permits, e.g., GSF, USF, UWS and WS summaries, among others.

The penalty for failure to file an Annual Report pursuant to A.R.S. § 45-875.01(E) is \$25.00 for each month or portion of a month that the Annual Report is delinquent. The total penalty assessed for violations of A.R.S. § 45-875.01(E) shall not exceed \$150.00.

**Please contact the Department at (602) 771-8585 if you believe this Notice of Violation was mailed in error.**

To obtain annual report forms, please go to  
[www.azwater.gov/azdwr/WaterManagement/AMAs/phoenixAMA/AMAWithdrawalandUseAnnualReport.htm](http://www.azwater.gov/azdwr/WaterManagement/AMAs/phoenixAMA/AMAWithdrawalandUseAnnualReport.htm)  
or call us at 602-771-8585, or email us at [earp@azwater.gov](mailto:earp@azwater.gov) and please include your right or permit number.



# **Certificate of Grandfathered Groundwater Right**

COUNTY OF PINAL

STATE OF ARIZONA DEPARTMENT OF WATER RESOURCES

*This is to certify that pursuant to the provisions of  
Title 45, Chapter 2, Arizona Revised Statutes*

RESOLUTION COPPER MINING, L.L.C.  
2525 EAST ARIZONA BILTMORE CIRCLE  
SUITE C-135  
PHOENIX, ARIZONA 85016-2146

*is granted*

TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHTS

*in the*

PHOENIX ACTIVE MANAGEMENT AREA

*for 1490.00 acre-feet of groundwater annually from January 1 through December 31. Groundwater withdrawn pursuant to this right may be used for mineral extraction or processing purpose(s). The well registration number(s) and the location of the well(s) where the groundwater will be withdrawn pursuant to this right is as follows:*

55-525311	SW 1/4 of NW 1/4 of NW 1/4	Sec 36	T1S	R12E	GSRB&M
55-525312	SE 1/4 of NW 1/4 of NW 1/4	Sec 32	T1S	R13E	GSRB&M

*The use of groundwater under this right shall be in accordance with the laws of the State of Arizona and restrictions placed on use by the Director of the Department of Water Resources pursuant to Title 45, Chapter 2, Arizona Revised Statutes.*



**CERTIFICATE NO. 58-117402.0001**

*is granted this 24th day of February, 2005*

ARIZONA DEPARTMENT OF WATER RESOURCES

*Mark Frank*  
Area Director, Phoenix Active Management Area

*The Department of Water Resources must be notified if the above named person(s) makes an address change or conveys ownership of the right to another person(s).*



## MEMORANDUM

TO: Files

FROM: Walter Thurber <sup>W.T.</sup>

DATE: May 6, 2005

SUBJECT: 58-117402.0001 & 58-130703.0001

Complete conveyance applications were submitted for these rights ~~on February 3, 2005~~ and certificates were mailed on February 25, 2005. Later we realized that the certificates said **non-irrigation** instead of **mineral extraction or processing**. The applicant returned the incorrect certificates at our request and revised certificates were mailed on May 6, 2005.

# Certificate of Grandfathered Groundwater Right

COUNTY OF PINAL

STATE OF ARIZONA DEPARTMENT OF WATER RESOURCES

*This is to certify that pursuant to the provisions of  
Title 45, Chapter 2, Arizona Revised Statutes*

RESOLUTION OF COPPER MINING, L.L.C.  
2525 EAST ARIZONA BILTMORE CIRCLE  
SUITE C-135

PHOENIX, ARIZONA 85016-2146

*is granted*

TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHTS

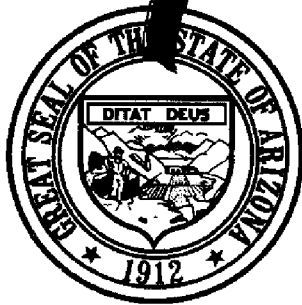
*in the*

PHOENIX ACTIVE MANAGEMENT AREA

for **1490.00** acre-feet of groundwater annually from January 1 through December 31. Groundwater withdrawn pursuant to this right may be used for a non-irrigation purpose(s). The well registration number(s) and the location of the well(s) where the groundwater will be withdrawn pursuant to this right is as follows:

55-525311 SW 1/4 of NW 1/4 of NW 1/4 Sec 36 T1S R12E GSRB&M  
55-525312 SE 1/4 of NW 1/4 of NW 1/4 Sec 32 T1S R13E GSRB&M

*The use of groundwater under this right shall be in accordance with the laws of the State of Arizona and restrictions placed on use by the Director of the Department of Water Resources pursuant to Title 45, Chapter 2, Arizona Revised Statutes.*



**CERTIFICATE NO. 58-117402.0001**

*is granted this 24th day of February, 2005*

ARIZONA DEPARTMENT OF WATER RESOURCES

*Mark Frank*  
Area Director, Phoenix Active Management Area

*The Department of Water Resources must be notified if the above named person(s) makes an address change or conveys ownership of the right to another person(s).*

# Certificate of Grandfathered Groundwater Right

COUNTY OF PINAL

STATE OF ARIZONA DEPARTMENT OF WATER RESOURCES

*This is to certify that pursuant to the provisions of  
Title 45, Chapter 2, Arizona Revised Statutes*

RESOLUTION COPPER MINING, L.L.C.  
2525 EAST ARIZONA BILTMORE CIRCLE  
SUITE C-135  
PHOENIX, ARIZONA 85016-2146

*is granted*  
TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHTS  
*in the*  
PHOENIX ACTIVE MANAGEMENT AREA

for **1490.00** acre-feet of groundwater annually from January 1 through December 31. Groundwater withdrawn pursuant to this right may be used for a non-irrigation purpose(s). The well registration number(s) and the location of the well(s) where the groundwater will be withdrawn pursuant to this right is as follows:

55-525311 SW 1/4 NW 1/4 of NW 1/4 Sec 36 T1S R12E GSRB&M  
55-525312 SE 1/4 NW 1/4 of NW 1/4 Sec 32 T1S R13E GSRB&M

*The use of groundwater under this right shall be in accordance with the laws of the State of Arizona and restrictions placed on use by the Director of the Department of Water Resources pursuant to Title 45, Chapter 2, Arizona Revised Statutes.*



**CERTIFICATE NO. 58-117402.0001**

*is granted this 24th day of February, 2005*

ARIZONA DEPARTMENT OF WATER RESOURCES

*Mark Frank*  
Area Director, Phoenix Active Management Area

*The Department of Water Resources must be notified if the above named person(s) makes an address change or conveys ownership of the right to another person(s).*

**ARIZONA DEPARTMENT OF WATER RESOURCES  
WATER MANAGEMENT DIVISION**

500 North Third Street • Phoenix, Arizona 85004-3921  
Telephone 602-417-2465  
Facsimile 602-417-2467



February 25, 2005

Janet Napolitano  
Governor

Herb Guenther  
Director

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016 2146

Re: Type 2 Non-Irrigation Grandfathered Right No. 58-117402.0001

Dear Type 2 Non-Irrigation Grandfathered Right Owner:

Enclosed is your Certificate of Type 2 Non-Irrigation Grandfathered Groundwater Right (Type 2 Right). **The Certificate specifies the annual amount of groundwater that may be withdrawn pursuant to your Type 2 Right and the location of the well(s) from which you are authorized to withdraw groundwater.**

Supporting information for your right is on file at the Department and is available upon request. **Remember, only the amount of groundwater allotted for the right may be withdrawn pursuant to the right.**

**This is also an Official Notice of Conservation Requirements and Monitoring and Reporting Requirements that applies to your non-irrigation use.** These requirements were established in the Third Management Plan (TMP) for the Phoenix AMA and became effective on January 1, 2002.

As a person using groundwater not supplied by a city, town or private water company for a non-irrigation use, you are classified as an **industrial user**. You are required to comply with the conservation requirements and monitoring and reporting requirements for all industrial users in Sections 6-201 through 6-204 of the TMP. Those requirements are set forth in the enclosed *Attachment TMP-All Industrial Users*.

Additional specific requirements have been established in the TMP for the following industrial users: turf-related facilities, sand and gravel facilities, power plants, dairy operations and cattle feedlot operations, large-scale cooling facilities and new large landscape users.

Should your intended industrial use fall under any of the above referenced additional specific requirements, you are also required to comply with them. If an additional attachment is enclosed, it is because the Department reviewed your application and determined that your intended industrial use does fall under one of the additional specific user requirements.

You must begin complying with the TMP conservation requirements set forth in the applicable attachment(s) upon commencement of groundwater use at your facility, and continue complying with the requirements until the effective date of any substitute requirements in the Fourth Management Plan.

**Please note that the conservation requirements in this notice apply to water use at your industrial facility, rather than to this Type 2 Right or any other withdrawal authorities associated with this facility.**

You have the right to request a variance and, in some limited circumstances, an administrative review for relief from the conservation requirements. Please refer to the enclosed Variance and Administrative Review Insert for more information.

As provided in A.R.S. § 45-604, any person withdrawing groundwater from a well pursuant to a Type 2 Right is required to use a water measuring device to record rates of withdrawal in order to provide or allow the computation of an annual volume of pumpage from the well(s). The total volume of pumpage shall be reported on an **Annual Water Withdrawal and Use Report**. Please refer to the enclosed Annual Report Insert for more information.

An owner of a Type 2 Right must notify the Department if the person makes an address change, conveys ownership of all the right to another person or changes the point(s) of withdrawal, leases all or a portion of the right to another person or changes the place or purpose of the use. If a Type 2 Right is conveyed, the full amount of the right is conveyed for a non-irrigation use. A Type 2 Right that is used for purposes of mineral extraction or processing, or for purposes of electrical generation may be conveyed only for the same use. Additionally, a Type 2 Right may not be conveyed for an irrigation use. Forms and information relative to these matters are available upon request or on our website at [www.water.az.gov](http://www.water.az.gov).

Every reasonable effort has been made to ensure that the information contained in your Certificate is accurate. However, if an administrative or typographical error has been made, or you have questions about the Certificate or conveyance procedures, please contact the Water Management Conveyance Unit. All other questions should be directed to the Phoenix AMA Office at (602)417-2465 or (800)352-8488 (Long Distance within Arizona).

Sincerely,



Mark Frank  
Area Director  
Phoenix Active Management Area

Enclosure(s)

## GROUNDWATER RIGHT INFORMATION SHEET

Input Date	Full	Split	Consolidation	Convey to File	Small Exempt	Small Non-exempt	County
2/24/05	✓						Pinal
Form / Signature	Deed / Old Cert	Fee	Assessor Map	Assr Parcel Info	Aerial Photo	Tracking Sheet	GIS Work Map
✓	✓	✓				✓	

### CONVEYANCE TRACKING

Old Right Number	File Status	Irrigation Acres	Percent Conveyed
58-117402.0000	IC		100

### SPECIFIC USE

Specific Use	
28	INDUSTRIAL
03 Mineral Extraction	

New Right Number	File Status	Acres Conveyed	Water-logged Area
58-117402.0001	AC		

### WATER DUTY AND ALLOTMENT

Irrigation Acres	Water Duty Acres	Allotment Year	Non-Appurt Acres	Efficiency	Water Duty	Allotment	MAWA
		2005				1490	

### WRF

Right Type	Ama	Land Owner	Sub-basin	Retired Acres	SW Elig Acres
O	C	P0	06		

### Customers

Last Name	First Name	Company				
		Resolution Copper Mining LLC				
Address		Phone				
2525 E. Arizona Biltmore Circle, Suite C-135		602-956-0223				
City	State	Zip Code	Zip+4	Cust Type	Order Nbr	Fax
Phoenix	AZ	85016	<del>85017</del> 2146	Owner	1	602-956-0332

### Location

Quad	Township	Half	Range	Half	Section	Q 160	Q 40	Q 10	Q 2	Active?	Lot Nbr
D	1	0	12	0	36	B	B	BC		Y	
D	1	0	13	0	32	B	B	D		Y	

### Map Reference

Location Legal Description
SW 1/4 SE 1/4 NW 1/4 NW 1/4 Sec 36 T1S R12E
SE 1/4 NW 1/4 NW 1/4 Sec 32 T1S R13E

### Well Serving

Year	Registry Number	Owned? Y/N
2005	525311	Y
2005	525312	Y

### IRD FACILITY REPORTING

Irrigation District	Irr Dist Number

### COMMENTS

--

Processor	Reviewer
W.T.	—

# Certificate Of Grandfathered Groundwater Right

COUNTY OF Pinal

STATE OF ARIZONA DEPARTMENT OF WATER RESOURCES



This is to certify that pursuant to the provisions of  
Title 45, Chapter 2, Arizona Revised Statutes

Magma Copper Company  
Superior Division

P. O. Box 100  
Superior, Arizona 85273

Is granted  
TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHTS  
in the  
PHOENIX ACTIVE MANAGEMENT AREA

for 1490 acre-feet of groundwater annually from January 1 through December 31. Groundwater withdrawn pursuant to this right may be used for mineral extraction purpose[s]. The location of the well[s] where groundwater will be withdrawn pursuant to this right is as follows:

Arizona Department of Water Resources  
Well Registration Number and Location:

55-5253 SE1/4 NW1/4 NW1/4 Sec. 36 T1S R12E GSRB&M  
55-5252 SE1/4 NW1/4 NW1/4 Sec. 32 T1S R13E GSRB&M

The use of groundwater under this right shall be in accordance with the laws of the State of Arizona and restrictions placed on use by the Director of the Department of Water Resources pursuant to Title 45, Chapter 2, Arizona Revised Statutes.

CERTIFICATE NO. 58-117402.0000

Is Granted this 12th Day of June, 1991

ARIZONA DEPARTMENT OF WATER RESOURCES

*Elizabeth Ann Rebe*

Director

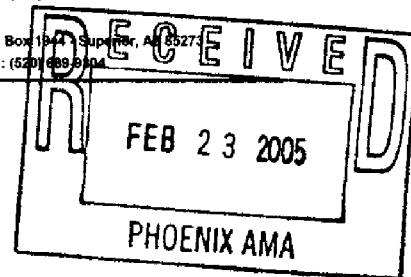


The Department of Water Resources must be notified if the above named person(s) changes his address or conveys ownership of the right to another person(s).



PHOENIX OFFICE:  
2525 E. Arizona Biltmore Circle - Suite C-135 - Phoenix, AZ 85016  
Tel.: (602) 956-0223 - Fax: (602) 956-0332

SUPERIOR OFFICE:  
102 Magma Heights - P.O. Box 1944 - Superior, AZ 85274  
Tel.: (520) 689-9374 - Fax: (520) 689-9304



February 18, 2005

**AFFIDAVIT FOR GROUND WATER RIGHTS**

To: Arizona Department of Water Resources  
Attention: Walter Thurber  
From: Bruno Hegner  
Subject: **Research for Original Ground Water Certificates Numbers 58-117402.0000 and 58-130703-0000.**

Dear Mr. Thurber:

Resolution Copper Mining LLC has done an extensive research looking for the original water certificates referenced above and all we can find are copies. We have checked all the water files of BHP Copper Inc. site location in Superior, Arizona, the corporate water files of BHP Copper Inc. in San Manuel, Arizona, legal firms of **Snell and Wilmer** and **Bryan Cave** to no avail.

The Ground Water rights are for associated Arizona well numbers as follows:

Ground Water Right Number: 58-117402.0000  
Well Number: 55-525311  
Well Number: 55-525312

Ground Water Right Number: 58-130703.0000  
Well Number: 55-624606  
Well Number: 55-624607  
Well Number: 55-624608  
Well Number: 55-624609

Resolution Copper Mining LLC at this point and time has no other recourse in which to check and will consider our due diligence complete.

If you need any additional information please contact Daniel L Mead in Tucson, Arizona at 520-419-2622.





Thanking you in advance for your time in this matter.

Sincerely Yours;

*Bruno Hegner*

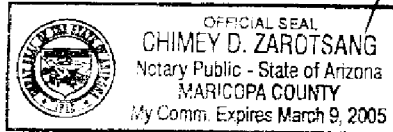
Bruno Hegner  
Vice President & General Manager  
Resolution Copper Mining LLC.

STATE OF ARIZONA     )  
                                          ) ss.  
COUNTY OF MARICOPA )

The foregoing instrument was acknowledged before me this 22<sup>nd</sup> day of February 2005, by **Bruno Hegner**, the **Vice President & General Manager of Resolution Copper Mining LLC**.

*[Signature]*  
\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_



Original

58-117402.0000  
TZ 1490.00 AFA

TRACKING SHEET

2/23/05  
W.T.

1

58-117402.0001  
TZ 1490.00 AFA

2

3

4

5

ARIZONA DEPARTMENT OF WATER RESOURCES  
WATER MANAGEMENT SUPPORT SECTION  
P.O. BOX 458 PHOENIX, ARIZONA 85001-0458

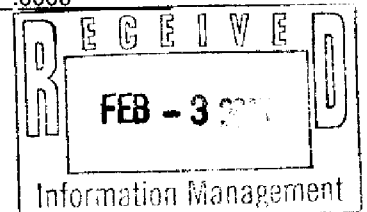
**NOTIFICATION OF CHANGE OF OWNERSHIP OF A TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHT AND/OR APPLICATION FOR REVISED CERTIFICATE TO REFLECT NEW OR ADDITIONAL POINTS OF WITHDRAWAL FOR A TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHT**

INSTRUCTIONS AND REQUIRED ATTACHMENTS

- COMPLETE PART I AND PART IV OF THIS FORM. IF YOU ARE REPORTING AN OWNERSHIP CHANGE, PART II MUST ALSO BE COMPLETED. IF YOU ARE REQUESTING A REVISED CERTIFICATE TO REFLECT NEW OR ADDITIONAL POINTS OF WITHDRAWAL, PART III MUST BE COMPLETED. OBTAIN ALL REQUIRED SIGNATURES. MAIL THE COMPLETED FORM TO THE ABOVE ADDRESS OR HAND DELIVER IT TO ADWR AT 500 NORTH THIRD STREET, PHOENIX.
- PURSUANT TO A.A.C. R12-15-401, IF YOU REQUEST A REVISED CERTIFICATE TO REFLECT NEW OR ADDITIONAL POINTS OF WITHDRAWAL, THE DEPARTMENT WILL ISSUE A WRITTEN NOTICE GRANTING OR DENYING YOUR APPLICATION WITHIN 180 DAYS AFTER RECEIPT OF THE APPLICATION. THE DEPARTMENT WILL FIRST DETERMINE WHETHER THE APPLICATION IS ADMINISTRATIVELY COMPLETE (ADMINISTRATIVE REVIEW PERIOD) AND THEN WHETHER THE APPLICATION MEETS THE SUBSTANTIVE CRITERIA ESTABLISHED BY STATUTE OR RULE (SUBSTANTIVE REVIEW PERIOD). THE TIME FRAME FOR ADMINISTRATIVE COMPLETENESS REVIEW IS 45 DAYS. THE TIME FRAME FOR SUBSTANTIVE REVIEW IS 135 DAYS. THE OVERALL TIME FRAME OF 180 DAYS ENCOMPASSES BOTH THE ADMINISTRATIVE COMPLETENESS REVIEW AND THE SUBSTANTIVE REVIEW TIME FRAMES. THESE TIME FRAMES MAY BE SUSPENDED IF THE DEPARTMENT DETERMINES THAT THE APPLICATION IS NOT COMPLETE AND REQUESTS ADDITIONAL INFORMATION IN WRITING.
- ENCLOSE THE ORIGINAL CERTIFICATE OF GRANDFATHERED GROUNDWATER RIGHT. THIS DOCUMENT IS AVAILABLE FROM THE SELLER/GRANTOR OR CURRENT OWNER. IF THE ORIGINAL CERTIFICATE HAS BEEN LOST, A NOTARIZED STATEMENT TO THIS EFFECT MUST BE SUBMITTED.
- ENCLOSE A \$35.00 FEE TO COVER ISSUANCE OF A NEW CERTIFICATE. CHECKS MUST BE MADE PAYABLE TO ARIZONA DEPARTMENT OF WATER RESOURCES. THIS FEE IS REQUESTED BY A.A.C. RULE R12-15-151 (B)(5)(C).
- IF THE TYPE 2 RIGHT WILL BE LEASED IN FULL OR IN PART, A NOTIFICATION OF LEASE OF A TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHT (FORM 58-800) MUST BE FILED ALSO.
- IF YOU NEED ANY ASSISTANCE PLEASE CONTACT THE CONVEYANCE UNIT AT 602-417-2465 (PHOENIX AREA) OR 800-352-8488 (STATEWIDE). TO ACCESS ADWR REQUIRED GRANDFATHERED RIGHT CONVEYANCE FORMS, VISIT OUR WEBSITE ADDRESS: [www.water.az.gov](http://www.water.az.gov).

**PART I. GENERAL INFORMATION**

1. Certificate of Grandfathered Groundwater Right number: 58 - 117402 0000
2. Amount of right indicated on certificate: 1490.00 acre-feet annually.
3. Active Management Area: Phoenix



**PART II. NOTIFICATION OF CHANGE OF OWNERSHIP**

In accordance with A.R.S. § 45-482(B), the undersigned parties hereby notify the Arizona Department of Water Resources of the conveyance of this Type 2 Non-Irrigation Grandfathered Right:

1. Please specify the effective date of this ownership change 3/31/04 and the quantity of groundwater withdrawn or received pursuant to the right between January 1 of that calendar year and the effective date of the ownership change:  
zero acre-feet.

**CONTINUES ON REVERSE SIDE**

2. Will the type of use of the groundwater change after this conveyance? \_\_\_\_\_ YES X NO. If yes, describe the new use. (Note: In accordance with A.R.S. § 45-474(A), the owner of a Type 2 Non-Irrigation Grandfathered Right that is issued for purposes of mineral extraction or processing, or for purposes of electrical energy generation, may not convey the right for any other purpose.)

**PART III. APPLICATION FOR REVISED CERTIFICATE TO REFLECT NEW OR ADDITIONAL POINTS OF WITHDRAWAL**

In accordance with A.R.S. § 45-471(C), the undersigned hereby requests the Arizona Department of Water Resources to issue a revised certificate of Type 2 Non-Irrigation Grandfathered Right to reflect different points of withdrawal or to remove all wells from this certificate.

1. Wells to be added to the certificate (list by ADWR registration number; non-exempt wells only). If no new wells are to be added, write "None."

	Twp	Rng	Sec	Quarters			Owner Name	Proposed Type 2 Withdrawals
				160	40	10		
55-None								acre-feet annually
55-								acre-feet annually
55-								acre-feet annually

2. Wells to be removed from the certificate (list by ADWR registration number) and status of removed wells:

55-		not in use	capped	abandoned	exempt	pump cap: _____ gpm
55-		not in use	capped	abandoned	exempt	pump cap: _____ gpm
55-		not in use	capped	abandoned	exempt	pump cap: _____ gpm

**PART IV. GRANTOR AND GRANTEE OR CURRENT OWNER INFORMATION**

GRANTOR (SELLER)  
OR CURRENT OWNER

(Print or Type)

NAME BHP Copper, Inc.\*

ADDRESS 200 S. Veterans Memorial Blvd.  
San Manuel, AZ 85631

PHONE (602) 364-7408

BK W / 4/20/05  
SIGNATURE DATE

GRANTEE (BUYER)  
OR OTHER OWNERS OF  
NEW POINTS OF WITHDRAWAL

(Print or Type)

NAME Resolution Copper Mining LLC

ADDRESS 2525 East Arizona Biltmore Circle-Suite C-135  
Phoenix, AZ 85016-2146

PHONE (602) 956-0223

F.D. Ilegua / 15 Sept. 09  
SIGNATURE DATE

\*This right is currently in the name of Magma Copper Company, a Delaware corporation, which changed its name to BHP Copper, Inc. on 13 February 1996. Attached is a copy of the State of Delaware certification evidencing that change.

April 4, 2005

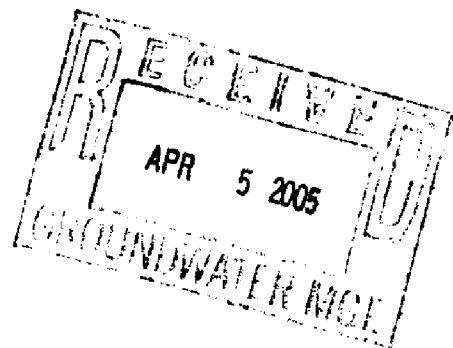
Walter:

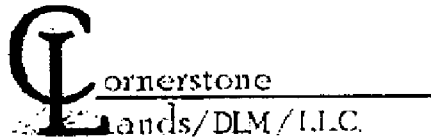
**Sorry for the delay on getting these documents to you. I just didn't make it over to Superior until Friday April 1, 2005.**

**How long do you think it will be until we get the new certificates issued?**

**If you need anything else please give me a call at 520-419-2622.**

**Thanks Dan**





Daniel Mead  
Land Consultant

DATE: 2-23-05

TO: ADWR

ATTENTION: WALTER THURBER

PHONE NUMBER 1-603-417-2422

FROM: DAN MEAD / RESOLUTION COPPER MINING

NUMBER OF PAGES: 4

SUBJECT: CHANGE OF NAME - MARIANA TO BTD

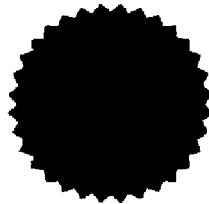
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

# Delaware

PAGE 1

*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "MAGMA COPPER COMPANY", CHANGING ITS NAME FROM "MAGMA COPPER COMPANY" TO "BHP COPPER INC.", FILED IN THIS OFFICE ON THE THIRTEENTH DAY OF FEBRUARY, A.D. 1996, AT 2 O'CLOCK P.M.



0701612 8100

040325190

*Harriet Smith Windsor*

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 3090730

DATE: 05-04-04

STATE OF DELAWARE  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
FILED 02:00 PM 02/13/1996  
960042015 - 701512

**CERTIFICATE OF AMENDMENT  
OF  
RESTATED CERTIFICATE OF INCORPORATION**

\*\*\*\*\*

**MAGMA COPPER COMPANY**, a corporation organized and existing under  
and by virtue of the General Corporation Law of the State of Delaware,

**DORS HEREBY CERTIFY:**

**FIRST:** That the Board of Directors of said corporation, by unanimous  
written consent of its members, filed with the minutes of the Board, adopted a resolution  
proposing and declaring desirable of the following amendment to the Restated Certificate  
of Incorporation of said corporation:

**RESOLVED**, that Article I of the Restated Certificate of Incorporation of  
this corporation be amended to read in its entirety:

**"ARTICLE I**

The name of the corporation is **BHP COPPER INC.** (the "Corporation")."

**SECOND:** That in lieu of a meeting and vote of the stockholder, the  
stockholder has given unanimous written consent to said amendment in accordance with  
the provisions of Section 228 of the General Corporation Law of the State of Delaware.

FOR PERSONAL AND COMPANY USE ONLY



**THIRD:** That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF said MAGMA COPPER COMPANY has caused this Certificate to be signed by Marsh Campbell, its Vice President and attested by Andrew Broadkey, its Secretary, this 9th day of February, 1996.

**MAGMA COPPER COMPANY**

By M. H. Campbell  
Vice President

ATTEST:

Andrew A. Broadkey  
Secretary

# Transmission Report

Date/Time  
Local ID  
Local Name  
Company Logo

S- 2-05; 9:54AM  
6024172423

This document was confirmed.  
(reduced sample and details below)  
Document Size Letter-S

## Arizona Department of Water Resources Groundwater Right/Facility Report

RIGHT #: 08-117402-0001      STATUS DATE: 02/24/2005  
 AMA: PHOENIX, AZ      RIGHT/PERMIT/FACILITY TYPE: TYPE-2 MINERAL EXTRACT BFR  
 LAND OWNERSHIP: PRIVATE OR COMPANY      FILE STATUS: ACTIVE - FULL CONVEYANCE  
 2005 ALLOTMENT: 1.0000      BWP Expires: N      RETIRED ACRES: 0.00  
 WATER DUTY ACRES: 0.00      IRRIGATION ACRES: 0.00      WATER DUTY: 0  
 IRRIGATION DISTRICT NAME:      NAME: 0

**NAME & ADDRESS**  
 RESOLUTION COPPER MINING LLC      TYPE: OWNER  
 2525 E ARIZONA BILTMORE CIR STE C-100  
 PHOENIX      AZ      850182148

**RIGHTS & LOCATION**  
 SW NW NW 38 T1.05 R12.0E  
 SE NW NW 32 T1.05 R13.0E

**WELL INFORMATION**  
 -- NO DATA FOUND --

**WELLS**  
 Well# 00 - 028911      Location SW NW NW 38 T1.05 R12.0E      Year 2005  
 Well# 06 - 028912      Location SE NW NW 32 T1.05 R13.0E      Year 2005

**RIGHTS & FACILITY RELATIONSHIPS**

Related PCC	Relationship	Active Relationship	Reporting Flag
11-211001.0000	RIGHT/PERMIT USED AT FACILITY	Y	Y

RIGHT #: 08-117402-0001      PAGE: 1      Report Date: 04/02/2005

Total Pages Scanned : 2      Total Pages Confirmed : 2

No.	Doc	Remote Station	Start Time	Duration	Pages	Mode	Comments	Results
1	794	915208257182	S- 2-05; 9:53AM	48"	2 / 2	EC		CP 26.4

Notes :

EC: Error Correct	RE: Resend	PD: Polled by Remote	MB: Receive to Mailbox
BC: Broadcast Send	MP: Multi-Poll	PG: Polling a Remote	PI: Power Interruption
CP: Completed	RM: Receive to Memory	DR: Document Removed	TM: Terminated by user
HS: Host Scan	HP: Host Print	FO: Forced Output	WT: Waiting Transfer
HF: Host Fax	HR: Host Receive	FM: Forward Mailbox Doc.	WS: Waiting Send

# Arizona Department of Water Resources Groundwater Right/Facility Report

<b>RIGHT #:</b> 58-117402.0001	<b>STATUS DATE:</b> 02/24/2005	
<b>AMA:</b> PHOENIX AMA	<b>RIGHT/PERMIT/FACILITY TYPE:</b> TYPE-2 MINERAL EXTRACT GFR	
<b>LAND OWNERSHIP :</b> PRIVATE OR COMPANY	<b>FILE STATUS:</b> ACTIVE - FULL CONVEYANCE	
<b>2005 ALLOTMENT:</b> 1,490.00	<b>BMP Enrollee:</b> N	<b>RETIRED ACRES:</b> 0.00
<b>WATER DUTY ACRES:</b> 0.00	<b>IRRIGATION ACRES</b> 0.00	<b>WATER DUTY</b> 0
<b>IRRIGATION DISTRICT NAME:</b>	<b>MAWA:</b> 0	

## NAME & ADDRESS

RESOLUTION COPPER MINING LLC	TYPE: OWNER
2525 E ARIZONA BILTMORE CIR STE C-135	
PHOENIX	AZ 85016 2146

## PLACE OF USE

SW NW NW 36 T1.0S R12.0E  
SE NW NW 32 T1.0S R13.0E

## BOOK/MAP/PARCEL

\*\*\* NO DATA FOUND \*\*\*

## WELL SERVING

<b>Well#</b> 55 - 525311	<b>Location</b> SW NW NW 36 T1.0S R12.0E	<b>Year</b> 2005
<b>Well#</b> 55 - 525312	<b>Location</b> SE NW NW 32 T1.0S R13.0E	<b>Year</b> 2005

## RIGHT TO FACILITY RELATIONSHIPS

Related PCC	Relationship	Active Relationship	Reporting Flag
11-211001.0000	RIGHT/PERMIT USED AT FACILITY	Y	Y

# Arizona Department of Water Resources Groundwater Right/Facility Report

**RIGHT #:** 58-130703.0001      **STATUS DATE:** 02/24/2005  
**AMA:** PHOENIX AMA      **RIGHT/PERMIT/FACILITY TYPE:** TYPE-2 MINERAL EXTRACT GFR  
**LAND OWNERSHIP :** PRIVATE OR COMPANY      **FILE STATUS:** ACTIVE - FULL CONVEYANCE

**2005 ALLOTMENT:** 315.00      **BMP Enrollee:** N      **RETIRED ACRES:** 0.00  
**WATER DUTY ACRES:** 0.00      **IRRIGATION ACRES** 0.00      **WATER DUTY** 0  
**IRRIGATION DISTRICT NAME:**      **MAWA:** 0

---

## NAME & ADDRESS

RESOLUTION COPPER MINING LLC      **TYPE:** OWNER  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX      AZ      85016 2146

---

## PLACE OF USE

SW NE SE 36 T2.0S R9.0E

SW NE NE 02 T3.0S R9.0E

NW NW NE 31 T2.0S R10.0E

SE NW NE 31 T2.0S R10.0E

---

## BOOK/MAP/PARCEL

\*\*\* NO DATA FOUND \*\*\*

---

## WELL SERVING

Well#	Location	Year
55 - 624606	NW NW NE 31 T2.0S R10.0E	2005
55 - 624607	SE NW NE 31 T2.0S R10.0E	2005
55 - 624608	SW NE SE 36 T2.0S R9.0E	2005
55 - 624609	SW NE NE 2 T3.0S R9.0E	2005

---

## RIGHT TO FACILITY RELATIONSHIPS

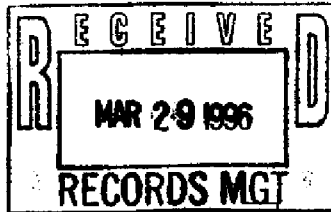
\*\*\* NO DATA FOUND \*\*\*

# 1995 ANNUAL WATER WITHDRAWAL AND USE REPORT - GROUNDWATER SUMMARY-WQ

A 1  
WQ 1  
G5 1  
W1 1

OWNER OF GROUNDWATER RIGHT

**BHP**  
MAGMA COPPER COMPANY  
ATTN: JEFF PARKER/ENVIRON  
PO BOX 37  
SUPERIOR AZ 85273



TYPE OF RIGHT

TYPE II MIN EXTRACT

RIGHT/PERMIT NO.

58-117402.0000

12

REPORTING PARTY

58-117402.0000

MAGMA COPPER COMPANY  
ATTN: JEFF PARKER/ENVIRON  
PO BOX 37  
SUPERIOR AZ 85273

PHOENIX AMA



PHOENIX AMA (602) 417-2465  
LOCATION: SE NW NW 36 1.0S 12.0E  
ALLOTMENT: 1490.00 AF

If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 10, Schedule A attached  
Complete this section only if you operate a non-exempt well.

979.5      2.75      \$ 2693.63  
ACRE-FEET      X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 10, Schedule D attached

0      ACRE-FEET

**PART III WATER RECEIVED FROM OTHER RIGHTS**

Total from Schedule E attached

0      ACRE-FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

979.5      ACRE-FEET

**PART V LATE FEES**

Complete if filing after March 31. Note: A portion of a month after March 31 is counted as a full month

- 1) Enter number of months late  (Maximum of 6)
- 2) Calculate Late Report Fee  \$  
(\$25.00 X number of months late)
- 3) Calculate Late Payment Fee  \$  
(10% X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From Box C, WQARF schedule attached      \$ 1036.47

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI.      \$ 3730.10

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 1996. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 1996.

THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.

REPORTS FILED AFTER MARCH 31, 1996 ARE SUBJECT TO LATE FEES (ARS § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X B. W. Cavender  
AUTHORIZED SIGNATURE

MILL SUPERINTENDENT      3/27/96  
TITLE      DATE

BRUCE CAVENDER  
PRINTED NAME

602/229-4200  
TELEPHONE NUMBER

Operations Division  
15 South 15th Avenue  
Phoenix, Arizona 85007

CHANGE OF WELL INFORMATION

Well Reg. No. 55-525311

File (location) No. 39-L834613

I/We request the following well information be changed:

Well location on original Statement of Claimant was incorrect, the actual  
location is: SW 1/4 NW 1/4 NW 1/4, Section 36, Township 1 south, Range 12 east.  
This location has been confirmed by a registered Land Surveyor.

Date: September 26, 19 89

*Supp White*  
Signature of current Well Owner  
President & CEO

(DO NOT CUT THIS FORM IN HALF)

STATEMENT OF CHANGE OF WELL OWNERSHIP

I, Magma Copper Company, state that I am (~~owner~~) the (~~new~~)  
(please print)  
owner of the well described below:

Township 15 Range 12E Section 36; SW  $\frac{1}{4}$  NW  $\frac{1}{4}$  NW  $\frac{1}{4}$

Well Registration No. 55-525311 File (location) No. 39-L834613

Magma Copper Company  
~~Previous~~ Owner

N/A  
PRINT New Owner's Name

P.O. Box 37  
Address

Signature of New Owner

Superior AZ 85273  
City State Zip

Address

DATED: September 26, 1989

City State Zip

**NOTE:** A.R.S. §45-593.C. requires that the Department be notified of change of well ownership and that the well owner is required to keep the Department's Well Registration records current and accurate. Well data and ownership changes must be submitted within thirty (30) days after changes take place.

SAVE THIS FORM TO REPORT FUTURE CHANGES IN OWNERSHIP, CHANGES IN ADDRESS, OR CHANGE IN WELL DATA SUCH AS PUMP CAPACITY, CORRECTION OF LEGAL DESCRIPTION, CHANGE OF WELL DRILLER, PRIOR TO DRILLING THE WELL, IN ADDITION TO AMENDING INFORMATION PREVIOUSLY FILED.

\*\*\*\*\*

DWR-55-51-7/88

ENTERED JAN 02 1990

SEP 27 1989

**Resolution Copper Mining, LLC**  
2525 E. Arizona Biltmore Circle  
Suite C-135  
Phoenix, AZ 85016

Wells Fargo Bank, N.A.  
Salt Lake City, UT 84111

11-24  
1210  
00002363  
DATE 09/30/04

\$ \*\*\*\*\*115.00

AY ONE HUNDRED FIFTEEN DOLLARS AND ZERO CENTS

TO THE ORDER OF ARIZONA DEPT. OF WATER RESOURCES  
500 NORTH THIRD STREET

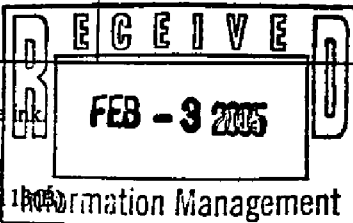
PHOENIX , AZ85004

SECURITY FEATURES INCLUDED ON THIS DOCUMENT ARE DETAILED ON BACK OF CHECK. IF THESE FEATURES ARE NOT PRESENT, DO NOT CASH

VOID  
[REDACTED]  
AUTHORIZED SIGNATURE

[REDACTED]

P.O. Box 458 - Phoenix, Arizona 85001-0458  
(602) 417-2470 (800) 352-8488  
www.water.az.gov



- Review instructions prior to completing form in black or blue ink
  - You **must** include with your Notice:
    - Check or money order for any required fee(s)
  - Authority for fee: A.A.C. R12-15-151(B)(4)(a), A.R.S. § 45-1005
- \*PLEASE PRINT CLEARLY\*\***

WELL REGISTRATION NUMBER  
55-(See attached list)

REGISTRY INFORMATION						
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL BHP Copper, Inc. (See Note 1)				WELL LOCATION ADDRESS (IF ANY) See attached list		
MAILING ADDRESS 200 South Veterans Memorial Blvd.				TOWNSHIP (N/S)	RANGE (E/W)	SECTION
CITY / STATE / ZIP CODE San Manuel, AZ 85631				160 ACRE	40 ACRE	10 ACRE
CONTACT PERSON NAME AND TITLE Carla Consoli, Counsel				LATITUDE DEGREES	MINUTES	SECONDS
TELEPHONE NUMBER 602-364-7000				COUNTY ASSESSOR'S PARCEL ID NUMBER		
FAX 602-364-7070				BOOK	MAP	PARCEL
COUNTY WHERE WELL IS LOCATED						

**Resolution Copper Mining, LLC**  
2525 E. Arizona Biltmore Circle  
Suite C-135  
Phoenix, AZ 85016

Wells Fargo Bank, N.A.  
Salt Lake City, UT 84111

11-24  
1210  
DATE 09/30/04

\$ \*\*\*\*\*115.00

ONE HUNDRED FIFTEEN DOLLARS AND ZERO CENTS

THE ARIZONA DEPT. OF WATER RESOURCES  
500 NORTH THIRD STREET  
PHOENIX, AZ 85004

**VOID**  
[Redacted Signature]  
AUTHORIZED SIGNATURE

SECURITY FEATURES INCLUDED ON THIS DOCUMENT ARE DETAILED ON BACK OF CHECK. IF THESE FEATURES ARE NOT PRESENT, DO NOT CASH

**REGISTRY INFORMATION OF PHOENIX WELLS OWNERS (SEE PERMITS)**

♦ If this change pertains to more than one well and the names are the same, only one \$10 fee is required.				<b>\$10 FEE</b>	
PREVIOUS WELL OWNER				NEW WELL OWNER	
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL BHP Copper, Inc. (See Note 1)				FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL Resolution Copper Mining LLC	
MAILING ADDRESS 200 South Veterans Memorial Blvd.				MAILING ADDRESS 2525 East Arizona Biltmore Circle, Suite C-135	
CITY / STATE / ZIP CODE San Manuel, AZ 85631				CITY / STATE / ZIP CODE Phoenix, AZ 85016	
CONTACT PERSON NAME AND TITLE Carla Consoli, Counsel				CONTACT PERSON NAME AND TITLE F. D. Hegner	
TELEPHONE NUMBER 602-364-7000		FAX 602-364-7070		TELEPHONE NUMBER 602 956 0223	
				FAX 602 956 0332	

**SECTION 4. CHANGE OF WELL INFORMATION (No Fee Required)**

NOTE: Applies only to wells that have already been drilled. For proposed wells, an amended Notice of Intent to Drill a Well must be filed.

**NO FEE**

BY CERTIFY that the above statements are true to the best of my knowledge and belief.

PRINT NAME AND TITLE F. D. Hegner	SIGNATURE OF WELL OWNER <i>F. D. Hegner</i>	DATE 15 Sept. 04
--------------------------------------	------------------------------------------------	---------------------



# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2005

A 1  
D 1  
E 1  
G5 1  
W1 1  
WQ 1

**OWNER OF GROUNDWATER RIGHT**

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146

**TYPE OF RIGHT**

TYPE-2 MINERAL EXTRACT GFR

**RIGHT / PERMIT NO.**

58-130703.0001

**REPORTING PARTY**

58-130703.0001

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146

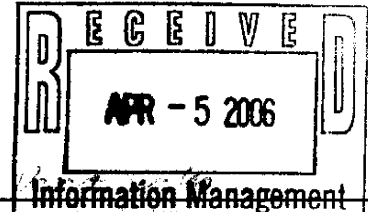


PHOENIX AMA (602) 771-8585

LOCATION: SW NE SE 36 2.0S 9.0E

WITHDRAWAL AUTHORITY ALLOTMENT: 315.00 **AF**

FACILITY NAME:



If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 14 Schedule A attached  
Complete this section only if you operate a non-exempt well.

\$ **2.75**

ACRE - FEET X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late  (Maximum of 6)

2) Calculate Late Report Fee \_\_\_\_\_ \$   
( $\$25.00 \times$  number of months late)

3) Calculate Late Payment Fee \_\_\_\_\_ \$   
( $10\% \times$  number of months late  $\times$  withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached \$

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI \$

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2006. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2006.

REPORTS FILED AFTER MARCH 31, 2006 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X   
AUTHORIZED SIGNATURE

VICE PRESIDENT  
TITLE

27 MARCH 2006  
DATE

W.R. WILLIAMS  
PRINTED NAME

520 689 9374  
TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.

# SCHEDULE A

## REPORT OF PUMPING

Owner

RESOLUTION COPPER MINING LLC

1 RIGHT/PERMIT/BMP Farm Unit NO.

58-130703.0001

## ANNUAL REPORT 2005

Note: Pumpage for each well must be shown on the attached worksheet. Information for up to four wells may be shown on each worksheet.

2	DWR WELL REGISTRATION NO.	3				4	RECOVERED WATER PUMPED				PUMPED WATER RECEIVED IN EXCHANGE				13					
		10	40	160	LOCATION		Date # 1	Msmnt # 1	Well Running? (Y/N)	Ground-water Pumped	5	6	7	8		9	10	11	12	Total Pumped
Q	Q	Q	Q	Q	SEC	TWN	RNG	Date # 2	Msmnt # 2											
	55-624606																			
	NW	NW	NE	31	2.0S	10.0E														
	55-624607																			
	SE	NW	NE	31	2.0S	10.0E														
	55-624608									N										
	SW	NE	SE	36	2.0S	9.0E					-0-									
	55-624609									N										
	SW	NE	NE	2	3.0S	9.0E					-0-									
14	TOTAL GROUNDWATER WITHDRAWN (acre-feet)										ENTER TOTAL ACRE-FEET OF GROUNDWATER WITHDRAWN IN PART I OF THE SUMMARY PAGE.									



# SCHEDULE E

WATER RECEIVED FROM OTHER SOURCES

## ANNUAL REPORT 2005

Owner

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT/BMP Farm Unit NO.

58-130703.0001

### PART I - WATER RECEIVED FROM PRIMARY IRRIGATION DISTRICTS

PRIMARY DISTRICT Provider no.	<input type="text"/>	Your district user/ account number	<input type="text"/>
Name of Irrigation District	<input type="text"/>	Number of acres eligible to receive surface water	<input type="text"/>

TYPE OF WATER <sup>1</sup>		ACRE-FEET RECEIVED
GROUNDWATER		
SURFACE WATER	Decreed/Appropriative	
	Normal Flow	
	Spillwater	
	CAP	
IN-LIEU GROUNDWATER	Permit Holder	
	<i>These wells belong to AWC non-</i>	

<sup>1</sup> - Do not include volumes of water associated with a permitted or enrolled exchange agreement in Part I. Water associated with an exchange agreement should be listed in Part III. Total of water rcvd

### PART II - WATER RECEIVED OR DIVERTED FROM OTHER SOURCES

TYPE OF WATER	RIGHT NO.SUPPLYING WATER	DWR WELL NUMBER	HOW MEASURED OR ESTIMATED	ACRE-FEET RECEIVED
GROUNDWATER	58-108249.0001	55-624606	<i>Metered</i>	<i>- 0 -</i>
	58-108249.0001	55-624607	<i>Metered</i>	<i>- 0 -</i>
CAP				
EFFLUENT				
DECREED/APPROP. TAILWATER				

Total of water rcvd

### PART III - WATER RECEIVED PURSUANT TO A PERMITTED OR ENROLLED EXCHANGE AGREEMENT

TYPE OF WATER	EXCHANGE NO. SUPPLYING WATER	PAYBACK FOR			HOW MEASURED OR ESTIMATED	ACRE-FEET RECEIVED
		QUANTITY	TYPE	YR GIVEN		
GROUNDWATER						
CAP						
EFFLUENT						
SRP						
OTHER SW						

Total of water rcvd

Total acre-feet of received and diverted water(add amounts from PARTs I, II, and III.)

ENTER TOTAL ON PART III of the Summary Page.

# SCHEDULE G-5

GENERAL INDUSTRIAL USERS

ARIZONA DEPARTMENT OF WATER RESOURCES

Facility Name: Resolution Copper Mining LLC

Facility No.: \_\_\_\_\_

## ANNUAL REPORT 2005

Facility Owner: Resolution Copper Mining LLC

Contact Name: William R. Williams

Contact Address: P.O. Box 1944, SUPERIOR,  
AZ, 85273

Contact Phone: 520 689 9374

Rights Used at Facility:	
<u>58-130703.0001</u>	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2005 Annual Water Withdrawal and Use Report to validate deliveries received.

Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all general industrial use facilities are required to supply the following information. Please complete one form per general industrial use facility. Instructions are listed on the reverse side of this form.

### PART 1 - DESCRIPTION OF WATER USES

Please describe the primary purposes for which water from any source, including effluent, is used.

Wells were not operational.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### PART 2 - AMOUNTS USED FOR VARIOUS PURPOSES

Please provide metered quantities of water used annually from any source, including effluent, for the following purposes:

Purpose	Amount Metered (AF)	Amount Estimated (AF)
Industrial Process Water	- 0 -	- 0 -
Process Cooling Water	- 0 -	- 0 -
Process Cleaning Water	- 0 -	- 0 -
Space Cooling Water	- 0 -	- 0 -
Landscape Watering	- 0 -	- 0 -
Other (Please Specify)	- 0 -	- 0 -

### PART 3 - WASTEWATER PRODUCTION AND USE

Please provide estimated quantities of wastewater generated and recycled.

GENERATED	- 0 - AF	RECYCLED	- 0 - AF
-----------	----------	----------	----------

# WORKSHEET W-1 2005

GROUNDWATER RIGHT/PERMIT/ 58-130703.0001  
BMP Farm Unit NO.

*Arc*

1 DWR WELL REGISTRATION NO. 55-624606	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	NW	NW	NE	31	2.0S	10.0E
2 TYPE OF MEASURING DEVICE TOTALIZER SIZE INSTALLATION OR OVERHAUL DATE	MAKE / MODEL					
	UNITS MEASURED					
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 98-30-20695-3		POWER METER NO. 514514			
ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET

*Arc*

1 DWR WELL REGISTRATION NO. 55-624607	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	SE	NW	NE	31	2.0S	10.0E
2 TYPE OF MEASURING DEVICE TOTALIZER SIZE INSTALLATION OR OVERHAUL DATE	MAKE / MODEL					
	UNITS MEASURED					
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 98-30-20695-3		POWER METER NO. 517654			
ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET

*Deep Well #3*

1 DWR WELL REGISTRATION NO. 55-624608	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	SW	NE	SE	36	2.0S	9.0E
2 TYPE OF MEASURING DEVICE TOTALIZER SIZE INSTALLATION OR OVERHAUL DATE	MAKE / MODEL <i>Rocheval / Sensor W-2000</i>					
	UNITS MEASURED <i>Gallons</i>					
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 607-07-355		POWER METER NO. 111111			
ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
<i>334546000</i>	<i>334546000</i>	<i>-0-</i>

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE
<i>-0-</i>	<i>-0-</i>

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET
<i>-0-</i>

*Deep Well #4*

1 DWR WELL REGISTRATION NO. 55-624609	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	SW	NE	NE	2	3.0S	9.0E
2 TYPE OF MEASURING DEVICE TOTALIZER SIZE INSTALLATION OR OVERHAUL DATE	MAKE / MODEL <i>M<sup>c</sup>ROMETER 16570</i>					
	UNITS MEASURED <i>Gallons</i>					
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 607-07-355		POWER METER NO. 5400266			
ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
<i>40907100</i>	<i>40907100</i>	<i>-0-</i>

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE
<i>-0-</i>	<i>-0-</i>

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET
<i>-0-</i>

# WQARF WORKSHEET

WATER QUALITY ASSURANCE  
REVOLVING FUND

## ANNUAL REPORT 2005

OWNER

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT NUMBER

58-130703.0001



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A.  Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is **NOT** subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

Box 1  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

Box 2  
Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

Box 3  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B.  Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

Box C  
(Acre-feet on which WQARF fees apply)

X \$2.12 =   
WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2006.

**Arizona Department  
of Water Resources**

Groundwater Management Support Section  
60 North 3rd Street  
Phoenix, Arizona 85004-3903

PHOENIX AZ 850

04 APR 05 PM 10 T



ARIZONA DEPARTMENT OF WATER RESOURCES  
PO Box 458  
Phoenix AZ 85001-0458





# Certificate of Grandfathered Groundwater Right

COUNTY OF PINAL

STATE OF ARIZONA DEPARTMENT OF WATER RESOURCES

*This is to certify that pursuant to the provisions of  
Title 45, Chapter 2, Arizona Revised Statutes*

RESOLUTION COPPER MINING, L.L.C.  
2525 EAST ARIZONA BILTMORE CIRCLE  
SUITE C-135  
PHOENIX, ARIZONA 85016-2146

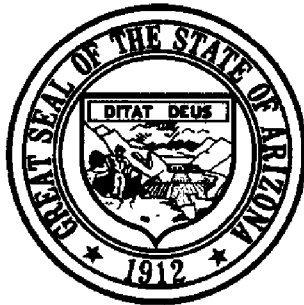
*is granted*

TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHTS  
*in the*  
PHOENIX ACTIVE MANAGEMENT AREA

*for 315.00 acre-feet of groundwater annually from January 1 through December 31. Groundwater withdrawn pursuant to this right may be used for mineral extraction or processing purpose(s). The well registration number(s) and the location of the well(s) where the groundwater will be withdrawn pursuant to this right is as follows:*

55-624606	NW 1/4 of NW 1/4 of NE 1/4	Sec 31	T2S	R10E	GSRB&M
55-624607	SE 1/4 of NW 1/4 of NE 1/4	Sec 31	T2S	R10E	GSRB&M
55-624608	SW 1/4 of NE 1/4 of SE 1/4	Sec 36	T2S	R9E	GSRB&M
55-624609	SW 1/4 of NE 1/4 of NE 1/4	Sec 2	T3S	R9E	GSRB&M

*The use of groundwater under this right shall be in accordance with the laws of the State of Arizona and restrictions placed on use by the Director of the Department of Water Resources pursuant to Title 45, Chapter 2, Arizona Revised Statutes.*



**CERTIFICATE NO. 58-130703.0001**

*is granted this 24th day of February, 2005*

ARIZONA DEPARTMENT OF WATER RESOURCES

*Mark Frank*  
Area Director, Phoenix Active Management Area

*The Department of Water Resources must be notified if the above named person(s) makes an address change or conveys ownership of the right to another person(s).*

## MEMORANDUM

TO: Files

FROM: Walter Thurber *W.T.*

DATE: May 6, 2005

SUBJECT: 58-117402.0001 & 58-130703.0001

Complete conveyance applications were submitted for these rights ~~on February 3, 2005~~ and certificates were mailed on February 25, 2005. Later we realized that the certificates said **non-irrigation** instead of **mineral extraction or processing**. The applicant returned the incorrect certificates at our request and revised certificates were mailed on May 6, 2005.

# Certificate of Grandfathered Groundwater Right

COUNTY OF PINAL

STATE OF ARIZONA DEPARTMENT OF WATER RESOURCES

*This is to certify that pursuant to the provisions of  
Title 45, Chapter 2, Arizona Revised Statutes*

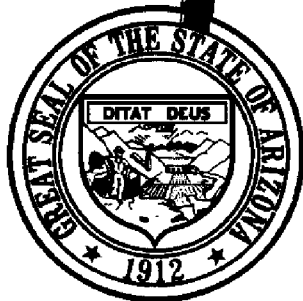
RESOLUTION COPPER MINING, L.L.C.  
2525 EAST ARIZONA BILTMORE CIRCLE  
SUITE C-135  
PHOENIX, ARIZONA 85016-2146

*is granted*  
TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHTS  
*in the*  
PHOENIX ACTIVE MANAGEMENT AREA

for **315.00** acre-feet of groundwater annually from January 1 through December 31. Groundwater withdrawn pursuant to this right may be used for a non-irrigation purpose(s). The well registration number(s) and the location of the well(s) where the groundwater will be withdrawn pursuant to this right is as follows:

55-624606	NW 1/4 of NW 1/4 of NE 1/4	Sec 31	T2S	R10E	GSRB&M
55-624607	SE 1/4 of NW 1/4 of NE 1/4	Sec 31	T2S	R10E	GSRB&M
55-624608	SW 1/4 of NE 1/4 of SE 1/4	Sec 36	T2S	R9E	GSRB&M
55-624609	S 1/4 of NE 1/4 of NE 1/4	Sec 2	T3S	R9E	GSRB&M

The use of groundwater under this right shall be in accordance with the laws of the State of Arizona and restrictions placed on use by the Director of the Department of Water Resources pursuant to Title 45, Chapter 2, Arizona Revised Statutes.



**CERTIFICATE NO. 58-130703.0001**

is granted this 24th day of February, 2005

ARIZONA DEPARTMENT OF WATER RESOURCES

*Mark Frank*  
Area Director, Phoenix Active Management Area

The Department of Water Resources must be notified if the above named person(s) makes an address change or conveys ownership of the right to another person(s).

# Certificate of Grandfathered Groundwater Right

COUNTY OF PINAL

STATE OF ARIZONA DEPARTMENT OF WATER RESOURCES

*This is to certify that pursuant to the provisions of  
Title 45, Chapter 2, Arizona Revised Statutes*

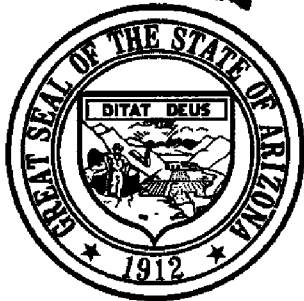
RESOLUTION COPPER MINING, L.L.C.  
2525 EAST ARIZONA BILTMORE CIRCLE  
SUITE C-135  
PHOENIX, ARIZONA 85016-2146

*is granted*  
TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHTS  
*in the*  
PHOENIX ACTIVE MANAGEMENT AREA

for **315.00** acre-feet of groundwater annually from January 1 through December 31. Groundwater withdrawn pursuant to this right may be used for a non-irrigation purpose(s). The well registration number(s) and the location of the well(s) where the groundwater will be withdrawn pursuant to this right is as follows:

55-624606	NW 1/4 of NW 1/4 of NE 1/4	Sec 31	T2S	R10E	GSRB&M
55-624607	SE 1/4 of NW 1/4 of NE 1/4	Sec 31	T2S	R10E	GSRB&M
55-624608	SW 1/4 of NE 1/4 of SE 1/4	Sec 36	T2S	R9E	GSRB&M
55-624609	SW 1/4 of NE 1/4 of NE 1/4	Sec 2	T3S	R9E	GSRB&M

The use of groundwater under this right shall be in accordance with the laws of the State of Arizona and restrictions placed on use by the Director of the Department of Water Resources pursuant to Title 45, Chapter 2, Arizona Revised Statutes.



**CERTIFICATE NO. 58-130703.0001**

is granted this 24th day of February, 2005

ARIZONA DEPARTMENT OF WATER RESOURCES

*Mark Frank*  
Area Director, Phoenix Active Management Area

The Department of Water Resources must be notified if the above named person(s) makes an address change or conveys ownership of the right to another person(s).

**ARIZONA DEPARTMENT OF WATER RESOURCES  
WATER MANAGEMENT DIVISION**

500 North Third Street • Phoenix, Arizona 85004-3921  
Telephone 602-417-2465  
Facsimile 602-417-2467



February 25, 2005

Janet Napolitano  
Governor

Herb Guenther  
Director

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016 2146

Re: Type 2 Non-Irrigation Grandfathered Right No. 58-130703.0001

Dear Type 2 Non-Irrigation Grandfathered Right Owner:

Enclosed is your Certificate of Type 2 Non-Irrigation Grandfathered Groundwater Right (Type 2 Right). **The Certificate specifies the annual amount of groundwater that may be withdrawn pursuant to your Type 2 Right and the location of the well(s) from which you are authorized to withdraw groundwater.**

Supporting information for your right is on file at the Department and is available upon request. **Remember, only the amount of groundwater allotted for the right may be withdrawn pursuant to the right.**

**This is also an Official Notice of Conservation Requirements and Monitoring and Reporting Requirements that applies to your non-irrigation use.** These requirements were established in the Third Management Plan (TMP) for the Phoenix AMA and became effective on January 1, 2002.

As a person using groundwater not supplied by a city, town or private water company for a non-irrigation use, you are classified as an **Industrial user**. You are required to comply with the conservation requirements and monitoring and reporting requirements for all industrial users in Sections 6-201 through 6-204 of the TMP. Those requirements are set forth in the enclosed *Attachment TMP-All Industrial Users*.

Additional specific requirements have been established in the TMP for the following industrial users: turf-related facilities, sand and gravel facilities, power plants, dairy operations and cattle feedlot operations, large-scale cooling facilities and new large landscape users.

Should your intended industrial use fall under any of the above referenced additional specific requirements, you are also required to comply with them. If an additional attachment is enclosed, it is because the Department reviewed your application and determined that your intended industrial use does fall under one of the additional specific user requirements.

You must begin complying with the TMP conservation requirements set forth in the applicable attachment(s) upon commencement of groundwater use at your facility, and continue complying with the requirements until the effective date of any substitute requirements in the Fourth Management Plan.

**Please note that the conservation requirements in this notice apply to water use at your industrial facility, rather than to this Type 2 Right or any other withdrawal authorities associated with this facility.**

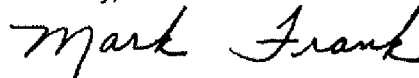
You have the right to request a variance and, in some limited circumstances, an administrative review for relief from the conservation requirements. Please refer to the enclosed Variance and Administrative Review Insert for more information.

As provided in A.R.S. § 45-604, any person withdrawing groundwater from a well pursuant to a Type 2 Right is required to use a water measuring device to record rates of withdrawal in order to provide or allow the computation of an annual volume of pumpage from the well(s). The total volume of pumpage shall be reported on an **Annual Water Withdrawal and Use Report**. Please refer to the enclosed Annual Report Insert for more information.

An owner of a Type 2 Right must notify the Department if the person makes an address change, conveys ownership of all the right to another person or changes the point(s) of withdrawal, leases all or a portion of the right to another person or changes the place or purpose of the use. If a Type 2 Right is conveyed, the full amount of the right is conveyed for a non-irrigation use. A Type 2 Right that is used for purposes of mineral extraction or processing, or for purposes of electrical generation may be conveyed only for the same use. Additionally, a Type 2 Right may not be conveyed for an irrigation use. Forms and information relative to these matters are available upon request or on our website at [www.water.az.gov](http://www.water.az.gov).

Every reasonable effort has been made to ensure that the information contained in your Certificate is accurate. However, if an administrative or typographical error has been made, or you have questions about the Certificate or conveyance procedures, please contact the Water Management Conveyance Unit. All other questions should be directed to the Phoenix AMA Office at (602)417-2465 or (800)352-8488 (Long Distance within Arizona).

Sincerely,



Mark Frank  
Area Director  
Phoenix Active Management Area

Enclosure(s)

## GROUNDWATER RIGHT INFORMATION SHEET

Input Date	Full	Split	Consolidation	Convey to File	Small Exempt	Small Non-exempt	County
2/24/05	✓						Pinal
Form / Signature	Deed / Old Cert	Fee	Assessor Map	Assr Parcel Info	Aerial Photo	Tracking Sheet	GIS Work Map
✓	✓	✓				✓	

### CONVEYANCE TRACKING

Old Right Number	File Status	Irrigation Acres	Percent Conveyed
58-130703.0000	IC		100

### SPECIFIC USE

Specific Use	
28	INDUSTRIAL
02 Metal Mining	

New Right Number	File Status	Acres Conveyed	Water-logged Area
58-130703.0001	AC		

### WATER DUTY AND ALLOTMENT

Irrigation Acres	Water Duty Acres	Allotment Year	Non-Appurt Acres	Efficiency	Water Duty	Allotment	MAWA
		2005				315	

### WRF

Right Type	Ama	Land Owner	Sub-basin	Retired Acres	SW Elig Acres
0	C	No PO	06		

### Customers

Last Name	First Name	Company				
		Resolution Copper Mining LLC				
Address		Phone				
2525 E. Arizona Biltmore Circle, Suite C-135		602-956-0223				
City	State	Zip Code	Zip+4	Cust Type	Order Nbr	Fax
Phoenix	AZ	85016	2191 2146	Owner	1	602-956-0332

### Location

Quad	Township	Half	Range	Half	Section	Q 160	Q 40	Q 10	Q 2	Active?	Lot Nbr
D	2	0	9	0	36	D	A	C		Y	
D	2	0	10	0	31	A	B	B		Y	
D	2	0	10	0	31	A	B	D		Y	
D	3	0	9	0	02	A	A	C		Y	

### Map Reference

Location Legal Description
NW¼ NW¼ NE¼ Sec 31 T2S R10E
SE¼ NW¼ NE¼ Sec 31 T2S R10E
SW¼ NE¼ SE¼ Sec 36 T2S R9E
SW¼ NE¼ NE¼ Sec 2 T3S R9E

### Well Servicing

Year	Registry Number	Owned? Y/N
2005	624606	N
2005	624607	N
2005	624608	Y
2005	624609	Y

### IRD FACILITY REPORTING

Irrigation District	Irr Dist Number

### COMMENTS


Processor	Reviewer
W.T.	—

# Certificate Of Grandfathered Groundwater Right

COUNTY OF PINAL

STATE OF ARIZONA DEPARTMENT OF WATER RESOURCES

*This is to certify that pursuant to the provisions of  
Title 45, Chapter 2, Arizona Revised Statutes*



MAGMA COPPER COMPANY  
SUPERIOR DIVISION  
P.O. Box 37  
SUPERIOR ARIZONA 85273

is granted  
TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHTS  
in the

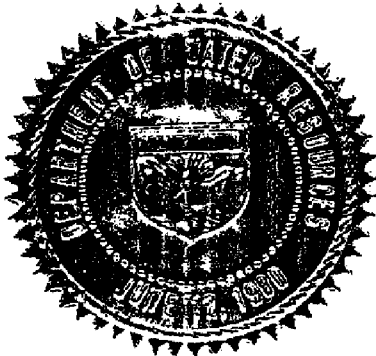
PHOENIX ACTIVE MANAGEMENT AREA

for 315 acre-feet of groundwater annually from January 1 through December 31. Groundwater withdrawn pursuant to this right may be used for -mineral extraction & processing -purpose[s]. The location of the well[s] where groundwater will be withdrawn pursuant to this right is as follows:

Arizona Department of Water Resources Well Registration Number and Location:

55-624606 - NW ¼ NW ¼ NE ¼ Section 31 located in T2S R10E GSRB&M  
55-624607 - S ¼ NW ¼ NE ¼ Section 31 located in T2S R10E GSRB&M  
55-624608 - S ¼ NE ¼ SE ¼ Section 36 located in T2S R 9E GSRB&M  
55-624609 - NW ¼ NE ¼ NE ¼ Section 2 located in T3S R 9E GSRB&M

*The use of groundwater under this right shall be in accordance with the laws of the State of Arizona and restrictions placed on use by the Director of the Department of Water Resources pursuant to Title 45, Chapter 2, Arizona Revised Statutes.*



CERTIFICATE NO. 58-130703

is granted this 19th day of August, 1985

ARIZONA DEPARTMENT OF WATER RESOURCES

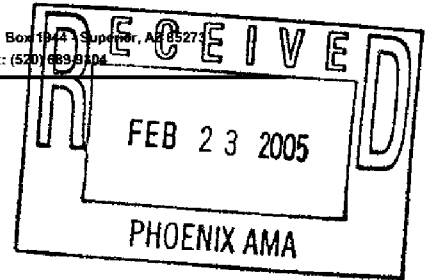
*Kathleen Ferris*  
Director

*The Department of Water Resources must be notified if the above named person(s) changes his address or conveys ownership of the right to another person(s).*





PHOENIX OFFICE:  
2525 E. Arizona Biltmore Circle - Suite C-135 - Phoenix, AZ 85016  
Tel.: (602) 956-0223 - Fax: (602) 956-0332  
SUPERIOR OFFICE:  
102 Magma Heights - P.O. Box 1974 - Superior, AZ 85273  
Tel.: (520) 689-9374 - Fax: (520) 689-8104



February 18, 2005

**AFFIDAVIT FOR GROUND WATER RIGHTS**

To: Arizona Department of Water Resources  
Attention: Walter Thurber  
From: Bruno Hegner  
Subject: **Research for Original Ground Water Certificates Numbers 58-117402.0000 and 58-130703-0000.**

Dear Mr. Thurber:

Resolution Copper Mining LLC has done an extensive research looking for the original water certificates referenced above and all we can find are copies. We have checked all the water files of BHP Copper Inc. site location in Superior, Arizona, the corporate water files of BHP Copper Inc. in San Manuel, Arizona, legal firms of **Snell and Wilmer** and **Bryan Cave** to no avail.

The Ground Water rights are for associated Arizona well numbers as follows:

Ground Water Right Number: 58-117402.0000  
Well Number: 55-525311  
Well Number: 55-525312

Ground Water Right Number: 58-130703.0000  
Well Number: 55-624606  
Well Number: 55-624607  
Well Number: 55-624608  
Well Number: 55-624609

Resolution Copper Mining LLC at this point and time has no other recourse in which to check and will consider our due diligence complete.

If you need any additional information please contact Daniel L Mead in Tucson, Arizona at 520-419-2622.



Thanking you in advance for your time in this matter.

Sincerely Yours;

*Bruno Hegner*

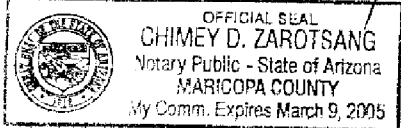
Bruno Hegner  
Vice President & General Manager  
Resolution Copper Mining LLC.

STATE OF ARIZONA        )  
                                          ) ss.  
COUNTY OF MARICOPA )

The foregoing instrument was acknowledged before me this 22<sup>nd</sup> day of February 2005, by **Bruno Hegner, the Vice President & General Manager of Resolution Copper Mining LLC.**

*[Signature]*  
\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_



Original

58-130703.0000  
T2 315.00 AFA

TRACKING SHEET

2/23/05  
WIT.

58-130703.0001  
T2 315.00 AFA

1

2

3

4

5

ARIZONA DEPARTMENT OF WATER RESOURCES  
WATER MANAGEMENT SUPPORT SECTION  
P.O. BOX 458 PHOENIX, ARIZONA 85001-0458

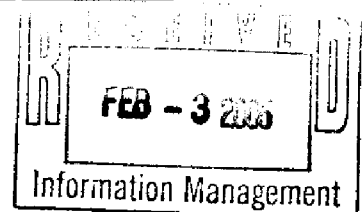
**NOTIFICATION OF CHANGE OF OWNERSHIP OF A TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHT AND/OR APPLICATION FOR REVISED CERTIFICATE TO REFLECT NEW OR ADDITIONAL POINTS OF WITHDRAWAL FOR A TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHT**

INSTRUCTIONS AND REQUIRED ATTACHMENTS

- COMPLETE PART I AND PART IV OF THIS FORM. IF YOU ARE REPORTING AN OWNERSHIP CHANGE, PART II MUST ALSO BE COMPLETED. IF YOU ARE REQUESTING A REVISED CERTIFICATE TO REFLECT NEW OR ADDITIONAL POINTS OF WITHDRAWAL, PART III MUST BE COMPLETED. OBTAIN ALL REQUIRED SIGNATURES. MAIL THE COMPLETED FORM TO THE ABOVE ADDRESS OR HAND DELIVER IT TO ADWR AT 500 NORTH THIRD STREET, PHOENIX.
- PURSUANT TO A.A.C. R12-15-401, IF YOU REQUEST A REVISED CERTIFICATE TO REFLECT NEW OR ADDITIONAL POINTS OF WITHDRAWAL, THE DEPARTMENT WILL ISSUE A WRITTEN NOTICE GRANTING OR DENYING YOUR APPLICATION WITHIN 180 DAYS AFTER RECEIPT OF THE APPLICATION. THE DEPARTMENT WILL FIRST DETERMINE WHETHER THE APPLICATION IS ADMINISTRATIVELY COMPLETE (ADMINISTRATIVE REVIEW PERIOD) AND THEN WHETHER THE APPLICATION MEETS THE SUBSTANTIVE CRITERIA ESTABLISHED BY STATUTE OR RULE (SUBSTANTIVE REVIEW PERIOD). THE TIME FRAME FOR ADMINISTRATIVE COMPLETENESS REVIEW IS 45 DAYS. THE TIME FRAME FOR SUBSTANTIVE REVIEW IS 135 DAYS. THE OVERALL TIME FRAME OF 180 DAYS ENCOMPASSES BOTH THE ADMINISTRATIVE COMPLETENESS REVIEW AND THE SUBSTANTIVE REVIEW TIME FRAMES. THESE TIME FRAMES MAY BE SUSPENDED IF THE DEPARTMENT DETERMINES THAT THE APPLICATION IS NOT COMPLETE AND REQUESTS ADDITIONAL INFORMATION IN WRITING.
- ENCLOSE THE ORIGINAL CERTIFICATE OF GRANDFATHERED GROUNDWATER RIGHT. THIS DOCUMENT IS AVAILABLE FROM THE SELLER/GRANTOR OR CURRENT OWNER. IF THE ORIGINAL CERTIFICATE HAS BEEN LOST, A NOTARIZED STATEMENT TO THIS EFFECT MUST BE SUBMITTED.
- ENCLOSE A \$35.00 FEE TO COVER ISSUANCE OF A NEW CERTIFICATE. CHECKS MUST BE MADE PAYABLE TO ARIZONA DEPARTMENT OF WATER RESOURCES. THIS FEE IS REQUESTED BY A.A.C. RULE R12-15-151 (B)(5)(C).
- IF THE TYPE 2 RIGHT WILL BE LEASED IN FULL OR IN PART, A NOTIFICATION OF LEASE OF A TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHT (FORM 58-800) MUST BE FILED ALSO.
- IF YOU NEED ANY ASSISTANCE PLEASE CONTACT THE CONVEYANCE UNIT AT 602-417-2465 (PHOENIX AREA) OR 800-352-8488 (STATEWIDE). TO ACCESS ADWR REQUIRED GRANDFATHERED RIGHT CONVEYANCE FORMS, VISIT OUR WEBSITE ADDRESS: [www.water.az.gov](http://www.water.az.gov).

**PART I. GENERAL INFORMATION**

1. Certificate of Grandfathered Groundwater Right number: 58 - 130703 \_\_\_\_\_ .0000
2. Amount of right indicated on certificate: 315.00 \_\_\_\_\_ acre-feet annually.
3. Active Management Area: Phoenix \_\_\_\_\_



**PART II. NOTIFICATION OF CHANGE OF OWNERSHIP**

In accordance with A.R.S. § 45-482(B), the undersigned parties hereby notify the Arizona Department of Water Resources of the conveyance of this Type 2 Non-Irrigation Grandfathered Right:

1. Please specify the effective date of this ownership change 3/31/04 and the quantity of groundwater withdrawn or received pursuant to the right between January 1 of that calendar year and the effective date of the ownership change:  
zero \_\_\_\_\_ acre-feet.

**CONTINUES ON REVERSE SIDE**

2. Will the type of use of the groundwater change after this conveyance?        YES   X   NO. If yes, describe the new use. (Note: In accordance with A.R.S. § 45-474(A), the owner of a Type 2 Non-Irrigation Grandfathered Right that is issued for purposes of mineral extraction or processing, or for purposes of electrical energy generation, may not convey the right for any other purpose.)

**PART III. APPLICATION FOR REVISED CERTIFICATE TO REFLECT NEW OR ADDITIONAL POINTS OF WITHDRAWAL**

In accordance with A.R.S. § 45-471(C), the undersigned hereby requests the Arizona Department of Water Resources to issue a revised certificate of Type 2 Non-Irrigation Grandfathered Right to reflect different points of withdrawal or to remove all wells from this certificate.

1. Wells to be added to the certificate (list by ADWR registration number; non-exempt wells only). If no new wells are to be added, write "None."

	Twp	Rng	Sec	Quarters			Owner Name	Proposed Type 2 Withdrawals
				160	40	10		
55-None								acre-feet annually
55-								acre-feet annually
55-								acre-feet annually

2. Wells to be removed from the certificate (list by ADWR registration number) and status of removed wells:

55-		not in use	capped	abandoned	exempt	pump cap: _____ gpm
55-		not in use	capped	abandoned	exempt	pump cap: _____ gpm
55-		not in use	capped	abandoned	exempt	pump cap: _____ gpm

**PART IV. GRANTOR AND GRANTEE OR CURRENT OWNER INFORMATION**

GRANTOR (SELLER)  
OR CURRENT OWNER

GRANTEE (BUYER)  
OR OTHER OWNERS OF  
NEW POINTS OF WITHDRAWAL

(Print or Type)

(Print or Type)

NAME BHP Copper, Inc.\*  
 ADDRESS 200 S. Veterans Memorial Blvd.  
San Manuel, AZ 85631  
 PHONE (602) 364-7408  
 SIGNATURE *BK Wil* DATE 1/26/05

NAME Resolution Copper Mining LLC  
 ADDRESS 2525 East Arizona Biltmore Circle-Suite C-135  
Phoenix, AZ 85016 - 2146  
 PHONE (602) 956-0223  
 SIGNATURE *J.D. Hegner* DATE 15 Sept. 04

\*This right is currently in the name of Magma Copper Company, a Delaware corporation, which changed its name to BHP Cooper, Inc. on 13 February 1996. Attached is a copy of the State of Delaware certification evidencing that change.

**April 4, 2005**

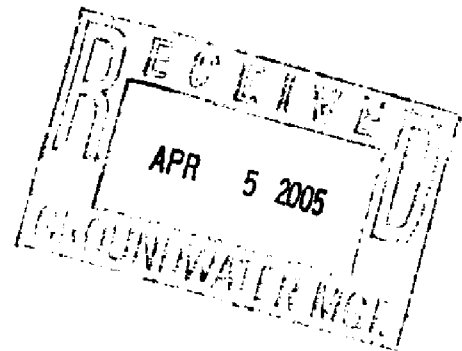
**Walter:**

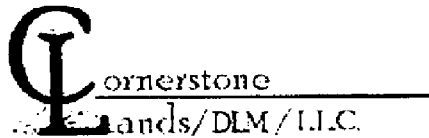
**Sorry for the delay on getting these documents to you. I just didn't make it over to Superior until Friday April 1, 2005.**

**How long do you think it will be until we get the new certificates issued?**

**If you need anything else please give me a call at 520-419-2622.**

**Thanks Dan**





Daniel Mead  
Land Consultant

DATE: 2-23-05

TO: ADWR

ATTENTION: WALTER THURBER

PHONE NUMBER 1-603-417-2422

FROM: DAH MEAD / RESOLUTION COPPER MINING

NUMBER OF PAGES: 4

SUBJECT: CHANGE OF NAME - AMEND TO BID

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

# Delaware

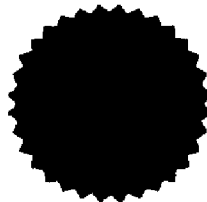
PAGE 1

*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "MAGMA COPPER COMPANY", CHANGING ITS NAME FROM "MAGMA COPPER COMPANY" TO "BHP COPPER INC.", FILED IN THIS OFFICE ON THE THIRTEENTH DAY OF FEBRUARY, A.D. 1996, AT 2 O'CLOCK P.M.

0701612 8100

040325190



*Harriet Smith Windsor*

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 3090730

DATE: 05-04-04



STATE OF DELAWARE  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
FILED 02:00 PM 02/13/1996  
960042015 - 701612

**CERTIFICATE OF AMENDMENT  
OF  
RESTATED CERTIFICATE OF INCORPORATION**

\*\*\*\*\*

**MAGMA COPPER COMPANY**, a corporation organized and existing under  
and by virtue of the General Corporation Law of the State of Delaware,

**DOES HEREBY CERTIFY:**

**FIRST:** That the Board of Directors of said corporation, by unanimous  
written consent of its members, filed with the minutes of the Board, adopted a resolution  
proposing and declaring desirable of the following amendment to the Restated Certificate  
of Incorporation of said corporation:

**RESOLVED**, that Article 1 of the Restated Certificate of Incorporation of  
this corporation be amended to read in its entirety:

**"ARTICLE 1**

The name of the corporation is **BHP COPPER INC.** (the "Corporation")."

**SECOND:** That in lieu of a meeting and vote of the stockholder, the  
stockholder has given unanimous written consent to said amendment in accordance with  
the provisions of Section 228 of the General Corporation Law of the State of Delaware.

FILED BY SAALMALEHMPZANDY.MM@TAMU.DXX

**THIRD:** That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF said MAGMA COPPER COMPANY has caused this Certificate to be signed by Marsh Campbell, its Vice President and attested by Andrew Broadkey, its Secretary, this 9th day of February, 1996.

**MAGMA COPPER COMPANY**

By M. H. Campbell  
Vice President

ATTEST:

Andrew G. Broadkey  
Secretary

# Transmission Report

Date/Time  
Local ID  
Local Name  
Company Logo

5- 2-05; 9:54AM  
8024172423

This document was confirmed.  
(reduced sample and details below)  
Document Size Letter-S

## Arizona Department of Water Resources Groundwater Right/Facility Report

RIGHT#: 85-177402.0001	STATE DATE: 05/24/2005			
AMA: PHOENIX/AMA	RIGHT/PERMIT/FACILITY TYPE: TYPE-3 MINERAL EXTRACT OFR			
LAND OWNERSHIP: PRIVATE OR COMPANY	FILE STATUS: ACTIVE - FULL CONVEYANCE			
2005 ALLOTMENT: 1.000.00	NSP Division: N	RETURNED ACRES: 0.00		
WATER DUTY ACRES: 0.00	FORFEITURE ACRES: 0.00	WATER DUTY: 0		
REGISTRATION DISTRICT NAME: <span style="float: right;">SLAB#: 0</span>				
NAME & ADDRESS				
RESOLUTION COPPER MINING LLC		TYPE: OWNER		
2625 E ARIZONA BELTMORE CIR STE C-100				
PHOENIX AZ 85016-2145				
SECTION				
SW NW NW 36 T1.08 R13.0E				
SE NW NW 32 T1.08 R13.0E				
WELL IDENTIFICATION				
-- NO DATA FOUND --				
WELL TO FACILITY RELATIONSHIP				
Well	ID	Location	Year	Status
Well	ID	Location	Year	Status
11-211001.0000	11-211001.0000	RIGHT/PERMIT USED AT FACILITY	Y	Y

RIGHT#: 85-177402.0001

PAGE: 1

Report Date: 05/24/2005

Total Pages Scanned : 2 Total Pages Confirmed : 2

No.	Doc	Remote Station	Start Time	Duration	Pages	Mode	Comments	Results
1	794	915208257182	5- 2-05; 9:53AM	48"	2 / 2	EC		CP 26.4

**Notes :**

EC: Error Correct	RE: Resend	PD: Polled by Remote	MB: Receive to Mailbox
BC: Broadcast Send	MP: Multi-Poll	PG: Polling a Remote	PI: Power Interruption
CP: Completed	RM: Receive to Memory	DR: Document Removed	TM: Terminated by user
HS: Host Scan	HP: Host Print	FO: Forced Output	WT: Waiting Transfer
HF: Host Fax	HR: Host Receive	FM: Forward Mailbox Doc.	WS: Waiting Send

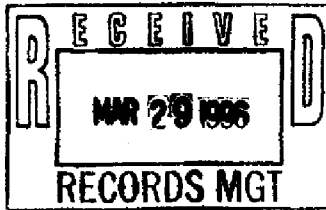




# 1995 ANNUAL WATER WITHDRAWAL AND USE REPORT - GROUNDWATER SUMMARY-WQ

OWNER OF GROUNDWATER RIGHT

**BHP**  
~~PHOENIX COPPER COMPANY~~  
ATTN: JEFF PARKER/ENVIRON  
PO BOX 37  
SUPERIOR AZ 85273



TYPE OF RIGHT

TYPE II MIN EXTRACT

RIGHT/PERMIT NO.

58-130703.0000

A 1  
D 1  
WQ 1  
QS 1  
W1 1

12

REPORTING PARTY

58-130703.0000

PHOENIX AMA

**BHP** ~~MAGMA COPPER COMPANY~~  
ATTN: JEFF PARKER/ENVIRON  
PO BOX 37  
SUPERIOR AZ 85273

PHOENIX AMA (802) 417-2465  
LOCATION: SW NE SE 36 2.0S 9.0E  
ALLOTMENT: 315.00 AF



If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**  
From Box 10, Schedule A attached  
Complete this section only if you operate a non-exempt well.

173.5      2.75      477.13  
ACRE-FEET      X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**  
From Box 10, Schedule D attached

53.2      ACRE-FEET

**PART III WATER RECEIVED FROM OTHER RIGHTS**  
Total from Schedule E attached

27.1      ACRE-FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**  
Calculate as follows: Part I + Part III - Part II

147.4      ACRE-FEET

**PART V LATE FEES**  
Complete if filing after March 31. Note: A portion of a month after March 31 is counted as a full month

1) Enter number of months late  (Maximum of 6)

2) Calculate Late Report Fee  \$  
(\$25.00 X number of months late)

3) Calculate Late Payment Fee  \$  
(10% X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**  
From Box C, WQARF schedule attached

\$ 312.70

**PART VII TOTAL FEES DUE**  
Add amounts from Parts I, V and VI.

\$ 789.83

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 1996. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 1996.

THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.

REPORTS FILED AFTER MARCH 31, 1996 ARE SUBJECT TO LATE FEES (ARS § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X B. H. Cavender      MILL SUPERINTENDENT      3/27/96  
AUTHORIZED SIGNATURE      TITLE      DATE

BRUCE CAVENDER      602/229-4200  
PRINTED NAME      TELEPHONE NUMBER

**Resolution Copper Mining, LLC**  
2525 E. Arizona Biltmore Circle  
Suite C-136  
Phoenix, AZ 85016

Wells Fargo Bank, N.A.  
Salt Lake City, UT 84111

11-24  
1210

00002363

DATE 09/30/04

\$ \*\*\*\*\*115.00

AY ONE HUNDRED FIFTEEN DOLLARS AND ZERO CENTS

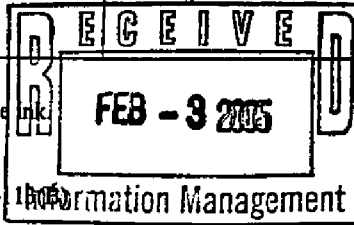
TO THE ORDER OF ARIZONA DEPT. OF WATER RESOURCES  
500 NORTH THIRD STREET

PHOENIX , AZ85004

SECURITY FEATURES INCLUDED ON THIS DOCUMENT ARE DETAILED ON BACK OF CHECK. IF THESE FEATURES ARE NOT PRESENT, DO NOT CASH

VOID  
[REDACTED]  
AUTHORIZED SIGNATURE

P.O. Box 458 - Phoenix, Arizona 85001-0458  
 (602) 417-2470 (800) 352-8488  
 www.water.az.gov



- Review instructions prior to completing form in black or blue ink
  - You must include with your Notice:
    - Check or money order for any required fee(s)
  - Authority for fee: A.A.C. R12-15-151(B)(4)(a), A.R.S. § 45-1104
- \*PLEASE PRINT CLEARLY\*\***

**WELL REGISTRATION NUMBER**  
 55-(See attached list)

SECTION 1. REGISTRY INFORMATION						
WELL OWNER			WELL LOCATION ADDRESS (IF ANY)			
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL BHP Copper, Inc. (See Note 1)			See attached list			
MAILING ADDRESS 200 South Veterans Memorial Blvd.			TOWNSHIP N/S	RANGE (E/W)	SECTION	160 ACRE ¼
CITY / STATE / ZIP CODE San Manuel, AZ 85631			LATITUDE DEGREES	MINUTES	SECONDS	LONGITUDE DEGREES Minutes Seconds
CONTACT PERSON NAME AND TITLE Carla Consoli, Counsel			COUNTY ASSESSOR'S PARCEL ID NUMBER			
TELEPHONE NUMBER 602-364-7000		FAX 602-364-7070	BOOK	MAP	PARCEL	
COUNTY WHERE WELL IS LOCATED						

**Resolution Copper Mining, LLC**  
 2525 E. Arizona Biltmore Circle  
 Suite C-135  
 Phoenix, AZ 85016

Wells Fargo Bank, N.A.  
 Salt Lake City, UT 84111

11-24  
 1210  
 DATE 09/30/04

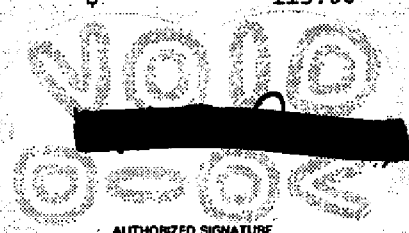
\$ \*\*\*\*\*115.00

ONE HUNDRED FIFTEEN DOLLARS AND ZERO CENTS

THE ARIZONA DEPT. OF WATER RESOURCES  
 500 NORTH THIRD STREET

PHOENIX, AZ 85004

SECURITY FEATURES INCLUDED ON THIS DOCUMENT ARE DETAILED ON BACK OF CHECK. IF THESE FEATURES ARE NOT PRESENT, DO NOT CASH



**SECTION 2. CHANGE OF WELL INFORMATION (No Fee Required)**

* If this change pertains to more than one well and the names are the same, only one \$10 fee is required.			<b>\$10 FEE</b>
EXISTING WELL OWNER		NEW WELL OWNER	
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL BHP Copper, Inc. (See Note 1)		FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL Resolution Copper Mining LLC	
MAILING ADDRESS 200 South Veterans Memorial Blvd.		MAILING ADDRESS 2525 East Arizona Biltmore Circle, Suite C-135	
CITY / STATE / ZIP CODE San Manuel, AZ 85631		CITY / STATE / ZIP CODE Phoenix, AZ 85016	
CONTACT PERSON NAME AND TITLE Carla Consoli, Counsel		CONTACT PERSON NAME AND TITLE F. D. Hegner	
TELEPHONE NUMBER 602-364-7000	FAX 602-364-7070	TELEPHONE NUMBER 602 956 0223	FAX 602 956 0332

**SECTION 4. CHANGE OF WELL INFORMATION (No Fee Required)**

Note: Applies only to wells that have already been drilled. For proposed wells, an amended Notice of Intent to Drill a Well must be filed.

I HEREBY CERTIFY that the above statements are true to the best of my knowledge and belief.

PRINT NAME AND TITLE F. D. Hegner	SIGNATURE OF WELL OWNER <i>F. D. Hegner</i>	DATE 15 Sept. 04
--------------------------------------	------------------------------------------------	---------------------



# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2006

**OWNER OF GROUNDWATER RIGHT**

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146

**TYPE OF RIGHT**

TYPE-2 MINERAL EXTRACT GFR

**RIGHT / PERMIT NO.**

58-130703.0001

R

**REPORTING PARTY**

58-130703.0001

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146



PHOENIX AMA (602) 771-8585

LOCATION: SW NE SE 36 2.0S 9.0E

WITHDRAWAL AUTHORITY ALLOTMENT: 315.00 AF

FACILITY NAME:

**RECEIVED**

MAR 26 2007

**INFO MGMT**

If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 14 Schedule A attached  
Complete this section only if you operate a non-exempt well.

\$ **2.75** \$

ACRE - FEET X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late  (Maximum of 6)

2) Calculate Late Report Fee \_\_\_\_\_ \$   
((\$25.00 X number of months late)

3) Calculate Late Payment Fee \_\_\_\_\_ \$   
(10 % X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached \$

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI \$

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2007. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2007.

REPORTS FILED AFTER MARCH 31, 2007 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X W.B. Williams AUTHORIZED SIGNATURE Vice President TITLE 20 mar 07 DATE

W.B. Williams PRINTED NAME 520-689-9374 TELEPHONE NUMBER

ADWR Use Only	Name: _____	Check No: _____	Amount: \$ _____
	Address: _____		

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.

# SCHEDULE G-5

ARIZONA DEPARTMENT OF WATER RESOURCES

GENERAL INDUSTRIAL USERS

Facility Name: \_\_\_\_\_

Facility No.: \_\_\_\_\_

## ANNUAL REPORT 2006

Rights Used at Facility:

Facility Owner: Resolution Copper Mining LLC

Contact Name: William R. Williams

Contact Address: P.O. Box 1944  
Superior, AZ 85273

Contact Phone: 520-689-9374

_____	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2006 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all general industrial use facilities are required to supply the following information. Please complete one form per general industrial use facility. Instructions are listed on the reverse side of this form.*

### PART 1 - DESCRIPTION OF WATER USES

Please describe the primary purposes for which water from any source, including effluent, is used.

Well did not run - No ground water withdrawal

### PART 2 - AMOUNTS USED FOR VARIOUS PURPOSES

Please provide metered quantities of water used annually from any source, including effluent, for the following purposes:

Purpose	Amount Metered (AF)	Amount Estimated (AF)
Industrial Process Water	- 0 -	- 0 -
Process Cooling Water	- 0 -	- 0 -
Process Cleaning Water	- 0 -	- 0 -
Space Cooling Water	- 0 -	- 0 -
Landscape Watering	- 0 -	- 0 -
Other (Please Specify)	- 0 -	- 0 -

### PART 3 - WASTEWATER PRODUCTION AND USE

Please provide estimated quantities of wastewater generated and recycled.

GENERATED	- 0 - AF	RECYCLED	- 0 - AF
-----------	----------	----------	----------

# ANNUAL WATER WITHDRAWAL AND USE REPORT GROUNDWATER SUMMARY - WQ 2007

**OWNER OF GROUNDWATER RIGHT**

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146

**TYPE OF RIGHT**

TYPE 2 MINERAL EXTRACT GFR

**RIGHT / PERMIT NO.**

58-130703.0001

**REPORTING PARTY**

58-130703.0001

MAR 25 2008

RESOLUTION COPPER MINING LLC  
~~2525 E ARIZONA BILTMORE CIR STE C-135~~  
~~PHOENIX AZ 85016-2146~~

102 magma Heights  
P.O. Box 1944  
Superior, AZ 85273



PHOENIX AMA (602) 771-8585

LOCATION: SW NE SE 36 2.0S 9.0E

WITHDRAWAL AUTHORITY ALLOTMENT: 315.00 AF

FACILITY NAME:

If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 14 Schedule A attached  
Complete this section only if you operate a non-exempt well.

- 0 - \$ 2.75 \$ - 0 -

ACRE - FEET X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

- 0 - ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

- 0 - ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

- 0 - ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late - 0 - (Maximum of 6)

2) Calculate Late Report Fee \$ - 0 -  
(\$25.00 X number of months late)

3) Calculate Late Payment Fee \$ - 0 -  
(10% X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached \$ - 0 -

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI \$ - 0 -

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2008. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2008.

REPORTS FILED AFTER MARCH 31, 2008 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X WR Williams  
AUTHORIZED SIGNATURE

Vice President  
TITLE

15 MAR 2008  
DATE

WR Williams  
PRINTED NAME

520 689 9374  
TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.





# SCHEDULE E

WATER RECEIVED FROM OTHER SOURCES

## ANNUAL REPORT 2007

Owner

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT/BMP Farm Unit NO.

58-130703.0001

### PART I - WATER RECEIVED FROM PRIMARY IRRIGATION DISTRICTS

PRIMARY DISTRICT Provider no.	<input type="text"/>	Your district user/ account number	<input type="text"/>
Name of Irrigation District	<input type="text"/>	Number of acres eligible to receive surface water	<input type="text"/>

TYPE OF WATER <sup>1</sup>		ACRE-FEET RECEIVED
GROUNDWATER		
SURFACE WATER	Decreed/Appropriative	
	Normal Flow	
	Spillwater	
	CAP	
IN-LIEU GROUNDWATER	Permit Holder	

<sup>1</sup> - Do not include volumes of water associated with a permitted or enrolled exchange agreement in Part I. Water associated with an exchange agreement should be listed in Part III.

Total Part I

### PART II - WATER RECEIVED OR DIVERTED FROM OTHER SOURCES

TYPE OF WATER	RIGHT NO. SUPPLYING WATER	DWR WELL NUMBER	HOW MEASURED OR ESTIMATED	ACRE-FEET RECEIVED
GROUNDWATER	58-108249.0001	55-624606	Metered	- 0 -
	58-108249.0001	55-624607	Metered	- 0 -
CAP				
EFFLUENT				
DECREE/APPROP. TAILWATER				

Total Part II

### PART III - WATER RECEIVED PURSUANT TO A PERMITTED OR ENROLLED EXCHANGE AGREEMENT

TYPE OF WATER	EXCHANGE NO. SUPPLYING WATER	PAYBACK FOR			HOW MEASURED OR ESTIMATED	ACRE-FEET RECEIVED
		QUANTITY	TYPE	YR GIVEN		
GROUNDWATER	67-					
	67-					
CAP	67-					
	67-					
EFFLUENT	67-					
	67-					
SRP	67-					
	67-					
OTHER SW	67-					
	67-					

Total Part III

Total acre-feet of received and diverted water (add amounts from PARTS I, II, and III.)

ENTER TOTAL ON PART III of the Summary Page.

# SCHEDULE G-5

ARIZONA DEPARTMENT OF WATER RESOURCES

GENERAL INDUSTRIAL USERS

Facility Name: \_\_\_\_\_

Facility No.: \_\_\_\_\_

## ANNUAL REPORT 2007

Facility Owner: Resolution Copper Minerals  
 Contact Name: William R. Williams  
 Contact Address: P.O. Box 1944  
Superior, AZ 85273  
 Contact Phone: 520-689-9374

Rights Used at Facility:	
_____	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2007 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all general industrial use facilities are required to supply the following information. Please complete one form per general industrial use facility. Instructions are listed on the reverse side of this form.*

### PART 1 - DESCRIPTION OF WATER USES

Please describe the primary purposes for which water from any source, including effluent, is used.

Well did not operate - No ground water withdrawal

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### PART 2 - AMOUNTS USED FOR VARIOUS PURPOSES

Please provide metered quantities of water used annually from any source, including effluent, for the following purposes:

Purpose	Amount Metered (AF)	Amount Estimated (AF)
Industrial Process Water	- 0 -	- 0 -
Process Cooling Water	- 0 -	- 0 -
Process Cleaning Water	- 0 -	- 0 -
Space Cooling Water	- 0 -	- 0 -
Landscape Watering	- 0 -	- 0 -
Other (Please Specify)	- 0 -	- 0 -

### PART 3 - WASTEWATER PRODUCTION AND USE

Please provide estimated quantities of wastewater generated and recycled.

GENERATED	- 0 - AF	RECYCLED	- 0 - AF
-----------	----------	----------	----------

# WORKSHEET W-1 2007

GROUNDWATER RIGHT/PERMIT/ 58-130703.0001  
BMP Farm Unit NO.

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-624606	NW	NW	NE	31	2.0S	10.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	TOTALIZER						
	SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	98-30-20695-3	514514				
		ENERGY CONSUMPTION	UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
Enter total Acre-feet		10 TOTAL IN ACRE-FEET	
Shown in 10 in Column 13 of Schedule A		10	

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-624607	SE	NW	NE	31	2.0S	10.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	TOTALIZER						
	SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	98-30-20695-3	517654				
		ENERGY CONSUMPTION	UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
Enter total Acre-feet		10 TOTAL IN ACRE-FEET	
Shown in 10 in Column 13 of Schedule A		10	

*Deep well #3*

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-624608	SW	NE	SE	36	2.0S	9.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	TOTALIZER	<i>Rickwell/sensus w-2000</i>					
	SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE							
<i>4 inch Gallons Oct 1977</i>							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	607-07-355	111111				
		ENERGY CONSUMPTION	UNITS				
		<i>-0-</i>	<i>kwh</i>				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
<i>334546000</i>	<i>334546000</i>	<i>-0-</i>

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	<i>-0-</i>	9 BREAKDOWN ESTIMATE	<i>-0-</i>
Enter total Acre-feet		10 TOTAL IN ACRE-FEET	
Shown in 10 in Column 13 of Schedule A		10	

*Deep well #4*

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-624609	SW	NE	NE	2	3.0S	9.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	TOTALIZER	<i>Mcrometer/L590</i>					
	SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE							
<i>6 inch Gallons 9-12-96</i>							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	607-07-355	5400266				
		ENERGY CONSUMPTION	UNITS				
		<i>-0-</i>	<i>kwh</i>				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
<i>40907100</i>	<i>40907100</i>	<i>-0-</i>

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	<i>-0-</i>	9 BREAKDOWN ESTIMATE	<i>-0-</i>
Enter total Acre-feet		10 TOTAL IN ACRE-FEET	
Shown in 10 in Column 13 of Schedule A		10	



# WQARF WORKSHEET

WATER QUALITY ASSURANCE  
REVOLVING FUND

## ANNUAL REPORT 2007

OWNER

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT NUMBER

58-130703.0001



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page
- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

A.  Acre-Feet

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

Box 1  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but not put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

Box 2  
Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

Box 3  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B.  Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

Box C  
(Acre-feet on which WQARF fees apply)

X \$2.12 =   
WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2008.

I hereby certify that under penalty of perjury no water was withdrawn or used in 2008 in association with this water right. This information is to the best of my knowledge and belief, true and complete.

INPUT

Bert A. Heig  
Authorized Signature

Bert A. Heig  
Printed Name

12/07/08  
Date



PHOENIX AMA 58-130703.0001

If this ZERO USE CARD is returned to the Department of Water Resources by December 1, 2008, it will serve as your 2008 Annual Water Withdrawal & Use Report. You will not receive additional report forms in January 2009. Your annual reporting requirement will be fulfilled. Your participation is appreciated.






# ADWR Annual Report GW Summary Electronic Filing Receipt 2009



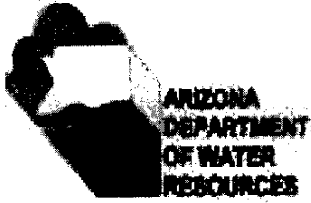
Janice K. Brewer  
Governor  
Herbert R. Guenther  
Director

<b>ADWR Right Number:</b>	58-130703.0001	
<b>Report Year:</b>	2009	58-130703.0001
<b>AMA:</b>	PHOENIX AMA	
<b>Right Type:</b>	TYPE 2 MINERAL EXTRACT GFR	*****
<b>Date Report Electronically Filed:</b>	2/11/2010	
<b>Confirmation ID:</b>	5583842	

<b>Filed By:</b>			
<b>Name:</b>	RESOLUTION COPPER MINING LLC		
<b>Title:</b>			
<b>Address1:</b>	102 MAGMA HEIGHTS		
<b>Address2:</b>	P.O. BOX 1944		
<b>City:</b>	SUPERIOR	<b>State:</b> AZ	<b>Zip:</b> 85173
<b>E-mail:</b>			

### ZERO WATER USED PURSUANT TO THIS RIGHT/PERMIT


- \* No water was pumped from a well pursuant to this Right/Permit
- \* No water was received from another source, and used pursuant to this right/permit. Sources from which water would be received include:
  - Municipal Provider
  - Irrigation District Provider
  - Grandfathered Right
  - Any type of Withdrawal Permit
  - Any other water source



# ADWR Annual Report GW Summary Electronic Filing Receipt 2010



JANICE K. BREWER  
Governor  
SANDRA A. FABRITZ-WHITNEY  
Acting Director

<b>ADWR Right Number:</b>	58-130703.0001	
<b>Report Year:</b>	2010	58-130703.0001
<b>AMA:</b>	PHOENIX AMA	
<b>Right Type:</b>	TYPE 2 MINERAL EXTRACT GFR	
<b>Date Report Electronically Filed:</b>	3/2/2011	
<b>Confirmation ID:</b>	5726908	

<b>Filed By:</b>			
<b>Name:</b>	RESOLUTION COPPER MINING LLC		
<b>Title:</b>			
<b>Address1:</b>	102 MAGMA HEIGHTS		
<b>Address2:</b>	P.O. BOX 1944		
<b>City:</b>	SUPERIOR	<b>State:</b>	AZ
<b>E-mail:</b>		<b>Zip:</b>	85173

### ZERO WATER USED PURSUANT TO THIS RIGHT/PERMIT

\* No water was pumped from a well pursuant to this Right/Permit

\* No water was received from another source, and used pursuant to this right/permit. Sources from which water would be received include:


- Municipal Provider
- Irrigation District Provider
- Grandfathered Right
- Any type of Withdrawal Permit
- Any other water source



# ADWR Annual Report GW Summary Electronic Filing Receipt 2011



JANICE K. BREWER  
Governor  
SANDRA A. FABRITZ-WHITNEY  
Director

<b>ADWR Right Number:</b>	58-130703.0001	
<b>Report Year:</b>	2011	
<b>AMA:</b>	PHOENIX AMA	58-130703.0001
<b>Right Type:</b>	TYPE 2 MINERAL EXTRACT GFR	
<b>Date Report Electronically Filed:</b>	3/22/2012	
<b>Confirmation ID:</b>	5866974	

<b>Filed By:</b>			
<b>Name:</b>	RESOLUTION COPPER MINING LLC		
<b>Title:</b>			
<b>Address1:</b>	102 MAGMA HEIGHTS		
<b>Address2:</b>	P.O. BOX 1944		
<b>City:</b>	SUPERIOR	<b>State:</b> AZ	<b>Zip:</b> 85173
<b>E-mail:</b>			

### ZERO WATER USED PURSUANT TO THIS RIGHT/PERMIT


- \* No water was pumped from a well pursuant to this Right/Permit
- \* No water was received from another source, and used pursuant to this right/permit. Sources from which water would be received include:
  - Municipal Provider
  - Irrigation District Provider
  - Grandfathered Right
  - Any type of Withdrawal Permit
  - Any other water source



# ADWR Annual Report GW Summary Electronic Filing Receipt 2012



JANICE K. BREWER  
Governor  
SANDRA A. FABRITZ-WHITNEY  
Director

<b>ADWR Right Number:</b>	58-130703.0001	
<b>Report Year:</b>	2012	
<b>AMA:</b>	PHOENIX AMA	58-130703.0001
<b>Right Type:</b>	TYPE 2 MINERAL EXTRACT GFR	
<b>Date Report Electronically Filed:</b>	3/6/2013	
<b>Confirmation ID:</b>	6009125	
<b>FD ID:</b>	6213696	

<b>Filed By:</b>	
<b>Name:</b>	David Stanley
<b>Title:</b>	Manager of Infrastructure
<b>Phone:</b>	520-689-3219
<b>E-mail</b>	<a href="mailto:david.stanley@riotinto.com">david.stanley@riotinto.com</a>

### ZERO WATER USED PURSUANT TO THIS RIGHT/PERMIT

\* No water was pumped from a well pursuant to this Right/Permit


\* No water was received from another source, and used pursuant to this right/permit.

Sources from which water would be received include:

- Municipal Provider
- Irrigation District Provider
- Grandfathered Right
- Any type of Withdrawal Permit
- Any other water source



# ADWR Annual Report GW Summary Electronic Filing Receipt 2013

<b>ADWR Right Number:</b>	58-130703.0001	
<b>Report Year:</b>	2013	
<b>AMA:</b>	PHOENIX AMA	58-130703.0001
<b>Right Type:</b>	TYPE 2 MINERAL EXTRACT GFR	
<b>Date Report Electronically Filed:</b>	3/24/2014 8:26:56 AM	
<b>Confirmation ID:</b>	6177321	
<b>FD ID:</b>	6376370	

<b>Filed By:</b>	
<b>Name:</b>	David Stanley
<b>Title:</b>	Principal Advisor Infrastructure
<b>Phone:</b>	520-689-9374
<b>E-mail</b>	<a href="mailto:david.stanley@riotinto.com">david.stanley@riotinto.com</a>

### ZERO WATER USED PURSUANT TO THIS RIGHT/PERMIT

\* No water was pumped from a well pursuant to this Right/Permit


\* No water was received from another source, and used pursuant to this right/permit.

Sources from which water would be received include:

- Municipal Provider
- Irrigation District Provider
- Grandfathered Right
- Any type of Withdrawal Permit
- Any other water source



# ADWR Annual Report GW Summary Electronic Filing Receipt 2014

<b>ADWR Right Number:</b>	58-130703.0001	
<b>Report Year:</b>	2014	58-130703.0001
<b>AMA:</b>	PHOENIX AMA	
<b>Right Type:</b>	TYPE 2 MINERAL EXTRACT GFR	
<b>Date Report Electronically Filed:</b>	3/20/2015 1:35:49 PM	*****
<b>Confirmation ID:</b>	6333719	
<b>FD ID:</b>	6520088	

<b>Filed By:</b>	
<b>Name:</b>	David Stanley
<b>Title:</b>	Principal Advisor Infrastructure
<b>Phone:</b>	5208270243
<b>E-mail</b>	<a href="mailto:david.stanley@riotinto.com">david.stanley@riotinto.com</a>

### ZERO WATER USED PURSUANT TO THIS RIGHT/PERMIT

\* No water was pumped from a well pursuant to this Right/Permit

\* No water was received from another source, and used pursuant to this right/permit.


Sources from which water would be received include:

- Municipal Provider
- Irrigation District Provider
- Grandfathered Right
- Any type of Withdrawal Permit
- Any other water source





# ADWR Annual Report GW Summary Electronic Filing Receipt 2014

<b>ADWR Right Number:</b>	58-130703.0001	
<b>Report Year:</b>	2014	
<b>AMA:</b>	PHOENIX AMA	
<b>Right Type:</b>	TYPE 2 MINERAL EXTRACT GFR	
<b>Date Report Electronically Filed:</b>	3/20/2015 1:32:27 PM	
<b>Confirmation ID:</b>	6333719	
<b>FD ID:</b>	6520087	

<b>Filed By:</b>	
<b>Name:</b>	David Stanley
<b>Title:</b>	Principal Advisor Infrastructure
<b>Phone:</b>	5208270243
<b>E-mail</b>	<a href="mailto:david.stanley@riotinto.com">david.stanley@riotinto.com</a>

**ZERO WATER USED PURSUANT  
TO THIS RIGHT/PERMIT**

**\* No water was pumped from a well pursuant to this Right/Permit**


**\* No water was received from another source, and used pursuant to this right/permit.**

**Sources from which water would be received include:**

- Municipal Provider**
- Irrigation District Provider**
- Grandfathered Right**
- Any type of Withdrawal Permit**
- Any other water source**



# ADWR Annual Report GW Summary Electronic Filing Receipt 2015

<b>ADWR Right Number:</b>	58-130703.0001	
<b>Report Year:</b>	2015	58-130703.0001
<b>AMA:</b>	PHOENIX AMA	
<b>Right Type:</b>	TYPE 2 MINERAL EXTRACT GFR	
<b>Date Report Electronically Filed:</b>	3/31/2016 10:13:41 AM	*****
<b>Confirmation ID:</b>	6476662	
<b>FD ID:</b>	6662071	

<b>Filed By:</b>	
<b>Name:</b>	David Stanley
<b>Title:</b>	Principal Advisor Infrastructure
<b>Phone:</b>	5206893219
<b>E-mail</b>	<a href="mailto:david.stanley@riotinto.com">david.stanley@riotinto.com</a>

### ZERO WATER USED PURSUANT TO THIS RIGHT/PERMIT

\* No water was pumped from a well pursuant to this Right/Permit


\* No water was received from another source, and used pursuant to this right/permit.

Sources from which water would be received include:

- Municipal Provider
- Irrigation District Provider
- Grandfathered Right
- Any type of Withdrawal Permit
- Any other water source



# ADWR Annual Report GW Summary Electronic Filing Receipt 2015

<b>ADWR Right Number:</b>	58-130703.0001	
<b>Report Year:</b>	2015	
<b>AMA:</b>	PHOENIX AMA	
<b>Right Type:</b>	TYPE 2 MINERAL EXTRACT GFR	
<b>Date Report Electronically Filed:</b>	3/29/2016 2:53:02 PM	
<b>Confirmation ID:</b>	6476662	
<b>FD ID:</b>	6660659	

<b>Filed By:</b>	
<b>Name:</b>	David Stanley
<b>Title:</b>	Principal Advisor Infrastructure
<b>Phone:</b>	5206893219
<b>E-mail</b>	<a href="mailto:david.stanley@riotinto.com">david.stanley@riotinto.com</a>

### ZERO WATER USED PURSUANT TO THIS RIGHT/PERMIT

\* No water was pumped from a well pursuant to this Right/Permit

\* No water was received from another source, and used pursuant to this right/permit.

Sources from which water would be received include:

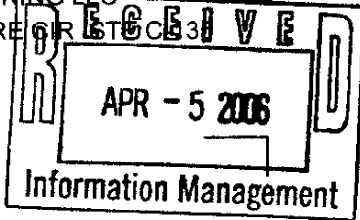
- Municipal Provider
- Irrigation District Provider
- Grandfathered Right
- Any type of Withdrawal Permit
- Any other water source

# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2005

**OWNER OF GROUNDWATER RIGHT**

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146



**TYPE OF RIGHT**

DEWATERING PERMIT (MINING)

**RIGHT / PERMIT NO.**

59-524492.0001

**REPORTING PARTY**

59-524492.0001

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146

PHOENIX AMA (602) 771-8585  
LOCATION: 34 1.0S 12.0E  
WITHDRAWAL AUTHORITY ALLOTMENT: 2810.00 AF  
PERMIT EXPIRATION DATE: 09/20/2009  
FACILITY NAME:

If any of the information preprinted on this report is incorrect, please make the necessary changes. *Dewatering*

**PART I GROUNDWATER WITHDRAWN**

From Box 14 Schedule A attached  
Complete this section only if you operate a non-exempt well.

\$ **2.75** \$

ACRE - FEET X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late  (Maximum of 6)

2) Calculate Late Report Fee   
(\$25.00 X number of months late)

3) Calculate Late Payment Fee   
(10 % X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2006. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2006.

REPORTS FILED AFTER MARCH 31, 2006 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X *[Signature]*  
AUTHORIZED SIGNATURE

*Vice President*  
TITLE

*27 March 2006*  
DATE

*W. R. WILLIAMS*  
PRINTED NAME

*520 689 9374*  
TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.



# SCHEDULE G-5

GENERAL INDUSTRIAL USERS

ARIZONA DEPARTMENT OF WATER RESOURCES

Facility Name: Resolution Copper Mining LLC

Facility No.: \_\_\_\_\_

## ANNUAL REPORT 2005

Facility Owner: Resolution Copper Mining LLC

Contact Name: William A. Williams

Contact Address: Box 1944, Superior,  
AZ, 85273

Contact Phone: 520 689 9374

Rights Used at Facility:	
_____	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2005 Annual Water Withdrawal and Use Report to validate deliveries received.

Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all general industrial use facilities are required to supply the following information. Please complete one form per general industrial use facility. Instructions are listed on the reverse side of this form.

### PART 1 - DESCRIPTION OF WATER USES

Please describe the primary purposes for which water from any source, including effluent, is used.

Mine dewatering inactive

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### PART 2 - AMOUNTS USED FOR VARIOUS PURPOSES

Please provide metered quantities of water used annually from any source, including effluent, for the following purposes:

Purpose	Amount Metered (AF)	Amount Estimated (AF)
Industrial Process Water	-0-	-0-
Process Cooling Water	-0-	-0-
Process Cleaning Water	-0-	-0-
Space Cooling Water	-0-	-0-
Landscape Watering	-0-	-0-
Other (Please Specify)	-0-	-0-

### PART 3 - WASTEWATER PRODUCTION AND USE

Please provide estimated quantities of wastewater generated and recycled.

GENERATED	-0-	AF	RECYCLED	-0-	AF
-----------	-----	----	----------	-----	----

# WORKSHEET W-1 2005

GROUNDWATER RIGHT/PERMIT/ **59-524492.0001**  
BMP Farm Unit NO.

1 DWR WELL REGISTRATION NO. 55-525311	10 Q	40 Q	160 Q	LOCATION		
	SW	NW	NW	36	1.0S	12.0E
2 TYPE OF MEASURING DEVICE TOTALIZER		MAKE / MODEL <i>Variomag</i>				
SIZE <i>8 inch</i>		UNITS MEASURED <i>Gallons</i>				
INSTALLATION OR OVERHAUL DATE <i>January 1993</i>						
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008	POWER METER NO. 156648				
ENERGY CONSUMPTION <i>-0-</i>					UNITS <i>kWh</i>	

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET

1 DWR WELL REGISTRATION NO. 55-525312	10 Q	40 Q	160 Q	LOCATION		
	SE	NW	NW	32	1.0S	13.0E
2 TYPE OF MEASURING DEVICE TOTALIZER		MAKE / MODEL <i>Controlotron</i>				
SIZE <i>6 inch</i>		UNITS MEASURED <i>Gallons</i>				
INSTALLATION OR OVERHAUL DATE <i>1994</i>						
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008	POWER METER NO. 156648				
ENERGY CONSUMPTION <i>-0-</i>					UNITS <i>kWh</i>	

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET

1 DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION		
2 TYPE OF MEASURING DEVICE		MAKE / MODEL				
SIZE		UNITS MEASURED				
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
ENERGY CONSUMPTION					UNITS	

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET

1 DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION		
2 TYPE OF MEASURING DEVICE		MAKE / MODEL				
SIZE		UNITS MEASURED				
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
ENERGY CONSUMPTION					UNITS	

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET

**WQARF WORKSHEET**  
 WATER QUALITY ASSURANCE  
 REVOLVING FUND

**ANNUAL REPORT 2005**

OWNER

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT NUMBER

59-524492.0001



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A.   
Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is **NOT** subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

**Box 1**  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

**Box 2**  
Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

**Box 3**  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B.   
Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

**Box C**  
(Acre-feet on which WQARF fees apply)

X \$2.12 =

WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2006.



**Arizona Department  
Water Resources**

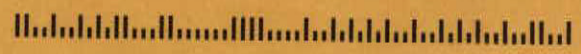
Underwater Management Support Section  
North 3rd Street  
Phoenix, Arizona 85004-3903

PHOENIX AZ 85001

04 APR 06 PM 9 T



ARIZONA DEPARTMENT OF WATER RESOURCES  
PO Box 458  
Phoenix AZ 85001-0458



# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2006

**OWNER OF GROUNDWATER RIGHT**

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146

**TYPE OF RIGHT**

DEWATERING PERMIT (MINING)

**RIGHT / PERMIT NO.**

59-524492.0001



PHOENIX AMA (602) 771-8585  
LOCATION: 34 1.0S 12.0E  
WITHDRAWAL AUTHORITY ALLOTMENT: 2810.00 AF  
PERMIT EXPIRATION DATE: 09/20/2009  
FACILITY NAME:

**REPORTING PARTY**

59-524492.0001

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146

RECEIVED

MAR 26 2007

INFORMATION

If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 14 Schedule A attached  
Complete this section only if you operate a non-exempt well.

\$ **2.75** \$

ACRE - FEET X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late  (Maximum of 6)

2) Calculate Late Report Fee \_\_\_\_\_ \$   
(\$25.00 X number of months late)

3) Calculate Late Payment Fee \_\_\_\_\_ \$   
(10 % X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached \$

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI \$

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2007. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2007.

REPORTS FILED AFTER MARCH 31, 2007 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X W. R. Williams  
AUTHORIZED SIGNATURE

Vice President  
TITLE

20 MAR 07  
DATE

W. R. Williams  
PRINTED NAME

520.689.9374  
TELEPHONE NUMBER

ADWR Use Only	Name: _____	Check No: _____	Amount: \$ _____
	Address: _____		

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.

# SCHEDULE G-5

ARIZONA DEPARTMENT OF WATER RESOURCES

GENERAL INDUSTRIAL USERS

Facility Name: \_\_\_\_\_

Facility No.: \_\_\_\_\_

## ANNUAL REPORT 2006

Facility Owner: Resolution Copper Mining LLC

Contact Name: William R. Williams

Contact Address: P.O. Box 1944  
Superior, AZ 85273

Contact Phone: 520-689-9374

Rights Used at Facility:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2006 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all general industrial use facilities are required to supply the following information. Please complete one form per general industrial use facility. Instructions are listed on the reverse side of this form.*

### PART 1 - DESCRIPTION OF WATER USES

Please describe the primary purposes for which water from any source, including effluent, is used.

Mine dewatering - inactive

### PART 2 - AMOUNTS USED FOR VARIOUS PURPOSES

Please provide metered quantities of water used annually from any source, including effluent, for the following purposes:

Purpose	Amount Metered (AF)	Amount Estimated (AF)
Industrial Process Water	- 0 -	- 0 -
Process Cooling Water	- 0 -	- 0 -
Process Cleaning Water	- 0 -	- 0 -
Space Cooling Water	- 0 -	- 0 -
Landscape Watering	- 0 -	- 0 -
Other (Please Specify)	- 0 -	- 0 -

### PART 3 - WASTEWATER PRODUCTION AND USE

Please provide estimated quantities of wastewater generated and recycled.

GENERATED	- 0 - AF	RECYCLED	- 0 - AF
-----------	----------	----------	----------

# ANNUAL WATER WITHDRAWAL AND USE REPORT GROUNDWATER SUMMARY - WQ 2007

### OWNER OF GROUNDWATER RIGHT

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146

### TYPE OF RIGHT

DEWATERING PERMIT (MINING)

### RIGHT / PERMIT NO.

59-524492.0001

**REPORTING PARTY** MAR 25 2008  
59-524492.0001  
RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146  
102 Magma Heights  
P.O. Box 1944  
Superior, AZ 85273

PHOENIX AMA (602) 771-8585  
LOCATION: 34 1.0S 12.0E  
WITHDRAWAL AUTHORITY ALLOTMENT: 2810.00 AF  
PERMIT EXPIRATION DATE: 09/20/2009  
FACILITY NAME:

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I GROUNDWATER WITHDRAWN

From Box 14 Schedule A attached  
Complete this section only if you operate a non-exempt well.

- 0 - \$ 2.75 \$ - 0 -

ACRE - FEET X Withdrawal Fee =

### PART II WATER DELIVERED TO OTHER RIGHTS

From Box 24 Schedule D attached

- 0 - ACRE - FEET

### PART III WATER RECEIVED FROM OTHER SOURCES

Total from Schedule E attached

- 0 - ACRE - FEET

### PART IV TOTAL WATER USED BY THIS RIGHT

Calculate as follows: Part I + Part III - Part II

- 0 - ACRE - FEET

### PART V LATE FEES

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late - 0 - (Maximum of 6)

2) Calculate Late Report Fee \$ - 0 -  
(\$25.00 X number of months late)

3) Calculate Late Payment Fee \$ - 0 -  
(10% X number of months late X withdrawal  
fee calculated in Part I above)

### PART VI WATER QUALITY

From WQARF Worksheet attached \$ - 0 -

### PART VII TOTAL FEES DUE

Add amounts from Parts I, V and VI \$ - 0 -

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2008. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2008.

REPORTS FILED AFTER MARCH 31, 2008 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X WR Williams  
AUTHORIZED SIGNATURE

Vice President  
TITLE

13 MAR 2008  
DATE

W R Williams  
PRINTED NAME

520 689 9374  
TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.



# SCHEDULE G-5

ARIZONA DEPARTMENT OF WATER RESOURCES

GENERAL INDUSTRIAL USERS

Facility Name: \_\_\_\_\_

Facility No.: \_\_\_\_\_

## ANNUAL REPORT 2007

Rights Used at Facility:

_____	_____
_____	_____
_____	_____

Facility Owner: Resolution Copper Mining, LLC

Contact Name: William R. Williams

Contact Address: P.O. Box 1944  
Superior, AZ 85273

Contact Phone: 520-689-9374

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2007 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all general industrial use facilities are required to supply the following information. Please complete one form per general industrial use facility. Instructions are listed on the reverse side of this form.*

### PART 1 - DESCRIPTION OF WATER USES

Please describe the primary purposes for which water from any source, including effluent, is used.

Mine dewatering - inactive

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### PART 2 - AMOUNTS USED FOR VARIOUS PURPOSES

Please provide metered quantities of water used annually from any source, including effluent, for the following purposes:

Purpose	Amount Metered (AF)	Amount Estimated (AF)
Industrial Process Water	- 0 -	- 0 -
Process Cooling Water	- 0 -	- 0 -
Process Cleaning Water	- 0 -	- 0 -
Space Cooling Water	- 0 -	- 0 -
Landscape Watering	- 0 -	- 0 -
Other (Please Specify)	- 0 -	- 0 -

### PART 3 - WASTEWATER PRODUCTION AND USE

Please provide estimated quantities of wastewater generated and recycled.

GENERATED	- 0 - AF	RECYCLED	- 0 - AF
-----------	----------	----------	----------

# WORKSHEET W-1 2007

GROUNDWATER RIGHT/PERMIT/ 59-524492.0001  
BMP Farm Unit NO.

1	DWR WELL REGISTRATION NO. 55-525311	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
		SW	NW	NW	36	1.0S	12.0E
2	TYPE OF MEASURING DEVICE TOTALIZER	MAKE / MODEL <i>varimax</i>					
		F 731943070903589					
	SIZE <i>8 inch</i>	UNITS MEASURED <i>Gallons</i>					
INSTALLATION OR OVERHAUL DATE <i>January 1993</i>							
3	POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008	POWER METER NO. 156648				
	ENERGY CONSUMPTION <i>-0-</i>		UNITS <i>Kwh</i>				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET

1	DWR WELL REGISTRATION NO. 55-525312	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
		SE	NW	NW	32	1.0S	13.0E
2	TYPE OF MEASURING DEVICE TOTALIZER	MAKE / MODEL <i>controlotron</i>					
		99445 DS-3					
	SIZE <i>6 inch</i>	UNITS MEASURED <i>Gallons</i>					
INSTALLATION OR OVERHAUL DATE <i>1994</i>							
3	POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008	POWER METER NO. 156648				
	ENERGY CONSUMPTION <i>-0-</i>		UNITS <i>Kwh</i>				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
		UNITS MEASURED					
	SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
		UNITS MEASURED					
	SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet  
Shown in **10** in Column **13** of Schedule A

10 TOTAL IN ACRE-FEET

**WQARF WORKSHEET**  
 WATER QUALITY ASSURANCE  
 REVOLVING FUND

**ANNUAL REPORT 2007**

**OWNER**

RESOLUTION COPPER MINING LLC

**RIGHT/PERMIT NUMBER**

59-524492.0001



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A.   
 Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

**Box 1**  
 Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

**Box 2**  
 Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

**Box 3**  
 Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B.   
 Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

**Box C**  
 (Acre-feet on which WQARF fees apply)

X \$2.12 =

WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2008.



I hereby certify that under penalty of perjury no water was withdrawn or used in 2008 in association with this water right. This information is to the best of my knowledge and belief, true and complete.

INPUT

*P. A. Heig*

Authorized Signature

P. A. Heig

Printed Name

11/07/08

Date



PHOENIX AMA 59-524492.0001

If this ZERO USE CARD is returned to the Department of Water Resources by December 1, 2008, it will serve as your 2008 Annual Water Withdrawal & Use Report. You will not receive additional report forms in January 2009. Your annual reporting requirement will be fulfilled. Your participation is appreciated.

---

ARIZONA DEPARTMENT OF WATER RESOURCES  
3550 North Central Avenue, Phoenix, Arizona 85012  
Telephone 602 771-8500  
Fax 602 771-8688



59-524492.0002

Janet Napolitano  
Governor

Herbert R. Guenther  
Director

May 13, 2008

Resolution Copper Mining, L.L.C.  
Attn: Rich A. Heig  
102 Magma Heights  
PO Box 1944  
Superior, AZ 85273

RE: Permit to Withdraw Groundwater for Dewatering Purposes  
Permit No. 59-524492.0002

Dear Permittee:

Your modified permit as referenced above is enclosed for your records.

Pursuant to the provisions of A.R.S. § 45-604, any person withdrawing groundwater from a well is required to use a water measuring device to record rates of withdrawal in order to provide or allow the computation of an annual volume of pumpage from the well. The total volume of pumpage shall be reported on an annual report. The annual report shall be submitted no later than March 31 following the end of each completed annual reporting period.

In accordance with A.R.S. § 45-520, enclosed is a Notification of Change of Ownership of a Groundwater Withdrawal Permit form for any change in ownership of the permit.

Under A.R.S. § 45-593, the person to whom a well is registered must notify this Department of a change in ownership or physical characteristics of the well to keep the well registration records current and accurate. For such future use, a Request to Change Well Information form is enclosed.

Your permit has been issued by this Department without a hearing. As such, it is an appealable agency action. You are entitled to appeal and your rights are described in the enclosed notice of right to appeal.

If you have any questions about the condition of your permit or future reporting of water withdrawal and use, please contact Sharon Ward of the Phoenix AMA office, at 602-771-8614.

Sincerely,

A handwritten signature in cursive script that reads "Vanessa Reyes".

Vanessa Reyes  
Water Resource Specialist

Enclosure

cc: Matthew A. Bailey, Snell A. Wilmer L.L.P.  
Sharon Ward, Phoenix AMA





PERMIT NO. 59-524492.0002

Maximum Amount of Groundwater to be Withdrawn: 5,000 acre-feet per annum

Authorized Use of Groundwater: To the extent possible, up to 500 acre-feet will be used on-site for mineral extraction and metallurgical purposes, including but not limited to dust control, exploratory drilling, and construction; the balance of the dewatered groundwater will be used for agricultural purposes within NMIDD's Service Area.

Authorized Place of Use for Groundwater Withdrawn: Township 1 South, Range 12 East, Section 34 & 35 GSRB&M; and New Magma Irrigation and Drainage District Service Area

Authorized Points of Withdrawal or Measurements:

Authorized Well Registration Numbers:	File Numbers:	Depth of Well	Casing Diameter	Casing Material
55-525311	D (1-12) 36 BBC	N/A	N/A	N/A
55-525312	D (1-13) 32 BBD	N/A	N/A	N/A

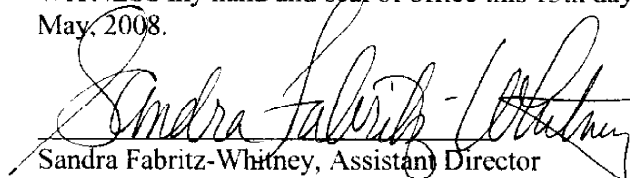
Effective Date of Permit: May 5, 2008

Expiration Date of Permit: September 20, 2009

**Permit Conditions**

1. The permittee shall monitor and measure withdrawals of groundwater and shall report the total amount of groundwater withdrawn on an annual water withdrawal and use report. Annual reporting periods shall be January 1 through December 31.
2. The issuance of the permit does not waive any federal, state, county or local government ordinances, regulations or permits for which the facility may have to comply.

WITNESS my hand and seal of office this 13th day of May, 2008.

  
Sandra Fabritz-Whitney, Assistant Director

**PHOENIX AMA  
CHECK DEPOSIT REQUEST**

<b>Submitted By:</b>	<b>Sharon Ward</b>	<b>Date:</b>	<b>5/2/08</b>
<b>Right Owner or Applicant:</b>	<b>Resolution Copper Mining LLC</b>		
<b>GFR or Permit No(s):</b>	<b>59-524492.0002</b>		

**CHECK INFORMATION**

**Check Number: 307509**  
**Check Amount: \$86.50**  
**Name on Check: Snell & Wilmer**  
**Address: One Arizona Center**  
**City, ST, Zip: Phoenix AZ 85004-2202**  
**Telephone:**

Code	Type of Fee:	Amount:	Check No.
55	Application for Well Permit <b>(\$150.00)</b>		
55	Well Permit Fee <b>(\$30.00)</b>		
58	Type I Conversion Request Flex Account Transfers <b>(\$100.00)</b>		
58	Notification of Change of Ownership of an Irrigation Grandfathered Right <b>(\$35.00)</b>		
60	Application to Substitute Irrigation Acres		
59	Applications for Permit to Withdraw <b>(\$50.00 or \$150.00)</b>		
59	Withdrawal Permit Fee <b>(\$50.00)</b>	\$50.00	307509
59	Conveyance of Groundwater Withdrawal Application and/or Permit <b>(\$35.00)</b>		
Gen Fund	Legal Noticing Fees <b>(Various)</b>	\$36.50	307509
55	Notice of Intent for Non-Exempt Wells <b>(\$150.00)</b>		

**Sharon Ward**

---

**From:** Sharon Ward  
**Sent:** Friday, May 02, 2008 8:52 AM  
**To:** Vanessa R. Reyes  
**Subject:** Resolution Copper Mining LLC Dewatering Permit # 59-524492.0002

Vanessa,

I have reviewed the referenced application for Dewatering purposes and it conforms to Phoenix AMA policies and statutory requirements. The application was approved by IPR on May 1, 2008. The Phoenix AMA recommends issuance of the permit for 5,000 acre feet. The Department approves this request. The permit expiration date will remain as September 20, 2009. Please prepare the "Modified" permit and cover letter for review.

Thank you,  
Sharon

**IPR SUMMARY REVIEW MEMORANDUM**

Sharon Ward, Phoenix AMA

May 1, 2008

**APPLICANT:** Resolution Copper Mining LLC  
**APPLICATION NO:** 59-524492.0002  
**APPLICATION TYPE:** Application for Permit to Withdraw Groundwater for Dewatering Purposes Within an Active Management Area (A.R.S. § 45-513)

**Summary of the facts:** Resolution Copper Mining LLC filed an *Application for Permit to Withdraw Groundwater for Dewatering Purposes Within an Active Management Area* on February 19, 2008 in order to increase their current allotment from 2,810 acre-feet a year to 5,000 acre-feet a year. The increase is necessary to dewater existing mine workings that Resolution Copper intends to use for exploration purposes. The mine workings were previously dewatered; however, dewatering ceased in 1991. Since that time, the mine workings have filled with water and now must be pumped to allow re-entry into the mine.

The dewatering will be located in Section 36 of T1S R12E and Section 32 of T1S, R13E, which is southeast of US 60 and northeast of SR177. Resolution Copper is requesting a groundwater withdrawal amount of 5,000 acre-feet per year for 20 years.

The dewatering will be accomplished by using two sump pumps (Nos. 55-525311 and 55-525312) located in existing shafts of Resolution Copper's Magma Mine. To the extent possible, Resolution Copper intends to use the water on-site for mineral extraction and metallurgical purposes, including but not limited to dust control, exploratory drilling and construction. The balance of the water will be used for agricultural purposes within the New Magma Irrigation Drainage District's service area.

Hydro/WQARF has no objections to the issuance of the permit.

There have been no objections in the public noticing period, which ended April 25, 2008.

**Issue:** Since the permit expires on September 20, 2009 and since the modification of the permit is treated the same as an initial permit application, Resolution Copper has requested that the Department renew the permit for an additional 20 years in order to avoid duplicating efforts in the next few months.

**AMA Recommendations:** The Phoenix AMA recommends approval of a modification to the current permit to *Withdraw Groundwater for Dewatering Purposes Within an Active Management Area* in the amount of 5,000 acre-feet per year.

IPR Committee Recommendations: *Approved the modification, but not the extended duration. An application for renewal may be submitted within 6 months of the expiration date.*

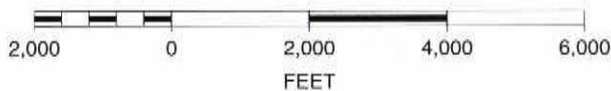
- Approved
- Denied
- Other (explanation) \_\_\_\_\_

Mark D. B. 5/1/08  
IPR Chairperson Date

# T1S, R12E, SECTION 36

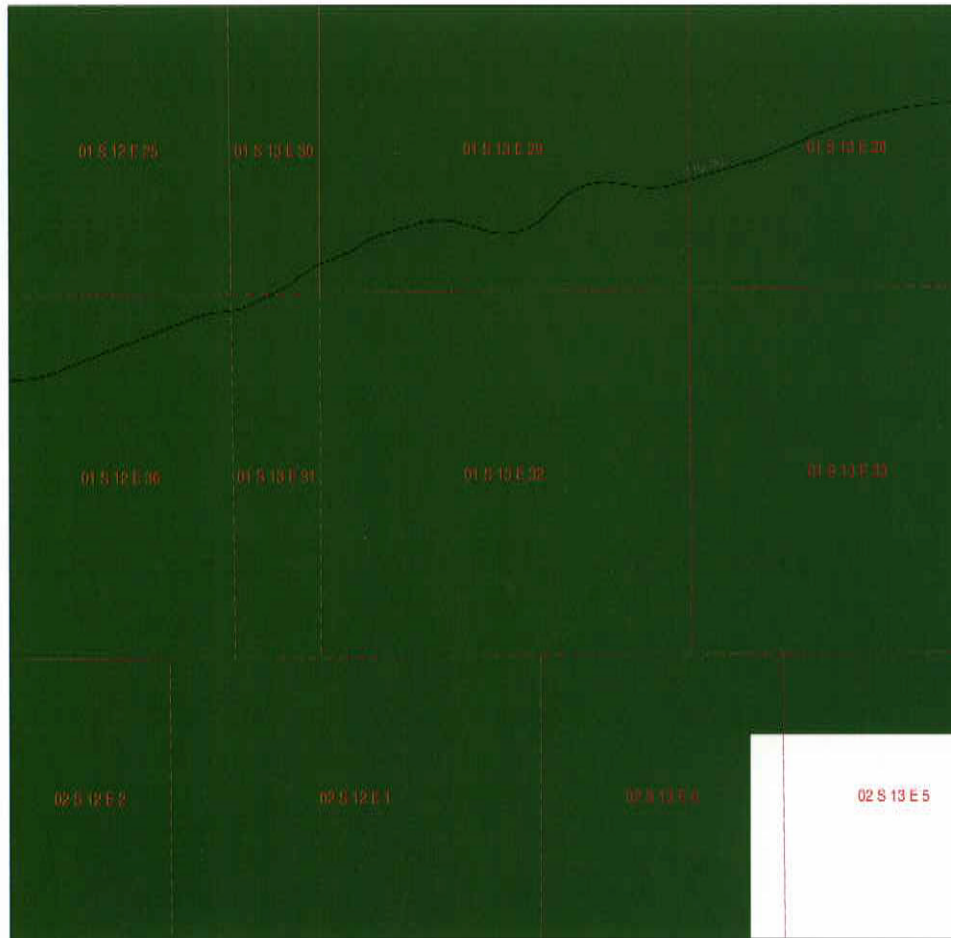


SCALE 1 : 33,481

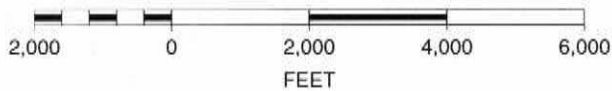




# T1S, R13E, SECTION 32



SCALE 1 : 33,481



**ARIZONA DEPARTMENT OF WATER RESOURCES**  
PURCHASE REQUISITION/ORDER

P.O. # **37513**

March 28, 2008  
DATE

[Signature]  
NOT VALID WITHOUT AUTHORIZED PROCUREMENT SIGNATURE

Vanessa Reyes 602-771-8580  
REQUESTOR PHONE EXT.

LARGE DELIVERIES ACCEPTED 6:30-7:30 AM, MONDAY-FRIDAY  
INSIDE DELIVERY REQUIRED - NO DOCK AVAILABLE

VENDOR: AZ Republic  
Resolution Copper Mining  
102 Magma Heights  
PO Box 1944  
Superior, AZ 85273

SHIP TO / BILL TO: ADWR  
3550 N. Central Ave  
Phoenix, AZ 85012

LINE	QTY	UNIT	PART NO.	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
1	1	each		Legal Publication Notice For Resolution Copper DWR #59-524492.0002 Type of Permit: Withdraw Groundwater Dewatering Purposes Publication Dates: April 3, 2008 + April 10, 2008	\$36.50	\$36.50

REMARKS: (PROCUREMENT USE ONLY)					SUBTOTAL	636.50
					TAX	
					FREIGHT	
AZ CONTRACT# <u>18609373580001</u>					TOTAL	636.50

BATCH HEADER				BATCH HEADER				VENDOR(11)		MC(3)	DOC DATE(6)		EFF DATE(6)	
AGCY(3)	DATE(6)	TYPE(1)	NO(3)	AGCY(3)	DATE(6)	TYPE(1)	NO(3)	<u>14606654711</u>			<u>1 1</u>		<u>1 1</u>	
CUR DOC(8)		SFX(3)	REF DOC(8)		SFX(3)	MOD(1)	AGY(3)	TC(3)	INDEX(5)	PCA(5)	AY(2)	COMP OBJ(4)	AGY OBJ(4)	
<u>20337313</u>		<u>00</u>	<u>2085743.001</u>		<u>00</u>	<u>E</u>	<u>001</u>	<u>225</u>	<u>48200</u>		<u>18</u>		<u>446</u>	
AMOUNT \$(11) e(2)		R(1)	DISC \$(11) e(2)		FO(1)	PDT(2)	DOC AMT \$(11) e(2)		CI(1)	PROP NO(10)				
<u>36.50</u>							<u>36.50</u>							
INV NO(14)		DATE(6)		DESCRIPTION(30)			CONT NO(10)		WARRANT NO(9)		APPN NO(5)		FUND(4)	
<u>11111111111111</u>		<u>4/10/08</u>		<u>59-524492</u>										
COMP GL(4)	AGY GL(8)	GRANT NO.(6)		PH(2)	PROJ NO(6)	PH(2)	MPCD(10)		AGY CD-1(4)	AGY CD-2(4)	AGY CD-3(6)			

I have examined this claim and certify that the expenditure is for a valid public purpose and that funds have been appropriated or are otherwise available for payment of this claim, and if the available funds are from federal grant contract or source, this claim is allowable under the terms of such grant, contract or source, and payment of the amount claimed is hereby approved.

J. Scott Miller Printed Name  
[Signature] Signature  
3/28/08 Date

I hereby certify under penalty of perjury that the items invoiced above have been received and inspected, that the quantities are as stated and the condition is satisfactory.

\_\_\_\_\_  
Printed Name Signature Date

AFFIDAVIT OF PUBLICATION  
APPL. 59-210299.0000/RESOLUTION  
COPPER

Reference/PO # 37813  
05

# Arizona Business Gazette

The business resource

PO BOX 194  
Phoenix, Arizona 85001-0194  
(602) 444-7315 FAX (602) 444-7364

**LEGAL NOTICE**  
**ARIZONA DEPARTMENT OF**  
**WATER RESOURCES**  
**BEFORE THE DIRECTOR**  
In the matter of Application  
No. 59-210299.0000 for a Per-  
mit to Withdraw Groundwater  
for Dewatering Purposes; lo-  
cated within the East Salt Riv-  
er Sub-basin of the Phoenix  
Active Management Area.  
The Director gives notice  
that Resolution Copper Min-  
ing, L.L.C. has filed the above  
referenced application for a  
Permit to Withdraw  
Groundwater for dewatering  
pursuant to Arizona Revised  
Statutes, Title 45, Chapter 2,  
Article 7, § 45-513. It is the ap-  
plicant's intent to use  
groundwater under this appli-  
cation for the dewatering of  
an underground mine for fur-  
ther exploration. The appli-  
cant intends to use 2 sump  
pumps located within Section  
36 Township 1 South, Range  
12 East, GSRB&M and Section  
32 Township 1 South, Range  
13 East, GSRB&M. A total of  
5,000 acre-feet per annum  
have been requested for a 20-  
year period. Copies of the ap-  
plication are available for in-  
spection in the Phoenix Active  
Management Area office, Wa-  
ter Management Division of  
the Department of Water Re-  
sources, 3550 North Central  
Avenue, Phoenix, Arizona  
85012.  
Objections to the issuance of  
the permit may be filed by  
persons that may be adverse-  
ly affected by the project and  
must be filed, in writing, with  
the Docket Supervisor of the  
Department of Water Resour-  
ces, Legal Division, 3550 North  
Central Avenue, Phoenix, Ari-  
zona 85012, within fifteen (15)  
days after the last day of pub-  
lication of this notice.  
For this application, the final  
date on which an objection  
may be filed is April 25, 2008.  
Objections are limited to  
whether the application  
meets the criteria of Arizona  
Revised Statutes § 45-513. An  
objection shall state the name  
and mailing address of the  
objector, be signed by the ob-  
jector, his agent or attorney  
and must clearly set forth the  
reasons why the permit  
should not be issued.  
Issued this 27th day of  
March, 2008  
Herb Guenther  
Director  
Published: April 3, 10, 2008

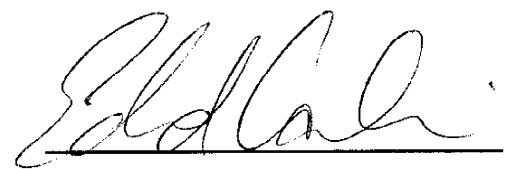
STATE OF ARIZONA  
COUNTY OF MARICOPA

} SS.

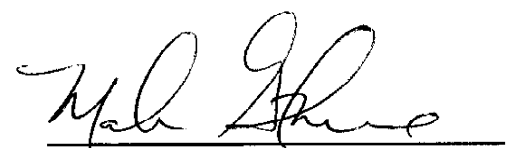
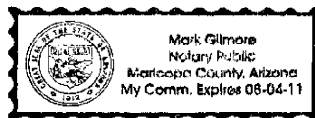
Ed Carlise, being first duly sworn, upon oath deposes and says: That of the Arizona Business Gazette, a newspaper of general circulation in the county of Maricopa, State of Arizona, published weekly at Phoenix, Arizona, and that the copy hereto attached is a true copy of the advertisement published in the said paper on the dates indicated.

4/3/2008

4/10/2008



Sworn to before me this  
10TH day of  
APRIL 2008



Notary Public

# THE ARIZONA REPUBLIC

Run Dates

## Order Confirmation

<b>Ad Order Number</b> 0006154550	<b>Customer</b> ARIZONA DEPARTMENT OF WATER	<b>Payor Customer</b> ARIZONA DEPARTMENT OF
<b>Sales Rep.</b> gilmorm	<b>Customer Account</b> 6027718500ARIZ	<b>Payor Account</b> 6027718500ARIZ
<b>Order Taker</b> gilmorm	<b>Customer Address</b> 3550 N Central Ave, Christina Mendiola Phoenix AZ 85012 USA	<b>Payor Address</b> 3550 N Central Ave, Christina M Phoenix AZ 85012 USA
<b>Ordered By</b>	<b>Customer Phone</b> 602-771-8500	<b>Payor Phone</b> 602-771-8500
<b>Order Source</b> Phone		
<b>PO Number</b> 37813	<b>Customer Fax</b>	<b>Customer EMail</b> @azwater.gov

### Ad Content Proof

#### LEGAL NOTICE ARIZONA DEPARTMENT OF WATER RESOURCES BEFORE THE DIRECTOR

In the matter of Application No. 59-524492.0002 for a Permit to Withdraw Groundwater for Dewatering Purposes, located within the East Salt River Sub-basin of the Phoenix Active Management Area.

The Director gives notice that Resolution Copper Mining, L.L.C. has filed the above referenced application for a Permit to Withdraw Groundwater for dewatering pursuant to Arizona Revised Statutes, Title 45, Chapter 2, Article 7, § 45-513. It is the applicant's intent to use groundwater under this application for the dewatering of an underground mine for further exploration. The applicant intends to use 2 sump pumps located within Section 36 Township 1 South, Range 13 East, GSR&M and Section 32 Township 1 South, Range 13 East, GSR&M. A total of 5,000 acre-feet per annum have been requested for a 20-year period. Copies of the application are available for inspection in the Phoenix Active Management Area office, Water Management Division of the Department of Water Resources, 3550 North Central Avenue, Phoenix, Arizona 85012.

Objections to the issuance of the permit may be filed by persons that may be adversely affected by the project and must be filed, in writing, with the Docket Supervisor of the Department of Water Resources, Legal Division, 3550 North Central Avenue, Phoenix, Arizona 85012, within fifteen (15) days after the last day of publication of this notice.

For this application, the final date on which an objection may be filed is April 25, 2008. Objections are limited to whether the application meets the criteria of Arizona Revised Statutes § 45-513. An objection shall state the name and mailing address of the objector, be signed by the objector, his agent or attorney and must clearly set forth the reasons why the permit should not be issued, issued this 27th day of March, 2008.  
Herb Guenther  
Director  
Published: April 3, 10, 2008

<b>Tear Sheets</b>	<b>Proofs</b>	<b>Affidavits</b>	<b>Special Pricing</b>	<b>Promo Type</b>
0	0	0	None	

### Invoice Text:

<b>Blind Box</b>	<b>Materials</b>	<b>Payment Method</b>		
<b>Net Amount</b>	<b>Tax Amount</b>	<b>Total Amount</b>	<b>Payment Amt</b>	<b>Amount Due</b>
\$36.50	\$0.00	\$36.50	\$0.00	\$36.50

<b>Ad Number</b>	<b>Ad Type</b>	<b>Ad Size</b>	<b>Pick Up Number</b>
0006154550-01	P-ABG Liner	1.0 X 73 Li	

<b>External Ad #</b>	<b>Ad Released</b>	<b>Ad Attributes</b>
	No	

<b>Color</b>	<b>Production Method</b>	<b>Production Notes</b>
<NONE>	Internal	

<b>Product</b>	<b>Placement/Class</b>	<b># Inserts</b>	<b>Cost</b>
<b>Run Dates</b>			
<b>Sort Text</b>			
<b>Run Schedule Invoice Text</b>			

P-ABG::	Internal - 05-P-State Agencies-AB	2	\$36.50
4/3/2008, 4/10/2008			
839RESOCOPPER			
APPL. 59-210299.0000/RESOLUTION COPPER			
P-Online::	Internal - 05-P-State Agencies-AB	2	\$0.00
4/3/2008, 4/10/2008			
839RESOCOPPER			
APPL. 59-210299.0000/RESOLUTION COPPER			



**ARIZONA DEPARTMENT OF WATER RESOURCES**  
**WATER MANAGEMENT DIVISION**  
3550 North Central Avenue, Phoenix, Arizona 85012  
Telephone 602 771-8586  
Fax 602 771-8689



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

March 27, 2008

Arizona Business Gazette  
Legal Advertising  
P. O. Box 1950  
Phoenix, Arizona 85001

**Attention: Ed Carlese**

RE: Resolution Copper Mining, L.L.C. Dewatering Application No. 59-210299.0000

Dear Mr. Carlese:

The Department of Water Resources requests that the enclosed legal notice be published in your newspaper on the following dates:

April 3, 2008 and April 10, 2008

Please publish the notice per our purchase order number 37813. Please return two affidavits of publication, with your billing to the Department of Water Resources, to the attention of the Administration Division.

The Department of Water Resources is required to publish legal notice of the referenced application by statute. If for any reason the legal notice must be published on dates other than those requested, please notify me at once at 602-771-8580, as it will require a change in the text of the notice.

Thank you for your cooperation in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Vanessa Reyes".

Vanessa Reyes  
Water Resources Specialist

Enclosure

cc: Matthew A. Bailey, Snell & Wilmer  
Rich A. Heig, Resolution Copper Mining  
Sharon Ward, Phoenix AMA  
Kathleen Donoghue, Legal Services  
File

**LEGAL NOTICE**

**ARIZONA DEPARTMENT OF WATER RESOURCES**

**BEFORE THE DIRECTOR**

In the matter of Application No. 59-524492.0002 for a Permit to Withdraw Groundwater for Dewatering Purposes; located within the East Salt River Sub-basin of the Phoenix Active Management Area.

The Director gives notice that Resolution Copper Mining, L.L.C. has filed the above referenced application for a Permit to Withdraw Groundwater for dewatering pursuant to Arizona Revised Statutes, Title 45, Chapter 2, Article 7, § 45-513. It is the applicant's intent to use groundwater under this application for the dewatering of an underground mine for further exploration. The applicant intends to use 2 sump pumps located within Section 36 Township 1 South, Range 12 East, GSRB&M and Section 32 Township 1 South, Range 13 East, GSRB&M. A total of 5,000 acre-feet per annum have been requested for a 20-year period. Copies of the application are available for inspection in the Phoenix Active Management Area office, Water Management Division of the Department of Water Resources, 3550 North Central Avenue, Phoenix, Arizona 85012.

Objections to the issuance of the permit may be filed by persons that may be adversely affected by the project and must be filed, in writing, with the Docket Supervisor of the Department of Water Resources, Legal Division, 3550 North Central Avenue, Phoenix, Arizona 85012, within fifteen (15) days after the last day of publication of this notice.

---

For this application, the final date on which an objection may be filed is April 25, 2008. Objections are limited to whether the application meets the criteria of Arizona Revised Statutes § 45-513. An objection shall state the name and mailing address of the objector, be signed by the objector, his agent or attorney and must clearly set forth the reasons why the permit should not be issued.

Issued this 27th day of March, 2008  
Herb Guenther  
Director

Publication Dates:

e.g. April 3, 2008 and April 10, 2008



**LEGAL NOTICE**  
**ARIZONA DEPARTMENT OF WATER RESOURCES**  
**BEFORE THE DIRECTOR**

In the matter of Application No. 59-524492.0002 for a Permit to Withdraw Groundwater for Dewatering Purposes; located within the East Salt River Sub-basin of the Phoenix Active Management Area.

The Director gives notice that Resolution Copper Mining, L.L.C. has filed the above referenced application for a Permit to Withdraw Groundwater for dewatering pursuant to Arizona Revised Statutes, Title 45, Chapter 2, Article 7, § 45-513. It is the applicant's intent to use groundwater under this application for the dewatering of an underground mine for further exploration. The applicant intends to use 2 sump pumps located within Section 36 Township 1 South, Range 12 East, GSRB&M and Section 32 Township 1 South, Range 13 East, GSRB&M. A total of 5,000 acre-feet per annum have been requested for a 20-year period. Copies of the application are available for inspection in the Phoenix Active Management Area office, Water Management Division of the Department of Water Resources, 3550 North Central Avenue, Phoenix, Arizona 85012.

Objections to the issuance of the permit may be filed by persons that may be adversely affected by the project and must be filed, in writing, with the Docket Supervisor of the Department of Water Resources, Legal Division, 3550 North Central Avenue, Phoenix, Arizona 85012, within fifteen (15) days after the last day of publication of this notice.

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For this application, the final date on which an objection may be filed is April 25, 2008. Objections are limited to whether the application meets the criteria of Arizona Revised Statutes § 45-513. An objection shall state the name and mailing address of the objector, be signed by the objector, his agent or attorney and must clearly set forth the reasons why the permit should not be issued.

Issued this 27th day of March, 2008  
Herb Guenther  
Director

Publication Dates:

e.g. April 3, 2008 and April 10, 2008

**Sharon Ward**

---

**From:** Sharon Ward  
**Sent:** Tuesday, March 18, 2008 9:08 AM  
**To:** Vanessa R. Reyes  
**Subject:** Resolution Copper Mining LLC Dewatering App # 59-524492.0002

Vanessa,

The above-referenced application for a dewatering permit for Resolution Copper Mining LLC is ready for public noticing. Please public notice for 5,000 acre-feet a year.


Thank you,  
Sharon.

**Sharon Ward**

---

**From:** Bailey, Matthew [mbailey@swlaw.com]  
**Sent:** Wednesday, March 12, 2008 4:18 PM  
**To:** Sharon Ward  
**Cc:** Ross, Brad ( RCC ); Stevens, Larry (RT Legal); Ronstadt, Carlos  
**Subject:** Resolution Copper: Dewatering Permit Modification

Sharon,  
On behalf of Resolution Copper Mining, L.L.C. ("Resolution Copper"), I am writing to request a change to Resolution Copper's dewatering permit modification filed February 19, 2008. Per our phone conversation today, please change the maximum volume of groundwater requested in Resolution Copper's dewatering permit modification to 5,000 acre-feet per year. It is our understanding that changing this maximum volume now will in no way delay the Administrative Completeness Review. Please respond to me immediately if I am incorrect with this understanding. Thank you in advance for your prompt attention to this request.


<p><b>Matthew A. Bailey</b> Snell &amp; Wilmer L.L.P. One Arizona Center Phoenix, AZ 85004-2202 602.382.6528 mbailey@swlaw.com   www.swlaw.com</p>

The information contained in this electronic mail message is confidential information intended only for the use of the individual or entity named above, and may be privileged. If the reader of this message is not the intended recipient or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone (602-382-6000), and delete the original message. Thank you.

**Sharon Ward**

---

**From:** Bailey, Matthew [mbailey@swlaw.com]  
**Sent:** Thursday, March 06, 2008 9:31 AM  
**To:** Kevin J. Crego; Sharon Ward  
**Cc:** Ross, Brad ( RCC ); Ronstadt, Carlos  
**Subject:** Resolution Copper: Dewatering Permit Modification

Sharon and Kevin,

On behalf of Resolution Copper Mining, L.L.C. ("Resolution Copper"), I am writing to clarify the increased maximum volume of groundwater requested in Resolution Copper's dewatering permit modification ("Permit Modification") filed February 19, 2008.

The Permit Modification requests, among other things, to increase the maximum groundwater withdrawals from the currently permitted volume of 2,810 acre-feet per year to 4,000 acre-feet per year. This is a net increase of 1,190 acre-feet per year. Increasing the withdrawal amount is necessary to dewater existing mine workings that Resolution Copper intends to use for exploration purposes. These mine workings were previously dewatered. Groundwater withdrawals pursuant to the dewatering permit, however, ceased after 1991. The mine workings have since filled with water and now must be pumped to allow re-entry into the mine.


Resolution Copper also owns two Type 2 Non-Irrigation Grandfathered Groundwater Rights ("Type 2 Right"). The first Type 2 Right, No. 58-117402.0001, authorizes groundwater withdrawals up to 1,490 acre-feet per year. The second Type 2 Right, No. 58-130703.0001, authorizes groundwater withdrawals up to 315 acre-feet per year.

Resolution Copper's Dewatering Permit is inherently related to its Type 2 Right No. 58-117402.0001. The withdrawal points for the Dewatering Permit and the Type 2 Right are the same (Well Registration Nos. 55-525311 and 55-525312, both of which are mine shafts). Moreover, the current Dewatering Permit was reduced on June 20, 1991 to account for the annual volume of groundwater withdrawals authorized under this Type 2 Right. Specifically, the Dewatering Permit originally authorized groundwater withdrawals of 4,300 acre-feet per year. The Arizona Department of Water Resources, however, decreased this withdrawal amount to 2,810 acre-feet per year after granting the Type 2 Right No. 58-117402.

Thus, while the withdrawal amount under the Dewatering Permit decreased, the dewatering permit and Type 2 Right together still authorized withdrawals up to 4,300 acre-feet per year. Now, however, because the mine workings are flooded with water, Resolution Copper will have to withdraw in excess of this volume, at least during the first five years of dewatering, to facilitate safe conditions for their mining efforts.

Resolution Copper's other Type 2 Right, No. 58-130703.0001, is related to its mining operations but not for dewatering purposes. Resolution Copper may not require water from this Right to the fullest extent authorized in the next several years. Nonetheless, Resolution Copper does not want to lose its ability to utilize this Type 2 Right and its authorized points of withdrawal.

This discussion has clarified the relationship between Resolution Copper's Dewatering Permit, Permit Modification, and Type 2 Right Nos. 58-117402.0001 and 58-130703.0001. Please do not hesitate to call me at the number listed above or Carlos Ronstadt at (602) 382-6355 if you have any questions. I will also submit the content of this email as a letter with the Department later today.


<b>Matthew A. Bailey</b> Snell & Wilmer L.L.P.

3/7/2008

One Arizona Center  
Phoenix, AZ 85004-2202  
602.382.6528

[mbailey@swlaw.com](mailto:mbailey@swlaw.com) | [www.swlaw.com](http://www.swlaw.com)

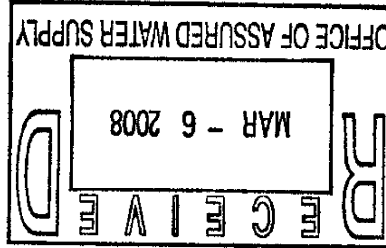
The information contained in this electronic mail message is confidential information intended only for the use of the individual or entity named above, and may be privileged. If the reader of this message is not the intended recipient or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone (602-382-6000), and delete the original message. Thank you.

# Snell & Wilmer

L.L.P.  
LAW OFFICES

One Arizona Center  
Phoenix, Arizona 85004-2202  
(602) 382-6000  
Fax: (602) 382-6070  
www.swlaw.com

Matthew A. Bailey  
602.382.6528  
mbailey@swlaw.com



PHOENIX, ARIZONA  
TUCSON, ARIZONA  
IRVINE, CALIFORNIA  
SALT LAKE CITY, UTAH  
DENVER, COLORADO  
LAS VEGAS, NEVADA

March 6, 2008

## VIA HAND DELIVERY

Ms. Sharon Ward  
Arizona Department of Water Resources  
3550 North Central Avenue  
Phoenix, Arizona 85012

Re: Permit Modification for Dewatering Permit No. 59-524492.0001

Dear Ms. Ward:

On behalf of Resolution Copper Mining, L.L.C. ("Resolution Copper"), I am writing to clarify the increased maximum volume of groundwater requested in Resolution Copper's dewatering permit modification ("Permit Modification") filed February 19, 2008.<sup>1</sup>

*5000*  
The Permit Modification requests, among other things, to increase the maximum groundwater withdrawals from the currently permitted volume of 2,810 acre-feet per year to ~~4,000~~ 5,000 acre-feet per year. This is a net increase of 1,190 acre-feet per year. Increasing the withdrawal amount is necessary to dewater existing mine workings that Resolution Copper intends to use for exploration purposes. These mine workings were previously dewatered. Groundwater withdrawals pursuant to the dewatering permit, however, ceased after 1991. The mine workings have since filled with water and now must be pumped to allow re-entry into the mine.

Resolution Copper also owns two Type 2 Non-Irrigation Grandfathered Groundwater Rights ("Type 2 Right"). The first Type 2 Right, No. 58-117402.0001, authorizes groundwater withdrawals up to 1,490 acre-feet per year. The second Type 2 Right, No. 58-130703.0001, authorizes groundwater withdrawals up to 315 acre-feet per year.

Resolution Copper's Dewatering Permit is inherently related to its Type 2 Right No. 58-117402.0001. The withdrawal points for the Dewatering Permit and the Type 2 Right are the same (Well Registration Nos. 55-525311 and 55-525312, both of which are mine shafts). Moreover, the current Dewatering Permit was reduced on June 20, 1991 to account for the

<sup>1</sup> Resolution Copper's current dewatering permit is No. 59-524492.0001 ("Dewatering Permit").

Ms. Sharon Ward  
March 6, 2008  
Page 2

annual volume of groundwater withdrawals authorized under this Type 2 Right.<sup>2</sup> Specifically, the Dewatering Permit originally authorized groundwater withdrawals of 4,300 acre-feet per year.<sup>3</sup> The Arizona Department of Water Resources, however, decreased this withdrawal amount to 2,810 acre-feet per year after granting the Type 2 Right No. 58-117402.<sup>4</sup>

Thus, while the withdrawal amount under the Dewatering Permit decreased, the dewatering permit and Type 2 Right together still authorized withdrawals up to 4,300 acre-feet per year. Now, however, because the mine workings are flooded with water, Resolution Copper will have to withdraw in excess of this volume, at least during the first five years of dewatering, to facilitate safe conditions for their mining efforts.

Resolution Copper's other Type 2 Right, No. 58-130703.0001, is related to its mining operations but not for dewatering purposes. Resolution Copper may not require water from this Right to the fullest extent authorized in the next several years. Nonetheless, Resolution Copper does not want to lose its ability to utilize this Type 2 Right and its authorized points of withdrawal.

This discussion was intended to clarify the relationship between Resolution Copper's Dewatering Permit, Permit Modification, and Type 2 Right Nos. 58-117402.0001 and 58-130703.0001. I also want to reiterate that Resolution Copper would enjoy the opportunity to meet with you and your staff directly if you desire any further explanation. In the meantime, please do not hesitate to call me at the number listed above, or Carlos Ronstadt at (602) 382-6355, if you have any questions.

Sincerely,

Snell & Wilmer



Matthew A. Bailey

Enclosures

<sup>2</sup> See Revised Permit No. 59-524492, June 20, 1991 (attached).

<sup>3</sup> See Corrected Permit No. 59-524492, December 13, 1989, and Permit No. 59-524492, September 20, 1989 (attached).

<sup>4</sup> Type 2 Right No. 58-117402 was issued after Resolution Copper's predecessor-in-interest filed a "late-application" for a Type 2 Right. That application was based on pumping records that were discovered in 1990 or 1991. See also Letter to Ms. Kathy Willman, April 16, 1991 (attached), wherein Resolution Copper's predecessor-in-interest noted that "the Department may wish to reduce the amount of water that can be withdrawn for dewatering purposes under the [Withdrawal] Permit by [the amount of the Type 2 Right]."



Ms. Sharon Ward  
March 6, 2008  
Page 3

cc: Larry Stevens  
Brad Ross  
Carlos Ronstadt (w/out enclosures)

8622159.1

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# ARIZONA DEPARTMENT OF WATER RESOURCES

15 South 15th Avenue, Phoenix, Arizona 85007  
Telephone (602) 542-1553  
Fax (602) 256-0506



FIFE SYMINGTON  
Governor

ELIZABETH ANN RIEKE  
Director

June 20, 1991

Frank M. Florez  
Magma Copper Company  
Superior Division  
P.O. Box 37  
Superior, Arizona 85273

RE: Revised Permit No. 59-524492

Dear Mr. Florez:

Enclosed is your revised permit as referenced above.

For your future use, a Change of Well Information form is also enclosed. Under Arizona Revised Statutes §45-592, the person to whom a well is registered must notify this Department of a change in the ownership of the well and must furnish this Department with any information pertaining to the physical characteristics of the well necessary to keep the well registration records current and accurate. The permit itself may only be conveyed in accordance with A.R.S. §45-520.

Very truly yours,

  
Richard A. Gessner  
Chief, Operations Division

RAG:sv

Enclosures

cc: Phoenix AMA  
Snell & Wilmer

ARIZONA DEPARTMENT OF WATER RESOURCES

REVISED PERMIT

PERMIT NO. 59-524492

STATE OF ARIZONA        )  
                                  ) ss.  
County of Maricopa        )

This is to certify that I have examined Application No. 59-524492 and have determined that the applicant is entitled to withdraw groundwater in an Active Management Area pursuant to Title 45, Chapter 2, Article 7, Arizona Revised Statutes. By this examination, the Department has determined that dewatering is necessary for the beneficial use of the land from which the groundwater is to be withdrawn. I hereby approve the applicant's right to withdraw groundwater for the purpose of dewatering pursuant to §45-513, Arizona Revised Statutes, subject to the following limitations and conditions:

Applicant:                   Magma Copper Company,  
                                  Superior Division, P.O. Box 37  
                                  Superior, Arizona 85273

Active Management Area: Phoenix       Subbasin: East Salt River Valley

Authorized sump pumps:

Registration No. 55-525311       File No. D(1-12)35 aa  
Registration No. 55-525312       File No. D(1-13)32 bbd

Total amount of groundwater to be withdrawn: **2,810** acre feet per annum

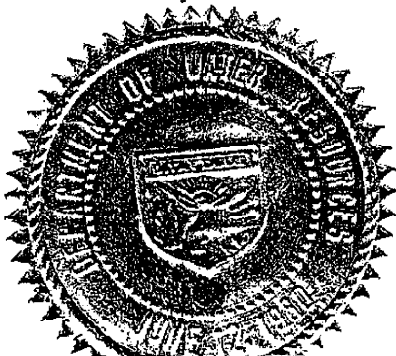
Authorized use of groundwater: **1,490** acre feet per annum for mineral extraction and metallurgical processing

Duration of permit: From September 20, 1989 to September 20, 2009

Land groundwater will be used upon:

As authorized by Permit No. 59-524492

Witness my hand and seal of office this 20<sup>th</sup> day of June, 1991.



*Herb Dishlip*  
\_\_\_\_\_  
Herb Dishlip  
Deputy Director

ARIZONA DEPARTMENT OF WATER RESOURCES  
CORRECTED PERMIT

PERMIT NO. 59-524492

STATE OF ARIZONA     )  
                          ) ss.  
County of Maricopa    )

This is to certify that I have examined Application No. 59-524492 and have determined that the applicant is entitled to withdraw groundwater in an Active Management Area pursuant to Title 45, Chapter 2, Article 7, Arizona Revised Statutes. By this examination, the Department has determined that dewatering is necessary for the beneficial use of the land from which the groundwater is to be withdrawn. I hereby approve the applicant's right to withdraw groundwater for the purpose of dewatering pursuant to §45-513, Arizona Revised Statutes, subject to the following limitations and conditions:

Applicant: Magma Copper Company, Superior Division, P.O. Box 37  
Superior, Arizona 85273

Active Management Area: Phoenix     Subbasin: East Salt River Valley

Authorized sump pumps:

Registration No. 55-525311     File No. D(1-12)35 aa  
Registration No. 55-525312     File No. D(1-13)32 bbd

Total amount of groundwater to be withdrawn: 4,300 acre feet per annum

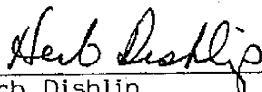
Authorized use of groundwater: 1,100 acre feet per annum for mineral extraction and metallurgical processing

Land groundwater will be used upon:

Within portions of Section 34 and 35, Township 1 South, Range 12 East

Duration of permit: From September 20, 1989 to September 20, 2009

Witness my hand and seal of office this 13th day of December, 1989.

  
\_\_\_\_\_  
Herb Dishlip  
Deputy Director

ARIZONA DEPARTMENT OF WATER RESOURCES

P E R M I T

PERMIT NO. 59-524492

STATE OF ARIZONA     )  
                                  ) ss.  
County of Maricopa    )

This is to certify that I have examined Application No. 59-524492 and have determined that the applicant is entitled to withdraw groundwater in an Active Management Area pursuant to Title 45, Chapter 2, Article 7, Arizona Revised Statutes. By this examination, the Department has determined that dewatering is necessary for the beneficial use of the land from which the groundwater is to be withdrawn. I hereby approve the applicant's right to withdraw groundwater for the purpose of dewatering pursuant to §45-513, Arizona Revised Statutes, subject to the following limitations and conditions:

Applicant: Magma Copper Company, Superior Division, P. O. Box 37  
Superior, Arizona 85273

Active Management Area: Phoenix     Subbasin: East Salt River Valley

Authorized sump pumps:

Registration No. 55-525311     File No. D(1-12)35 aa

Registration No. 55-525312     File No. D(1-13)32 bbd

Total amount of groundwater to be withdrawn: 4,300 acre feet per annum

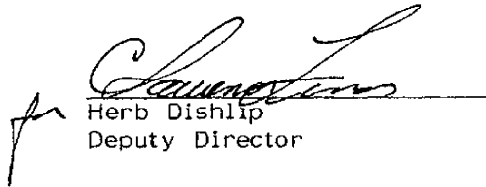
Authorized use of groundwater: 1,100 acre feet per annum for mineral extraction and metallurgical processing

Land groundwater will be used upon:

Within portions of Section 35, Township 1 South, Range 12 East

Duration of permit: From September 20, 1989 to September 20, 2009

Witness my hand and seal of office this 20th day of September, 1989.

  
Herb Dishlip  
Deputy Director

**Snell & Wilmer**  
LAW OFFICES

3100 Valley Bank Center  
Phoenix, Arizona 85073-3100  
(602) 257-7211  
Fax: (602) 257-7864

PHOENIX, ARIZONA

TUCSON, ARIZONA

IRVINE, CALIFORNIA

Direct Line: 257-5947

April 16, 1991

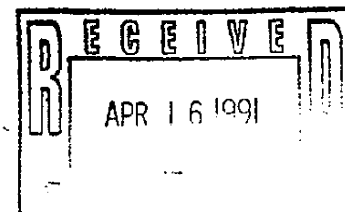
Ms. Kathy Willman  
Phoenix AMA  
ARIZONA DEPARTMENT OF WATER RESOURCES  
15 S. 15th Avenue  
Phoenix, AZ 85007

Re: Filing of Magma Copper Company's Late Application  
For Type 2 Non-Irrigation Grandfathered Right

Dear Kathy:

Pursuant to A.R.S. §45-476.01, Magma Copper Company ("Magma") hereby submits the enclosed Late Application for a Type 2 Non-irrigation Grandfathered Right ("Late Application"). As you will notice, the Late Application is supported by an attachment, a chart entitled "Mine Water Pumping", and the affidavit of Frank M. Florez, Manager of Special Projects for Magma's Superior Division. Also enclosed is our law firm's check no. 238519 in the amount of \$100 to cover the fee for filing this Late Application.

The Late Application pertains to waters withdrawn by sump pump from two Magma mine shafts - No. 3 and No. 9. As you are aware, Magma filed Application No. 59-524492 for a permit to dewater these same two mine shafts in 1989. Permit no. 59-524492 ("Permit") was subsequently issued by the Arizona Department of Water Resources ("Department") authorizing Magma to withdraw up to 4300 acre-feet per year for dewatering. Since that time, however, Magma has determined that it is entitled to a Type 2 Non-irrigation Grandfathered Right ("Type 2 Right") for approximately 1490 acre-feet of water withdrawn from the two mines.



# Snell & Wilmer


Mr. Kathy Willman  
April 16, 1991  
Page 2

By filing this Late Application, Magma does not intend to terminate its right to dewater the two mines under the Permit. However, should Magma obtain a Type 2 Right to 1490 acre-feet, the Department may wish to reduce the amount of water that can be withdrawn for dewatering purposes under the Permit by that amount.

As always, if you have any questions about the Late Application or its relation to the Permit, please contact me at the direct line listed above. I look forward to the Department's response.

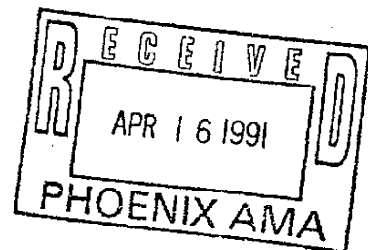
Very truly yours,

SNELL & WILMER

  
Jeffrey W. Crockett

JWC:lr  
cc: Fran Koch  
Frank Florez  
Robert Hoffman, Esq.  
Carlos Ronstadt, Esq.

2281M



ARIZONA DEPARTMENT OF WATER RESOURCES  
HYDROLOGY DIVISION – WATER QUALITY UNIT

MEMORANDUM

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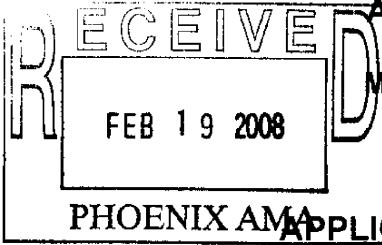
**TO:** Vanessa Reyes, Phoenix AMA  
Sharon Ward, Phoenix AMA  
Tana Zachreson, Phoenix AMA  
Kevin Crago, Phoenix AMA  
**FROM:** David Christiana *DC*  
Water Quality Unit  
**DATE:** February 25, 2008  
**SUBJECT:** **Application for Permit to Withdraw Groundwater for Dewatering Purposes**  
**Application 59-524492.0002**  
**Wells 55-525311 and 55-525312**  
**Resolution Copper Mining, LLC**

Hydrology has reviewed the above referenced application to modify a permit to withdraw groundwater for dewatering purposes. The wells to be used to dewater are existing wells. Authority to drill a new well is not being requested. A water quality review is not necessary. Arizona minimum well construction standards are not applicable. The wells in question are sumps in two mine shafts.

The Hydrology Water Quality Unit has no objections to approving this permit modification. If additional information is needed, please contact me at extension 1-8548.







ARIZONA DEPARTMENT OF WATER RESOURCES  
 WATER MANAGEMENT DIVISION  
 MAIL TO: P.O. BOX 33589, PHOENIX, ARIZONA 85067-3589  
 3550 North Central Avenue, Phoenix, Arizona 85012  
 Phone (602) 771-8585 Fax (602) 771-8688

APPLICATION FOR PERMIT TO WITHDRAW GROUNDWATER  
 FOR DEWATERING PURPOSES  
 WITHIN AN ACTIVE MANAGEMENT AREA (A.R.S. § 45-513)

I. INSTRUCTIONS:

- COMPLETE ALL APPROPRIATE ITEMS ON THIS APPLICATION AND SIGN IN DESIGNATED PLACE.
- Mail to P.O. Box 33589, Phoenix, Arizona 85067-3589 or deliver in person to 3550 North Central Avenue, Phoenix, Arizona 85012.
- Pursuant to A.R.S. § 45-113 the application fee is \$150.00 and the permit fee is \$50.00. The permit fee will be requested prior to issuance of permit.
- USE EXPLANATORY SECTION ON BACK FOR CLARIFICATION.
- PERMIT MODIFICATION for Dewatering Permit No. 59-524492.0001

FOR DEPARTMENT USE ONLY	
Application/Permit No.	59-524492.0002
Filed	2/19/08
AMA	Phoenix
S/B	East Salt (6) WRS Upper Gila (5)

II. GENERAL DATA

- Name of Applicant Resolution Copper Mining, L.L.C. ("Resolution Copper")  
 Mailing Address 102 Magma Heights P.O. Box 1944  

Superior	AZ	85273	520-689-3320
City	State	Zip	Telephone Number
- AMA: Phoenix Sub-basin East Salt River Valley
- Name of owner of land where groundwater will be withdrawn: Resolution Copper  
102 Magma Heights P.O. Box 1944 Superior, AZ 85273  

Mailing Address	City	State	Zip
-----------------	------	-------	-----
- Legal description of land where groundwater will be used: See Attached.
- Name of owner of land where groundwater will be used if different than No. 3: See Attached.  

Mailing address	City	State	Zip
-----------------	------	-------	-----
- Describe the mineral extraction and metallurgical processing operation: Dewatering of  
underground mine for further exploration.
- Total annual volume of groundwater in acre-feet to be dewatered: 4,000 5,000 Per Email
- Total annual volume of groundwater in acre-feet to be used and description of use: See Attached.

9. Groundwater to be withdrawn by means of:

A. Wells already in existence:

Location	Depth	Diameter of Casing	Casing Type	Registration No
D(1-12)36bbc	n/a	n/a	n/a	55- 525311
D(1-13)32bbd	n/a	n/a	n/a	55- 525312
				55- _____

B. New wells: Complete and attach a Well Construction Supplement, DWR Form 55-90, for each new well.

C. Describe sump pump or other withdrawal system (Registration number to be assigned by DWR for each point of withdrawal:)

Note: All points of withdrawal must be measured and withdrawals of groundwater must be reported on an annual withdrawal and use report. Give Township, Range, Section and 1/4 1/4 1/4 of all points of withdrawal:

Well Registration Numbers 55-525311 and 55-525312 are both sump pumps located in existing shafts of Resolution Copper's Magma Mine.

10. Total estimated volume of groundwater necessary to meet mineral extraction and metallurgical processing requirements: \*\*\* <sup>5,000</sup> 4,000 acre-feet per year for dewatering purposes;

\*\*\* \_\_\_\_\_ acre feet. see also #8 above.

11. Total estimated volume of groundwater necessary for municipal and industrial needs of communities and residential areas directly related to applicant's processing operation: n/a acre-feet.

12. Identify the water right numbers and legal description of any irrigated acres of land owned or controlled by the applicant: n/a

I (we), Rich A. Heig hereby affirm that all information provided in this application is true and correct to the best of my/our knowledge and belief.

Signature of Applicant(s) Rich A. Heig Date 19 Feb 2008

**Application for Permit to Withdraw Groundwater for Dewatering Purposes within an  
Active Management Area (A.R.S. § 45-513)**

**Permit Modification for Dewatering Permit No. 59-524492.0001**

**Explanatory Section for Certain Application Items**

**4. Legal description of land where groundwater will be used:**

- (1) Resolution Copper, T1S, R12E, Sections 34 & 35; and
- (2) New Magma Irrigation and Drainage District ("NMIDD") Service Area (see attached NMIDD legal description).

**5. Name of owner of land where groundwater will be used if different than No. 3:**

- (1) Resolution Copper (same as No. 3); and
- (2) NMIDD, 34630 N. Schnepf Road, Queen Creek, AZ 85242.

**8. Total annual volume of groundwater in acre-feet to be used and description of use:**

To the extent possible, up to 500 acre-feet will be used on-site for mineral extraction and metallurgical purposes, including but not limited to dust control, exploratory drilling, and construction; the balance of the dewatered groundwater will be used for agricultural purposes within NMIDD's Service Area.

# ANNUAL WATER WITHDRAWAL AND USE REPORT GROUNDWATER SUMMARY - WQ 2005

**OWNER OF GROUNDWATER RIGHT**

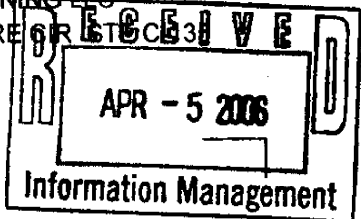
RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146

**TYPE OF RIGHT**

DEWATERING PERMIT (MINING)

**RIGHT / PERMIT NO.**

59-524492.0001



**REPORTING PARTY**

59-524492.0001

RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIR STE C-135  
PHOENIX AZ 85016-2146

PHOENIX AMA (602) 771-8585  
LOCATION: 34 1.0S 12.0E  
WITHDRAWAL AUTHORITY ALLOTMENT: 2810.00 AF  
PERMIT EXPIRATION DATE: 09/20/2009  
FACILITY NAME:

If any of the information preprinted on this report is incorrect, please make the necessary changes.

*Dewatering*

**PART I GROUNDWATER WITHDRAWN**

From Box 14 Schedule A attached  
Complete this section only if you operate a non-exempt well.

\$ **2.75** \$

ACRE - FEET X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late  (Maximum of 6)

2) Calculate Late Report Fee   
(\$25.00 X number of months late)

3) Calculate Late Payment Fee   
(10 % X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2006. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2006.

REPORTS FILED AFTER MARCH 31, 2006 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X *[Signature]*  
AUTHORIZED SIGNATURE

*Vice President*  
TITLE

*27 March 2006*  
DATE

*W. R. WILLIAMS*  
PRINTED NAME

*520 689 9374*  
TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT

New Magma Irrigation & Drainage District

Lateral System C

EXHIBIT A

DESCRIPTION OF REAL ESTATE IN  
PINAL COUNTY, STATE OF ARIZONA

Three parcels of land in Section Nineteen (19), Township Three (3) South, Range Nine (9) East, Gila and Salt River Meridian, containing a combined area of 12.4 acres, more or less, and being more particularly and separately described as follows:

Parcel One

Beginning at a point in the South boundary of said Section 19 that bears South  $89^{\circ}50'07''$  East 50.00 feet, from the Southwest corner of said Section 19; thence North  $01^{\circ}16'12''$  West 291.49 feet to the South boundary of the Magma Arizona Railroad; thence North  $52^{\circ}36'43''$  East 337.57 feet along said South boundary; thence South  $27^{\circ}23'17''$  East 105 feet; thence South  $52^{\circ}36'43''$  West 320 feet; thence South  $02^{\circ}56'41''$  West 219.12 feet to the South boundary of said Section 19; thence North  $89^{\circ}50'07''$  West 60.00 feet along said South boundary to the point of beginning. Said Parcel One contains an area of 1.2 acres, more or less.

TRACT NO. NMC-024

Parcel Two

Beginning at a point in the West boundary of said Section 19 that bears North 01°16'12" West 501.33 feet from the Southwest corner of said Section 19; thence North 01°16'12" West 185.69 feet along said West boundary; thence North 52°36'43" East 2239.19 feet; thence North 17°17'24" East 377.53 feet; thence North 73°58'57" East 270.25 feet to the West boundary of U.S.B.R. Tract No. SG-3-11; thence South 16°01'03" East 60.00 feet along said boundary to the North boundary of U.S.B.R. Tract No. SG-3-11A; thence South 73°58'57" West 80.00 feet along said North boundary; thence South 16°01'03" East 110.00 feet along the West boundary of said Tract; thence North 73°58'57" East 80.00 feet along the South boundary of said Tract to the West boundary of U.S.B.R. Tract No. SG-3-11; thence South 16°01'03" East 119.71 feet; along said boundary to the North boundary of the Magma Arizona Railroad; thence South 52°36'43" West 2802.78 feet along said boundary to the point of beginning. Said Parcel Two contains an area of 11.1 acres, more or less.

Parcel Three

The South 125 feet of the North 170 feet of the West 45 feet of said Section 19. Said Parcel Three contains an area of 0.1 acre, more or less.

TRACT NO. NMC-024

Checked as to Engineering Data

R. Nantz 10-28

KVR 11-18-85

## NEW MAGMA IRRIGATION & DRAINAGE DISTRICT

34630 North Schnepf Road, Queen Creek, AZ 85242

(602) 987-3461

The territory embraced within the boundaries of the New Magma Irrigation & Drainage District lying wholly within the confines of Pinal and Maricopa Counties, State of Arizona, being more particularly described as follows:

Beginning at the Northwest corner of Section Two (2), Township Three (3) South, Range Seven (7) East of the Gila and Salt River Base and Meridian, Pinal County, Arizona;

thence Southerly along the West boundaries of Sections Two (2), Eleven (11) and Fourteen (14), Township Three (3) South, Range Seven (7) East to the Southwest corner of said Section Fourteen (14);

thence Easterly along the South boundaries of Sections Fourteen (14) and Thirteen (13), Township Three (3) South, Range Seven (7) East to the Southeast corner of said Section Thirteen (13);

thence Southerly along the West boundaries of Sections Nineteen (19), Thirty (30) and Thirty-One (31), Township Three (3) South, Range Eight (8) East to the Southwest corner of said Section Thirty-One (31);

thence Easterly along the South boundaries of Sections Thirty-One (31), Thirty-Two (32), Thirty-Three (33) and Thirty-Four (34), Township Three (3) South, Range Eight (8) East to the Southeast corner of said Section Thirty-Four (34);

thence Southerly along the West boundary of Section Two (2), Township Four (4) South, Range Eight (8) East to the Southwest corner of said Section Two (2);

thence Easterly along the South boundary of Section Two (2), Township Four (4) South, Range Eight (8) East to the Southeast corner of said Section Two (2);

thence Southerly along the West boundary of Sections Twelve (12), Thirteen (13) and Twenty-Four (24), Township Four (4) South, Range Eight (8) East to the Southwest corner of said Section Twenty-Four (24);

thence Easterly along the South boundary of Section Twenty-Four (24), Township Four (4) South, Range Eight (8) East to the Southeast corner of said Section Twenty-Four (24);

thence Easterly along the South boundaries of Sections Nineteen (19) and Twenty (20) Township Four (4) South, Range Nine (9) East to the Southeast corner of said Section Twenty (20);

thence Northerly along the East boundaries of Sections Twenty (20), Seventeen (17) and Eight (8), Township Four (4) South, Range Nine (9) East to the Northeast corner of said Section Eight (8);

thence Easterly along the South boundaries of Sections Four (4) and Three (3), Township Four (4) South, Range Nine (9) East to the Southeast corner of said Section Three (3);

thence Northerly along the East boundary of Section Three (3), Township Four (4) South, Range Nine (9) East to the Northeast corner of said Section Three (3);

thence Northerly along the East boundary of Section Thirty-Four (34), Township Three (3) South, Range Nine (9) East to the Northeast corner of said Section Thirty-Four (34);

thence Westerly along the North boundaries of Sections Thirty-Four (34) and Thirty-Three (33), Township Three (3) South, Range Nine (9) East to the Southeast corner of the Southeast Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ) of Section Twenty-Eight (28), Township Three (3) South, Range Nine (9) East;

thence Northerly along the East boundary of the Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ), Section Twenty-Eight (28), Township Three (3) South, Range Nine (9) East to the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ), Section Twenty-Eight (28);

thence Westerly along the North boundary of the Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ), Section Twenty-Eight (28), Township Three (3) South, Range Nine (9) East, to the Northwest corner of said Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ), Section Twenty-Eight (28);

thence Northerly along the East boundaries of Sections Twenty-Nine (29) and Twenty (20), Township Three (3) South, Range Nine (9) East to the Northeast corner of said Section Twenty (20);

thence Westerly along the North boundary of Section Twenty (20), Township Three (3) South, Range Nine (9) East to the Northwest corner of said Section Twenty (20);

thence Southerly along the West boundary of Section Twenty (20), Township Three (3) South, Range Nine (9) East to the Southwest corner of said Section Twenty (20);

thence Westerly along the North boundary of Section Thirty (30), Township Three (3) South, Range Nine (9) East to the Northwest corner of said Section Thirty (30);

thence Northerly along the East boundaries of Sections Twenty-Four (24) and Thirteen (13), Township Three (3) South, Range Eight (8) East to the Northeast corner of said Section Thirteen (13);

thence Westerly along the North boundary of Section Thirteen (13), Township Three (3) South, Range Eight (8) East to the Northwest corner of said Section Thirteen (13);

thence Northerly along the East boundaries of Sections Eleven (11) and Two (2), Township Three (3) South, Range Eight (8) East to the Northeast corner of said Section Two (2);



thence Northerly along the East boundary of Section Thirty-Five (35), Township Two (2) South, Range Eight (8) East to the Northeast corner of said Section Thirty-Five (35);

AND BEGINNING at the Southeast corner of Section Sixteen (16), Township Two (2) South, Range Eight (8) East to the Gila and Salt River Base and Meridian;

thence Northerly along the East boundaries of Sections Sixteen (16) and Nine (9), Township Two (2) South, Range Eight (8) East to the Northeast corner of said Section Nine (9);

thence Westerly along the North boundary of Section Nine (9), Township Two (2) South, Range Eight (8) East to the Northwest corner of said Section Nine (9);

thence Southerly along the West boundaries of Sections Nine (9) and Sixteen (16), Township Two (2) South, Range Eight (8) East to the Southwest corner of said Section Sixteen (16);

thence Easterly along the South boundary of Section Sixteen (16), Township Two (2) South, Range Eight (8) East to the Southeast corner of said Section Sixteen (16);

AND THEN BEGINNING at the Northeast corner of Section Thirty-Five (35), Township Two (2) South, Range Eight (8) East of the Gila and Salt River Base and Meridian;

thence Westerly along the North boundaries of Sections Thirty-Five (35), Thirty-Four (34), Thirty-Three (33), Thirty-Two (32) and Thirty-One (31) Township Two (2) South, Range Eight (8) East to the Southeast corner of Lot 11 of Section Thirty (30), Township Two (2) South, Range Eight (8) East, being the Southeast corner of the Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ );

thence Northerly along the East boundaries of Lots 11, 8 and 5 of Section Thirty (30), Township Two (2) South, Range Eight (8) East to the Northeast corner of Lot 5 of said Section Thirty (30), being the Northeast corner of the Southwest Quarter of the Northwest Quarter (SW $\frac{1}{4}$ NW $\frac{1}{4}$ );

thence Westerly along the North boundaries of Lots 5 and 4 of Section (30), Township Two (2) South, Range Eight (8) East to the Northwest corner of Lot 4, being the Northwest corner of the Southwest Quarter of the Northwest Quarter (SW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of said Section Thirty (30);

thence Westerly along the Mid-Quarter line of the Northeast Quarter (NE $\frac{1}{4}$ ) and the Northwest Quarter (NW $\frac{1}{4}$ ) of Section Twenty-Five (25), Township Two (2) South, Range Seven (7) East to the Northeast corner of the Southwest Quarter of the Northwest Quarter (SW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of said Section Twenty-Five (25);

thence Westerly along the Mid-Quarter line of the Northeast Quarter (NE $\frac{1}{4}$ ) of Section Twenty-Six (26), Township Two (2) South, Range Seven (7) East to the Northwest corner of the Southwest corner of the Northeast Quarter (SW $\frac{1}{4}$ NE $\frac{1}{4}$ ) of said Section Twenty-Six (26);

thence Southerly along the North-South Mid-Section line of Section Twenty-Six (26), Township Two (2) South, Range Seven (7) East to the Southwest corner of the Northeast Quarter (NE $\frac{1}{4}$ ) of said Section Twenty-Six (26);

thence Easterly along the East-West Mid-Section line of Section Twenty-Six (26), Township Two (2) South, Range Seven (7) East to the Southeast corner of the Northeast Quarter of said Section Twenty-Six (26);

thence Southerly along the West boundaries of Sections Twenty-Five (25) and Thirty-Six (36), Township Two (2) South, Range Seven (7) East to the Northeast corner of Section Two (2), Township Three (3) South, Range Seven (7) East;

thence Westerly along the North boundary of Section Two (2), Township Three (3) South, Range Seven (7) East to the Northwest corner of said Section Two (2), being the point of beginning.

EXCEPTING THEREFROM the following described parcels:

The Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ) of Section Fourteen (14), Township Three (3) South, Range Seven (7) East, being owned by the United States of America.

The East One-Half (E $\frac{1}{2}$ ) of Section Thirteen (13), Township Four (4) South, Range Eight (8) East, except the Southeast Quarter of the Southeast Quarter of the Southeast Quarter (SE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ ) of said Section Thirteen (13), being owned by the United States of America.

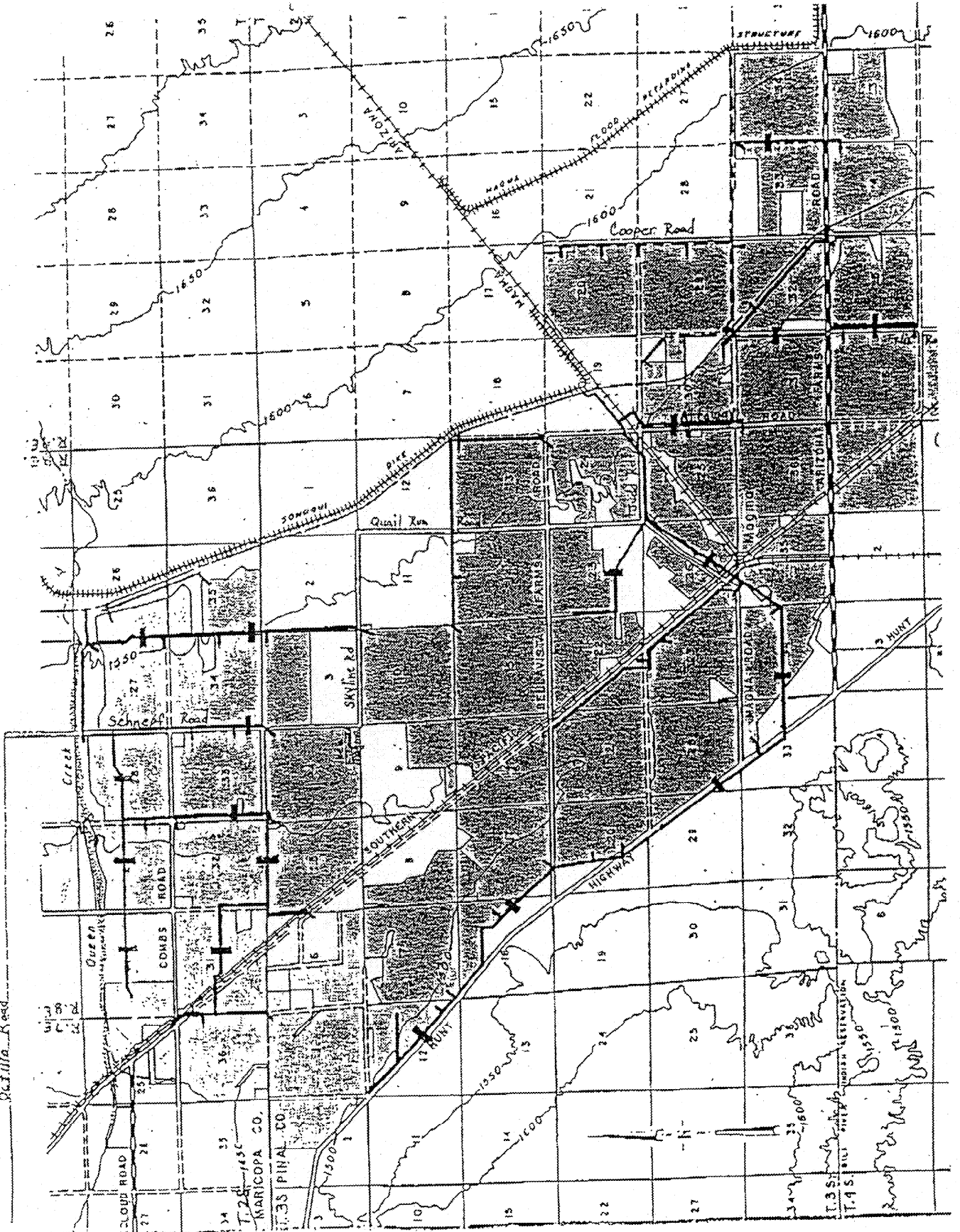
The Northwest Quarter (NW $\frac{1}{4}$ ) and the North One-Half of the Northeast Quarter (N $\frac{1}{2}$ NE $\frac{1}{4}$ ), Section Twenty-Four (24), Township Four (4) South, Range Eight (8) East, being owned by the United States of America.

The West One-Half (W $\frac{1}{2}$ ) of Section Eighteen (18), Township Four (4) South, Range Nine (9) East, being owned by the United States of America.

That certain real property situated in Pinal County, State of Arizona, referred to and shown as Parcels 1, 2, 3, 4, Un. 1 and Und. 2 on Southern Pacific Company Right of Way and Track Maps v-3a/1, v-3a/2, v-37/7, v-37/8 and v-37/9, which said maps were recorded October 25, 1965 at Book 13, pages 1 to 6, inclusive, of Maps, in the office of the County Recorder of Pinal County, State of Arizona.

That certain real property situated in Maricopa County, State of Arizona, referred to and shown as Parcels 1 and 2 on Southern Pacific Company Right of Way and Track Map v-37, Sheets 5 and 6, which said maps were recorded October 25, 1965 at Book 16, pages 54 and 55, of Road Maps, in the office of the County Recorder of Maricopa County, State of Arizona.

Patilla Road



U.S. GEOLOGICAL SURVEY  
 T.A.S. BULL. 1151  
 MARICOPA COUNTY, ARIZONA

EXECUTION VERSION

MEMORANDUM OF AGREEMENT

This Memorandum Of Agreement (this "MOA") is between NEW MAGMA IRRIGATION & DRAINAGE DISTRICT (the "District"), which is a political subdivision of the State of Arizona, and RESOLUTION COPPER MINING LLC, a Delaware limited liability company ("RCML"), by and through its manager, Resolution Copper Company.

WITNESSETH:

WHEREAS, as part of its efforts to evaluate the geological resources at its project located near Superior, Arizona, RCML intends to dewater the former Magma Mine. Water from the mine dewatering will be processed at a processing facility (the "Facility") located on RCML's land at its West Plant site. The Facility is designed to process the water to meet the typical specifications set out in Attachment One, Part I.

WHEREAS, RCML is also constructing a pipeline (the "Pipeline") to transport processed water along the existing Magma and Arizona Railroad Company ("MARRCO") property for delivery of the water to the District near its existing turnout facility shown on the map attached hereto as Attachment Two (the "Point of Delivery").

WHEREAS, RCML desires to convey to the District, without charge, and the District desires to accept processed water meeting the typical specifications as agreed (the "Water") for "irrigation uses" as defined in A.R.S. Section 45-402(23) (the "Use"), including watering crops not for human consumption such as ornamentals, animal feed, fiber and turf for golf courses, parks and cemeteries, on lands within the District as shown on Attachment Three ("District Lands") in accordance with the terms, conditions and limitations set forth herein.

NOW THEREFORE, for and in consideration of the following promises, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties enter into this MOA as follows:

1. **Delivery of Water to the District.** Subject to the terms, conditions and limitations set forth in this MOA, RCML agrees to deliver to the District without charge, and the District agrees to accept, at the Point of Delivery, Water for Use on District Lands.

2. **Effective Date and Term.** This MOA shall become effective upon signing by both Parties. The initial term (the "Initial Term") shall be from the effective date of this MOA and shall continue until completion of the initial dewatering of the Magma Mine by RCML. The initial dewatering is expected to be approximately three years after the "Completion Notice Date", which shall be the date that RCML gives the District written notice that RCML has (i) completed the installation and testing of the Pipeline; (ii) obtained all necessary Permits; and (iii) completed the operational testing of the Facility and the related Pipeline and systems to ensure that the Facility will produce results acceptable to RCML and to the District (but in the latter case, if the Water meets the typical specifications, it shall be deemed to be acceptable to the District). If the Completion Notice Date has not been given by RCML prior to December 31, 2007, then unless the Parties otherwise agree, this MOA shall terminate without any further

obligation on either Party. Unless the same has already been done, as soon as possible after the Completion Notice Date, RCML and the District will meet to finalize the plans for the remainder of the current calendar year (and if the Completion Notice Date is after October 31, 2007, also for the 2008 calendar year) of (i) the expected quantities of Water available for delivery to the District; (ii) the amounts of Water expected to be needed by the District; (iii) the schedules for delivery; (iv) the water quantity and quality; and (v) the final typical specifications and mixing ratios and other necessary details. The term of this MOA may be extended for additional two (2) year periods as may be agreed by the Parties prior to the end of the relevant term. It is expected that the amount of Water during the Initial Term will not exceed approximately 4,100 acre feet per year, but may be less based on the District needs and the availability of Water from RCML. It is also expected that the ratio of District water to RCML Water that the District will require RCML to meet shall be no greater than ten parts of District water to one part of RCML Water. The actual ratio shall be established under Section 4 below, but not greater than the 10 to 1 ratio. If the District observes any deleterious effects from the Water on the crops and/or soils, it shall immediately notify RCML so that prompt adjustments can be made in the mixing ratios and/or treatment of the water. Nothing in the foregoing shall be deemed to be a limitation on the amount of water that the District obtains from other sources or that the District has available for irrigation generally. An example of the product of the water delivered by RCML and as diluted by the District is shown on Attachment One Part II.

To provide examples of the foregoing ratios, if RCML has 1,200 gpm of Water available for delivery to the District, and the District has only 10,000 gpm of existing flow of water in its canal, absent the prior consent of the District, RCML would have to reduce the actual delivery of Water to 1,000 gpm to meet the 10 to 1 ratio. If the District had 12,000 gpm of flow, however, the District could not require RCML to deliver less than 1,200 gpm to achieve a higher ratio than 10 to 1. Similarly, if the District had 20,000 gpm of flow and RCML only had 1,500 gpm available for delivery, RCML could not restrict the District to only 15,000 gpm.

**3. Acquisition of Permits and Approvals.** RCML shall prepare and apply for any and all necessary Permits for itself and the Permits that the District advises are needed by the District for this MOA (and in the latter case, on terms reasonably acceptable to the District). The District and RCML shall cooperate with each other in order to obtain any Permits required under this MOA, and each shall sign any applications, consents or similar documentation reasonably required in a timely manner. Once obtained, each Party shall be responsible for maintaining its Permits in good standing and complying with all necessary requirements set forth thereunder as may be required by applicable state or federal regulations. For the Permits obtained by RCML on behalf of the District, the Parties will mutually agree on a reasonable fee for RCML's services and to offset the costs for the same.

**4. Delivery of Water.** On or before October 31 of each year, the Parties shall meet to determine the estimate of Water that RCML expects to have available, the amount of Water expected to be needed by the District, the quality of the Water and any changes in the mixing ratios, and the expected timing of the deliveries for the following year. Each Party shall update its Annual Delivery Estimate on April 30 and August 31 of the current year for the remaining months of the current year. RCML will use reasonable commercial efforts to deliver and the District will use reasonable efforts to accept the Water in the volumes as estimated by the Parties. It is understood that the quantities of Water in the Annual Delivery Estimate will be

dependent upon the operation of the Facility and the irrigation requirements of the District. Additionally, the actual quantity of Water delivered by RCML may vary from the estimated quantities set forth in the Annual Delivery Estimate, as updated from time to time, but if the amount varies by more than fifteen percent (15%), RCML will advise the District as soon as possible. The Parties may also agree to vary the quantities and delivery times on a monthly basis (and more often if needed on an emergency basis) throughout the year. It is understood that neither Party shall have any liability under this MOA if the actual quantities delivered or accepted are varied for reasons of changes in Facility chemistry, failure or temporary shutdown (including maintenance) of the Facility or the water supply system to the Facility, including but not limited to shutdowns attributable to a *force majeure*, maintenance, equipment failure or other unexpected interruptions in service. It is understood that the prompt dewatering of the Magma Mine is critical to RCML's construction of #10 Shaft and other progress of the Resolution project and thus, the District will use all best efforts to take as much Water as possible that is available for delivery by RCML throughout the Initial Term.

The Parties shall promptly agree on a mutually acceptable sampling and analysis plan and the related protocols. The quality of the Water will be determined on a rolling thirty-day average basis and based on daily tests of the Water conducted by RCML. RCML agrees to provide a copy of the daily test and RCML's calculation of the running average to the District. The District shall have the right to conduct its own tests of the Water based on the same parameters and if the average results as determined by the District are materially different from those reported by RCML and do not meet the typical specifications on a rolling thirty-day average basis, the costs of those tests will be borne by RCML and RCML will promptly seek to correct the water chemistry to meet the typical specifications. So long as the Water as delivered to the District does not materially and adversely fail to meet the typical specifications, RCML's responsibility shall be to use its reasonable commercial efforts to adjust the treatment chemistry as soon as possible to meet the typical specifications or to cease delivering the Water. The Parties shall also periodically meet to determine, based on data obtained from the soils and crops and the operation of this Agreement, whether additional quantities of Water may be delivered and/or whether changes in quality of the water delivered by RCML to increase the quantity delivered is feasible without harming the soils or the crops.

The Parties shall further agree on an operating plan (the "**Operating Plan**"), an outline of which has been separately provided to the District, that shall incorporate the various sampling, testing protocols and mechanisms for the coordination of the daily water calls by the District and to ensure that the water quality and quantity are acceptable to both Parties and to set forth the other administrative matters pursuant to this MOA. The Parties shall revise the Operating Plan from time to time as needed to accommodate the needs of both Parties, at the annual meeting of the Parties.

## **5. Representations and Warranties.**

5.1 Express Warranty of Quality. RCML represents and warrants that the water delivered to the District shall be at least as good as set forth in the typical specifications on a rolling thirty day average as set forth in the Attachment One as revised by mutual agreement prior to the delivery of the Completion Notice, and as such typical specifications may be revised by mutual agreement from time to time.

5.2 Gila River System. RCML makes no representations or warranties, express or implied, that it has legal title to any Water delivered or to be delivered to the District. The Parties further acknowledge that any right to the Water that is the subject of this MOA may be subject to certain legal proceedings, including but not limited to that legal proceeding to determine the scope, extent and validity of the rights to use the waters of the Gila River watershed, captioned *In re General Adjudication of All Rights to Use Water in the Gila River System and Source*, Maricopa County Cause No. W-1, W-2, W-3 and W-4 (consolidated), together with various proceedings before a special master and interlocutory appeals pending before the Arizona Supreme Court (collectively, the "**Gila River System Adjudication**"). The Parties agree that each may file pleadings to protect and defend the right to withdraw, transport, deliver and use Water.

5.3 Disclaimer of Other Warranties. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, RCML MAKES NO OTHER WARRANTIES OR REPRESENTATIONS WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE WATER DELIVERED TO THE DISTRICT UNDER THIS MOA. WITHOUT LIMITING THE FOREGOING, RCML SPECIFICALLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. Nothing in this Section 5.3 shall be deemed to be a limitation on the express warranty in Section 5.1.

6. Metering of Water. The Parties agree to install a water flow meter at the beginning and at the end of the Pipeline to monitor the delivery. The initial cost of installing the meters shall be borne solely by RCML. RCML will be responsible for maintaining the same. Either Party to this MOA may, at its sole expense, test the accuracy of the meters. Any Party testing the meters shall provide the results of the meter test to the other Party within thirty (30) days after the test is completed. If, after such test, the meter is found to be in error by more than ten percent (10%), the meter shall be replaced at RCML's cost.

7. Termination of MOA. Unless the Parties agree to an earlier termination, this MOA shall automatically terminate at the end of the Initial Term or at the end of any renewal term. This MOA shall also terminate at the option of the non-breaching Party after a breach by the other Party, which is not cured within a reasonable period.

8. Force Majeure. The obligations of the Parties may be halted or curtailed due to its inability to perform declared in writing to the other Party because of fire, lightning, flood, windstorm, Act of God, invasion, disruptions attributable to strikes or work stoppages by labor (and a Party shall have no obligation to settle the same) or shortages of materials; interruptions due to equipment failure, system maintenance, or structural repairs to the Pipeline and Facility; compliance with any orders, rules, regulations or determinations, whether valid or invalid, of any governmental authority or agency; or entry of an order of a court of competent jurisdiction finding that RCML does not have the legal right to withdraw Water or to deliver Water to the District or other conditions of force majeure. Performance of each Party's obligations under this MOA shall be excused until the circumstance leading to the halting or curtailment of the performance has passed and normal operations may be resumed, provided, however, that if any such event shall cause the halting of the delivery of Water for a period in excess of six (6) months, then this MOA shall automatically terminate unless otherwise expressly agreed by the Parties.

9. **Notices.** Any notice given pursuant to this MOA shall be in writing, and shall be personally delivered or deposited in the United States mail, postage prepaid, certified and return receipt requested, to the Parties as follows:

To District: New Magma Irrigation & Drainage District  
34630 North Schnepf Road  
Queen Creek, AZ 85242  
Attn: William Van Allen, Manager

To RCML: Resolution Copper Mining LLC  
c/o Resolution Copper Company  
102 Magma Heights  
Superior, AZ 85273

A notice may be provided by e-mail or by fax, but if so given, any such communication shall be deemed to be given as a courtesy only and shall not be effective until hand-delivered or mailed in accordance with this Section. Notices shall be deemed given when personally delivered or, if mailed, five (5) days after the deposit of the notice in the U.S. Mail. If a notice initiates the running of a time period for performance of, or compliance with, any obligation or duty set forth in the terms of this MOA, the notice, if mailed, shall be sent certified, return receipt requested. Any Party hereto may give written notice of a change of address to the other Party as provided above.

10. **Miscellaneous Provisions.**

10.1 **Good Standing; Authority.** Each of the Parties represents and warrants to the other (i) that it is duly formed, validly existing and in good standing under all applicable laws; and (ii) that the individual(s) executing this MOA on behalf of the respective Party is authorized and empowered to bind the Party on whose behalf each such individual is signing.

10.2 **No Third Party Beneficiaries.** It is the express intent of the Parties that there not be, nor shall there ever be, any third party beneficiaries to this MOA.

10.3 **Construction and Governing Law.** This MOA shall be construed in accordance with the internal laws of the State of Arizona.

10.4 **Consequential Damages.** Neither Party under this Agreement shall have any liability for special, incidental, punitive or consequential damages howsoever characterized, with respect to its performance or nonperformance under this Agreement.

10.5 **Entire MOA.** This MOA, including the attachments and exhibits, each of which is incorporated by reference as if fully set forth herein, constitutes the entire agreement between the Parties pertaining to the subject matter contained in this MOA. All prior and contemporaneous covenants, agreements, representations, warranties and understandings of the Parties, oral or written, are superseded by and merged in this MOA.



IN WITNESS WHEREOF this MOA is executed on the date first written above by the Parties hereto.

NEW MAGMA IRRIGATION & DRAINAGE DISTRICT, a political subdivision of the State of Arizona

By: Jim Walter  
Its: President

Attest:  
By: [Signature]  
Its: Secretary

ASSISTANT SECRETARY

RESOLUTION COPPER MINING LLC, a Delaware liability company, by Resolution Copper Company, its Manager

By: [Signature]  
Name: Tommy Rickman  
Its: PRESIDENT

**PHOENIX AMA  
CHECK DEPOSIT REQUEST**

<b>Submitted By:</b>	<b>Vanessa Reyes</b>	<b>Date:</b>	<b>2/20/08</b>
<b>Right Owner or Applicant:</b>	<b>Resolution Copper Mining, LLC</b>		
<b>GFR or Permit No(s):</b>	<b>59-216843</b>		

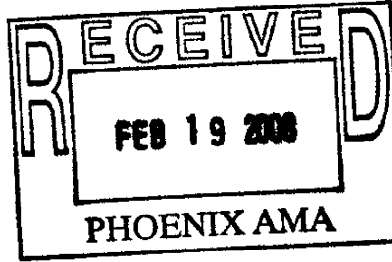
**CHECK INFORMATION**

**Check Number: 307502**  
**Check Amount: \$150.00**  
**Name on Check: Snell & Wilmer L.L.P.**  
**Address: One Arizona Center**  
**City, ST Zip: Phoenix, AZ 85004-2202**  
**Telephone: 602-382-6070**

Code	Type of Fee:	Amount:	Check No.
55	Application for Well Permit <b>(\$150.00)</b>		
55	Well Permit Fee <b>(\$30.00)</b>		
58	Type I Conversion Request Flex Account Transfers <b>(\$100.00)</b>		
58	Notification of Change of Ownership of an Irrigation Grandfathered Right <b>(\$35.00)</b>		
60	Application to Substitute Irrigation Acres		
59	Applications for Permit to Withdraw <b>(\$50.00 or \$150.00)</b>	\$150.00	307502
59	Withdrawal Permit Fee <b>(\$50.00)</b>		
59	Conveyance of Groundwater Withdrawal Application and/or Permit <b>(\$35.00)</b>		
Gen Fund	Legal Noticing Fees <b>(Various)</b>		
55	Notice of Intent for Non-Exempt Wells <b>(\$150.00)</b>		
55	Request to Change Well Info <b>(\$10.00)</b>		

**Snell & Wilmer**  
L.L.P.  
LAW OFFICES

One Arizona Center  
Phoenix, Arizona 85004-2202  
(602) 382-6000  
Fax: (602) 382-6070  
www.swlaw.com



PHOENIX, ARIZONA  
TUCSON, ARIZONA  
IRVINE, CALIFORNIA  
SALT LAKE CITY, UTAH  
DENVER, COLORADO  
LAS VEGAS, NEVADA

Matthew A. Bailey  
602.382.6528  
mbailey@swlaw.com

February 19, 2008

**BY HAND DELIVERY**

Ms. Sharon Ward  
Arizona Department of Water Resources  
3550 North Central Avenue  
Phoenix, Arizona 85012

Re: Permit Modification for Dewatering Permit No. 59-524492.0001

Dear Ms. Ward:

On behalf of Resolution Copper Mining, L.L.C. ("Resolution Copper"), please find enclosed the following:

- (1) Application for Permit Modification for Dewatering Permit No. 59-524492.0001;
- (2) An explanatory section for application item Nos. 4, 5, and 8;
- (3) A legal description for the New Magma Irrigation and Drainage District ("NMIDD" or "District") Service Area; and
- (4) Check No. 307502 in the amount of \$150.00 for the application fee.

For your convenience, we also have included a Memorandum of Agreement between Resolution Copper and NMIDD. This Agreement details the rights and obligations of the parties for the delivery to NMIDD of groundwater withdrawn by Resolution Copper for dewatering purposes.

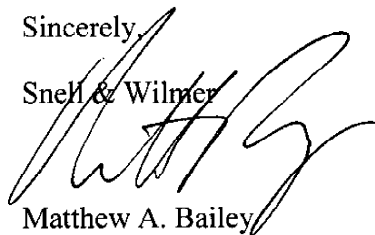
Lastly, we understand that this permit modification may be treated the same as an initial permit application. Thus, in addition to the permit modification and in an effort to avoid duplicating our efforts in the coming months, Resolution Copper respectfully requests that the Department also renew the permit life. We request that the Department renew the permit for an additional twenty (20) year period from the current expiration date of September 20, 2009.

Sharon Ward  
February 19, 2008  
Page 2

Thank you in advance for your prompt attention to this permit modification and renewal request. Please feel free to contact me directly if you have any questions.

Sincerely,

Snell & Wilmer



Matthew A. Bailey

Enclosures

cc: Larry Stevens (w/out enclosures)  
Brad Ross (w/out enclosures)  
Carlos Ronstadt (w/out enclosures)  
Bill Baker (counsel for NMIDD)

ARIZONA DEPARTMENT OF WATER RESOURCES, 3550 NORTH CENTRAL AVENUE, PHOENIX, AZ 85012-2105  
**ANNUAL WATER WITHDRAWAL AND USE REPORT**  
**GROUNDWATER SUMMARY - WQ 2009**

A 1  
 G5 1  
 W1 1  
 WQ 1

*✓ # 10913  
 AMOUNT \$8,687.17*

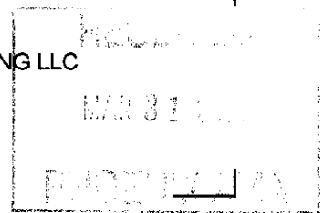
**OWNER OF GROUNDWATER RIGHT**  
 RESOLUTION COPPER MINING LLC  
 102 MAGMA HEIGHTS  
 P.O. BOX 1944  
 SUPERIOR AZ 85173

**TYPE OF RIGHT**  
 DEWATERING PERMIT (MINING)

**RIGHT / PERMIT NO.**  
 59-524492.0003

PHOENIX AMA (602) 771-8585  
 LOCATION: 34 1.0S 12.0E  
 WITHDRAWAL AUTHORITY ALLOTMENT: 5000.00 AF  
 PERMIT EXPIRATION DATE: 09/20/2029  
 FACILITY NAME:

**REPORTING PARTY**  
 59-524492.0003  
 RESOLUTION COPPER MINING LLC  
 102 MAGMA HEIGHTS  
 P.O. BOX 1944  
 SUPERIOR AZ 85173



If any of the information preprinted on this report is incorrect, please make the necessary changes. **R**

<p><b>PART I GROUNDWATER WITHDRAWN</b></p> <p>From Box 10 Schedule A attached                  Complete this section only if you operate a non-exempt well.</p> <p>1,696.71    \$ 3.00    \$ 5090.14</p> <p>ACRE - FEET X Withdrawal Fee =</p> <p><b>PART II WATER DELIVERED TO OTHER RIGHTS</b></p> <p>From Box 24 Schedule D attached</p> <p>ACRE - FEET</p> <p><b>PART III WATER RECEIVED FROM OTHER SOURCES</b></p> <p>Total from Schedule E attached</p> <p>0    ACRE - FEET</p> <p><b>PART IV TOTAL WATER USED BY THIS RIGHT</b></p> <p>Calculate as follows: Part I + Part III - Part II</p> <p>ACRE - FEET</p>	<p><b>PART V LATE FEES</b></p> <p>Complete if filing after March 31.</p> <p>Note: A portion of a month after March 31 is counted as a full month.</p> <p>1) Enter number of months late <u>0</u> (Maximum of 6)</p> <p>2) Calculate Late Report Fee _____ \$ - 0 -                  (\$25.00 X number of months late)</p> <p>3) Calculate Late Payment Fee _____ \$ - 0 -                  (10 % X number of months late X withdrawal                  fee calculated in Part I above)</p> <p><b>PART VI WATER QUALITY</b></p> <p>From WQARF Worksheet attached \$ 3,597.03</p> <p><b>PART VII TOTAL FEES DUE</b></p> <p>Add amounts from Parts I, V and VI \$ 8,687.17</p>
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2010. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2010.

REPORTS FILED AFTER MARCH 31, 2010 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X Rich A. Heig    VP - Resolution Copper    3/5/2010  
 AUTHORIZED SIGNATURE    TITLE    DATE

Rich A. Heig    520-889-3338  
 PRINTED NAME    TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.



# SCHEDULE G-5

GENERAL INDUSTRIAL USERS

Facility Name: \_\_\_\_\_

Facility No.: \_\_\_\_\_

## ANNUAL REPORT 2009

Facility Owner: Resolution Copper Mining LLC

Contact Name: Brad Ross

Contact Address: 102 Magma Heights  
P.O. Box 1944  
Superior, AZ 85173

Contact Phone: \_\_\_\_\_

Rights Used at Facility:	
<u>59-524492.003</u>	_____
<u>58-117402.001</u>	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2009 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all general industrial use facilities are required to supply the following information. Please complete one form per general industrial use facility. Instructions are listed on the reverse side of this form.*

### PART 1 - DESCRIPTION OF WATER USES

Please describe the primary purposes for which water from any source, including effluent, is used.

Water from 59-524492.003 is sent to farmers for irrigation of crops. Water from 58-117402.001 is used for drilling and dust control at mine primarily.

### PART 2 - AMOUNTS USED FOR VARIOUS PURPOSES

Please provide metered quantities of water used annually from any source, including effluent, for the following purposes:

Purpose	Amount Metered (AF)	Amount Estimated (AF)
Industrial Process Water	<u>65.21</u>	
Process Cooling Water		
Process Cleaning Water		
Space Cooling Water		
Landscape Watering		
Other (Please Specify) <u>irrigation</u>	<u>1,696.71</u>	

### PART 3 - WASTEWATER PRODUCTION AND USE

Please provide estimated quantities of wastewater generated and recycled.

GENERATED	AF	RECYCLED	AF
-----------	----	----------	----

# WORKSHEET W-1 2009

GROUNDWATER RIGHT/PERMIT/ **59-524492.0003**  
BMP Farm Unit NO.

1	DWR WELL REGISTRATION NO. 55-525311	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
		SW	NW	NW	36	1.0S	12.0E
2	TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIF	MAKE / MODEL					
	SIZE	UNITS MEASURED					
	INSTALLATION OR OVERHAUL DATE						
3	POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008	POWER METER NO. 156648				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
Enter total Acre-feet Shown in 10 in Column 13 of Schedule A		10 TOTAL IN ACRE-FEET	

1	DWR WELL REGISTRATION NO. 55-525312	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
		SE	NW	NW	32	1.0S	13.0E
2	TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIF	MAKE / MODEL					
	SIZE	UNITS MEASURED					
	INSTALLATION OR OVERHAUL DATE						
3	POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008	POWER METER NO. 156648				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
Enter total Acre-feet Shown in 10 in Column 13 of Schedule A		10 TOTAL IN ACRE-FEET	

1	DWR WELL REGISTRATION NO. 55-525312	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
		SE	NW	NW	32	1.0S	13.0E
2	TYPE OF MEASURING DEVICE Totalizer	MAKE / MODEL Endress Hauser Promag 53					
	SIZE 10"	UNITS MEASURED Gallons (million)					
	INSTALLATION OR OVERHAUL DATE October 2008						
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
0	266.5278	266.5278

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	817.94	9 BREAKDOWN ESTIMATE	0
Enter total Acre-feet Shown in 10 in Column 13 of Schedule A		10 TOTAL IN ACRE-FEET	817.94

1	DWR WELL REGISTRATION NO. 55-525312	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
		SE	NW	NW	32	1.0S	13.0E
2	TYPE OF MEASURING DEVICE Totalizer	MAKE / MODEL Endress Hauser Promag 53					
	SIZE 10"	UNITS MEASURED Gallon (million)					
	INSTALLATION OR OVERHAUL DATE October 2008						
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
0	286.3475	286.3475

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	878.77	9 BREAKDOWN ESTIMATE	0
Enter total Acre-feet Shown in 10 in Column 13 of Schedule A		10 TOTAL IN ACRE-FEET	878.77



# WQARF WORKSHEET

WATER QUALITY ASSURANCE  
REVOLVING FUND

ANNUAL REPORT 2009

OWNER

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT NUMBER

59-524492.0003



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A.  Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is **NOT** subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

Box 1  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

Box 2  
Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

Box 3  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater **exempted** from WQARF fee. Enter this amount in Box B.

B.  Acre-Feet

- Calculate the amount of groundwater that **is** subject to WQARF fee, and for which WQARF fees are owed:

Total WQARF fees owed: Box A - Box B =  X \$2.12 =   
 Box C (Acre-feet on which WQARF fees apply) WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2010.

Printed: 4/2/2010 8:23:37 AM

Arizona Department of Water Resources

3550 N Central Ave.  
Phoenix AZ 85012

Customer:

RESOLUTION COPPER MINING  
102 WEST MAGMA HEIGHTS  
SUPERIOR, AZ 85273

Receipt #: 10-11388  
Office: MAIN OFFICE  
Receipt Date: 4/2/2010  
Sale Type: Mail  
Cashier: WRAYA

Item No.	Index	AOBJ	Description	Ref ID	Qty	Unit Price	Ext Price
29	15510	4699-00	ANNUAL REPORT - PHOENIX AMA	59-524492.0003	1	8,687.17	8,687.17
<b>RECEIPT TOTAL:</b>							<b>8,687.17</b>

Payment type: CHECK

Amount Paid: \$8,687.17

Payment Received Date: 3/25/2010

Notes:

Check #	0000010913
---------	------------

# Arizona Department of Water Resources Groundwater Right/Facility Report

RIGHT #: 59-524492.0003

STATUS DATE: 9/21/2009

AMA: PHOENIX AMA

RIGHT/PERMIT/FACILITY TYPE: DEWATERING PERMIT (MINING)

LAND OWNERSHIP : PRIVATE OR COMPANY

FILE STATUS: ACTIVE - ACTIVE

2011 ALLOTMENT: 5,000.00

BMP Enrollee: N

RETIRED ACRES: 0.00

WATER DUTY ACRES: 0.00

IRRIGATION ACRES 0.00

WATER DUTY 0

IRRIGATION DISTRICT NAME:

MAWA: 0

### NAME & ADDRESS

RESOLUTION COPPER MINING LLC

TYPE: OWNER

102 MAGMA HEIGHTS

P.O. BOX 1944

SUPERIOR AZ 85173

### PLACE OF USE

34 T1.0S R12.0E

35 T1.0S R12.0E

### BOOK/MAP/PARCEL

\*\*\* NO DATA FOUND \*\*\*

### WELL SERVING

Well#	Location	Year
55 - 525312	SE NW NW 32 T1.0S R13.0E	2011
55 - 912941	SW NE NE 35 T1.0S R12.0E	2011
55 - 218766	NE NE NE 35 T1.0S R12.0E	2011
55 - 525311	SW NW NW 36 T1.0S R12.0E	2011

### RIGHT TO FACILITY RELATIONSHIPS

\*\*\* NO DATA FOUND \*\*\*

**JANICE K. BREWER**  
Governor



**SANDRA A. FABRITZ-WHITNEY**  
Director

## ARIZONA DEPARTMENT OF WATER RESOURCES

3550 North Central Avenue, Second Floor  
PHOENIX, ARIZONA 85012-2105

(602) 771-8527

June 29, 2011

Resolution Copper Mining  
P. O. Box 1944  
Superior, AZ 95173

RE: Notice of Intention to Drill a Non-Exempt Well Pursuant to a Non-General Industrial Use Permit No. 59-524492.0003 - Well Registration No. 55-912941 File: D (1-12) 35AAC

Dear Mr. Resolution Copper Mining:

The above-referenced Notice of Intention to Drill a Non-Exempt Well Pursuant to a Non-General Industrial Use Permit in an Active Management Area (AMA) has been approved. A copy of the Notice is enclosed for your records.

In the event that the location of the proposed well changes, you must notify the Department of Water Resources of the change in writing. A drill card with the correct proposed well location must be in possession of the driller before drilling may commence.

Within 30 days of completion of the well, the well driller is required to furnish the Department with a complete and accurate log of the well. In addition, the well owner is required to submit the enclosed Completion Report within 30 days of installation of pump equipment.

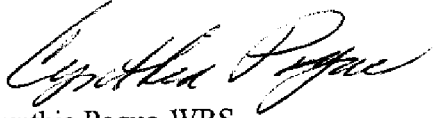
Pursuant to the provisions of A.R.S. § 45-604, any person withdrawing groundwater from a well is required to use a water measuring device to record rates of withdrawal in order to provide or allow the computation of an annual volume of pumpage from the well. The total volume of pumpage shall be reported on an annual report. The annual report shall be submitted no later than March 31 following the end of each completed annual reporting period.

The Department has issued the authorization to drill this well pursuant to A.R.S. §§ 45-596 and 45-597 of the Groundwater Code. The legal nature of the water withdrawn from the well may be the subject of court action in the future as part of a determination of surface water rights in your area. If there are court proceedings that could affect your well, you will be notified and be given the opportunity to participate.

Under A.R.S. § 45-593, the person to whom a well is registered must notify this Department of any changes in ownership, status or physical characteristics to keep the Well Registry records current and accurate. For changes, a Request to Change Well Information form is available online at [www.azwater.gov](http://www.azwater.gov).

If you have any questions, please contact me at 602-771-8614

Sincerely,



Cynthia Pogue-WRS  
Groundwater Permitting and Wells Section

Enclosure

**IPR SUMMARY REVIEW MEMORANDUM**

*Stella Murillo, Phoenix AMA*

*July 20, 2010*

**APPLICANT:** Resolution Copper Mining, L.L.C  
**APPLICATION NO:** 59-524492.0003  
**APPLICATION TYPE:** Application for Permit to Withdraw Groundwater for Dewatering Purposes

**Summary of the facts:** Resolution Copper Mining, L.L.C filed a Notice of Intention to Drill a Non-Exempt Well Pursuant to a Non-General Industrial Use Permit in an Active Management Area (Section 45-596) to add a new point of withdrawal to their existing Permit to Withdraw Groundwater for Dewatering Purpose (Section 45-513). Once the drillers- card was issued Resolution Copper Mining, L.L.C requests the Department amend and re-issue permit No. 59-524492.0003 to reflect the addition of the new point of withdrawal.

- Well No. 55-218766 D (1-12) 35 AAA was added to the permit

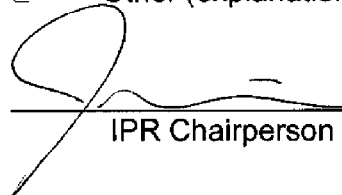
**AMA Recommendations:** The Phoenix AMA recommends approval to amend Permit No. 59-524492.0003 for 5,000 acre-feet for the remainder time of the permit which is September 20, 2029.

IPR Committee Comments:

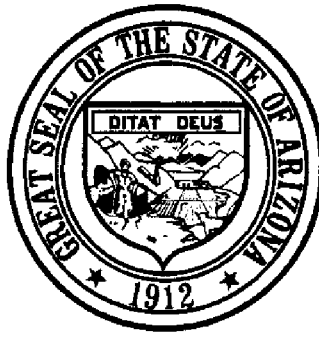
IPR Special Conditions:

IPR Committee Recommendations:

- Approved
- Denied
- Other (explanation) \_\_\_\_\_

  
\_\_\_\_\_  
IPR Chairperson

*7-20-10*  
\_\_\_\_\_  
Date



**ARIZONA DEPARTMENT OF WATER RESOURCES**  
**PERMIT TO WITHDRAW GROUNDWATER FOR**  
**DEWATERING PURPOSES**  
**PURSUANT TO A.R.S. § 45-513**

PERMIT NO. 59-524492.0003

STATE OF ARIZONA                    )  
                                                  ) ss.  
County of Maricopa                    )

This is to certify that Application No. 59-524492.0003 meets the requirements of Title 45, Chapter 2, Article 7, Arizona Revised Statutes, for a Dewatering Permit. The Director hereby grants a permit to dewater groundwater from land for beneficial use pursuant to A.R.S. § 45-513, subject to the following limitations and conditions:

**Permit Limitations**

Permittee:	Resolution Copper Mining, L.L.C. 102 Magma Heights P.O. Box 1944 Superior, AZ 85273
Active management area:	Phoenix
Sub-basin:	East Salt River Valley
Maximum Amount of Groundwater to be Withdrawn:	5,000 acre-feet per annum

PERMIT NO. 59-524492.0003

Authorized Use of Groundwater:

To the extent possible, up to 500 acre-feet will be used on-site for mineral extraction and metallurgical purposes, including but not limited to dust control, exploratory drilling, and construction; the balance of the dewatered groundwater will be used for agricultural purposes within the New Magma Irrigation and Drainage District Service Area

Authorized Place of Use for Groundwater Withdrawn:

Township 1 South, Range 12 East, Sections 34 & 35 GSRB&M; and New Magma Irrigation and Drainage District Service Area

Authorized Points of Withdrawal or Measurements:

Authorized Well Registration Numbers:	File Numbers:	Depth of Well	Casing Diameter	Casing Material
55-218766	D (1-12) 35 AAA	N/A	N/A	N/A
55-525311	D (1-12) 36 BBC	N/A	N/A	N/A
55-525312	D (1-13) 32 BBD	N/A	N/A	N/A

Effective Date of Permit:

July 20, 2010

Expiration Date of Permit:

September 20, 2029

**Permit Conditions**

1. The permittee shall monitor and measure withdrawals of groundwater and shall report the total amount of groundwater withdrawn on an annual water withdrawal and use report. The first annual reporting period shall be from the date of issuance of this permit through December 31, 2010. Subsequent annual reporting periods shall be January 1 through December 31.
2. The issuance of the permit does not waive any federal, state, county or local government ordinances, regulations or permits for which the facility may have to comply.

WITNESS my hand and seal of office this 20<sup>th</sup> day of July, 2010.

  
Sandra Fabritz-Whitney, Assistant Director



ARIZONA DEPARTMENT OF WATER RESOURCES  
WATER MANAGEMENT DIVISION  
3550 North Central Avenue  
Phoenix, Arizona 85012

THIS AUTHORIZATION SHALL BE IN POSSESSION OF THE DRILLER DURING ALL DRILL OPERATIONS

WELL REGISTRATION NO.: 55-218766 PERMIT NO.: 59-524492.0003  
AUTHORIZED DRILLER: LANG EXPLORATORY DRILLING DBA LICENSE NO.: 468  
BOART LONGYEAR DRILLING SERVICE

AUTHORITY TO DRILL A NON-EXEMPT WELL(S) INSIDE THE PHOENIX ACTIVE MANAGEMENT AREA FOR NON-GENERAL INDUSTRIAL HAS BEEN GRANTED TO:

WELL OWNER: RESOLUTION COPPER MINING, LLC, 102 MAGMA HEIGHTS, PO BOX 1944, SUPERIOR, ARIZONA

The well(s) is/are to be located in the:

NE ¼ of the NE ¼ of the NE ¼ of SECTION 35 TOWNSHIP 1 SOUTH, RANGE 12 EAST

No. of well(s) in this project: 1

THIS AUTHORIZATION EXPIRES AT MIDNIGHT ON THE 17TH DAY OF JUNE, 2011

  
WATER MANAGEMENT

THE DRILLER MUST FILE A LOG OF THE WELL  
WITHIN 30 DAYS OF COMPLETION OF DRILLING



Phoenix AWA

ARIZONA DEPARTMENT OF WATER RESOURCES  
WATER MANAGEMENT DIVISION  
MAIL TO: P.O. BOX 33589, PHOENIX, ARIZONA 85067-3589  
3550 North Central Avenue, Phoenix, Arizona 85012  
Phone (602) 771-8585 Fax (602) 771-8688

RECEIVED

JUN 03 2010

NOTICE OF INTENTION TO DRILL A NON-EXEMPT WELL PURSUANT TO A NON-GENERAL INDUSTRIAL USE PERMIT IN AN ACTIVE MANAGEMENT AREA

PLEASE READ GENERAL INSTRUCTIONS AND CONDITIONS ON REVERSE SIDE OF THIS FORM BEFORE COMPLETING.  
Section § 45-598, Arizona Revised Statutes provides: In an Active Management Area, prior to drilling a well, a person entitled to withdraw groundwater shall file a Notice of Intention to Drill with the Department. Pursuant to A.R.S. § 45-596, the fee for this application is \$150.00.

1. WELL/LAND LOCATION:  
1S N/S 12E E/W 35  
Township Range Section  
NE 1/4 NE 1/4 NE 1/4  
10 Acre 40 Acre 160 Acre

2. POSITION LOCATION OF THE WELL:  
Latitude 33 ° 18 ' 16 " N  
Longitude 111 ° 05 ' 07 " W

3. COUNTY Pinal

4. APPLICANT  
Resolution Copper Mining, L.L.C.  
Name  
102 Magma Heights, P.O. Box 1944  
Mailing Address  
Superior Arizona 85273  
City State Zip  
Telephone No. 520-689-3320

5. OWNER OF THE LAND OF WELLSITE:  
Resolution Copper Mining, L.L.C.  
Name  
102 Magma Heights, P.O. Box 1944  
Mailing Address  
Superior Arizona 85273  
City State Zip  
Telephone No. 520-689-3320

6. THIS NOTICE IS FILED BY:  
Check one:  Owner  Lessee  
Resolution Copper Mining, L.L.C.  
Name  
102 Magma Heights, P.O. Box 1944  
Mailing Address  
Superior Arizona 85273  
City State Zip

7. DESCRIPTION OF THE PROPOSED WELL:  
Diameter 48" to 17 1/2" (see attached)  
Depth ~4,300 Feet  
Type of Casing New API x42 min ERW R-3 with MRS's steel

8. ESTIMATE OF TOTAL ANNUAL PUMPAGE:  
1,250 Acre-feet per Year

9. PRINCIPAL USE OF WATER (be specific):  
See attached

10. OTHER USES INTENDED (be specific):  
See attached

11. CONSTRUCTION WILL START:  
September 2010  
Month Year

12. CLAIM OF ENTITLEMENT TO WITHDRAW GROUNDWATER:  
Permit 59-524492.0003

13. DRILLING FIRM:  
Boart Longyear Company  
Name  
2745 California Avenue  
Mailing Address  
Salt Lake City Utah 84104  
City State Zip  
801-973-6667  
Telephone No.  
468  
DWR License Number  
A-4 Drilling  
ROC License Category

14. Is the proposed well within 100 feet of a septic tank system, sewage area, landfill, hazardous waste facility or storage area of hazardous material or a petroleum storage area and tank?  Yes  No

FOR DEPARTMENT USE ONLY  
File No. D(1-12)35 AWA  
Filed 6-3-10 By  
Input By  
DUPLICATE  
Mailed By  
Registration 55-218-1166  
AMA/INA Phoenix

15. Attach a detailed construction diagram of the proposed well design. The diagram should provide verification of consistency with minimum construction requirements. Specifically, the diagram should include an indication of the perforated interval location(s) in relationship to the expected water level; the depth and thickness of the surface seal, and grouting material used; whether the surface or conductor casing will extend above grade; and vault details, if specified.

I state that this Notice is filed in compliance with Rules A.A.C. R12-15-809 and R12-15-816(F), and is complete and correct to the best of my knowledge and belief, and that I understand the conditions set forth on the reverse side of this form.

Rich Heig, Vice President  
Type or Print Name and Title Signature  Land Owner  Lessee of well site Title Date June 1, 2010

**NOTICE OF INTENTION TO DRILL A NON-EXEMPT WELL PURSUANT TO A  
NON-GENERAL INDUSTRIAL USE PERMIT IN AN ACTIVE MANAGEMENT AREA**

**Explanatory Section for Certain Application Items**

**9. PRINCIPAL USE OF WATER:**

Mineral extraction and metallurgical purposes, including but not limited to dust control, exploratory drilling, and construction.

**10. OTHER USES INTENDED:**

Agricultural purposes within the New Magma Irrigation and Drainage District Service Area.

ARIZONA DEPARTMENT OF WATER RESOURCES  
WATER MANAGEMENT DIVISION

3550 North Central Avenue, Phoenix, Arizona 85012  
Phone (602) 771-8585 Fax (602) 771-8688

RECEIVED

JUN 03 2010

WELL CONSTRUCTION SUPPLEMENT (form DWR 55-90)

Well Registration Number 55- 218766

1. Well Location:

NE  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  of the NE  $\frac{1}{4}$ , Sec. 35, Township 1S Range 12E.  
10AC 40AC 160AC

2. Position Location of the Well:

Latitude 33 ° 18 ' 16 " Longitude 111 ° 05 ' 07 "

Datum: • NAD 83 • NAD 27 xxx • Other: \_\_\_\_\_

3. County Pinal

4. Date construction to start: September 1, 2010

5. Time period well will remain in use: 60+ years

6. Is pump equipment to be installed? Yes If so, design pump capacity: 1,300 GPM.

7. Well construction plan:

- a. Drilling method (mud rotary, hollow-stem auger, etc.) Mud rotary
- b. Borehole diameters <sup>See</sup> Attached inches from \_\_\_\_\_ feet to \_\_\_\_\_ feet.  
\_\_\_\_\_ inches from \_\_\_\_\_ feet to \_\_\_\_\_ feet.
- c. Casing materials New API x42 min ERW R-3 with MRS's steel
- d. Method of well development (ball, air lift, surge, etc.) Air lift
- e. Will surface or conductor casing extend above grade? Yes

8. Include a detailed construction diagram of the proposed well design. The diagram should verify consistency with minimum construction requirements specified in the Department's well construction rules found in Arizona Administrative Code (A.A.C.) R12-15-801 et seq. Specifically, the diagram should include borehole diameters; casing materials and diameters; perforation intervals; the expected water level; depth and thickness of the surface seal; proposed grouting materials; and the length that the surface or conductor casing will extend above grade, or vault details, if specified.

Pursuant to Arizona Revised Statutes (A.R.S.) § 45-594.B, all well construction, replacement, deepening and abandonment operations shall comply with the rules adopted pursuant to this section. Therefore, any existing well that is deepened or modified must be brought into compliance with minimum well construction standards specified above, if not already in compliance.

9. Proposed materials and method of abandonment if well is to be abandoned after project is completed (Minimum requirements per A.A.C. R12-15-816):

Hole plug plus bentonite chips, abandonite, or type II cement

10. Is the proposed wellsite within 100 feet of a septic tank system, sewage disposal area, landfill, hazardous waste facility, storage area of hazardous material, or petroleum storage area or tank? \_\_\_ Yes  No

11. Is this well to monitor existing contamination? \_\_\_ Yes  No

Potential contamination? \_\_\_ Yes \_\_\_ No If yes, please provide explanation: \_\_\_\_\_

12. Name of Consulting firm, if any: N/A

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Contact Person: \_\_\_\_\_ Telephone Number: \_\_\_\_\_

13. Drilling firm Boart Longyear Company

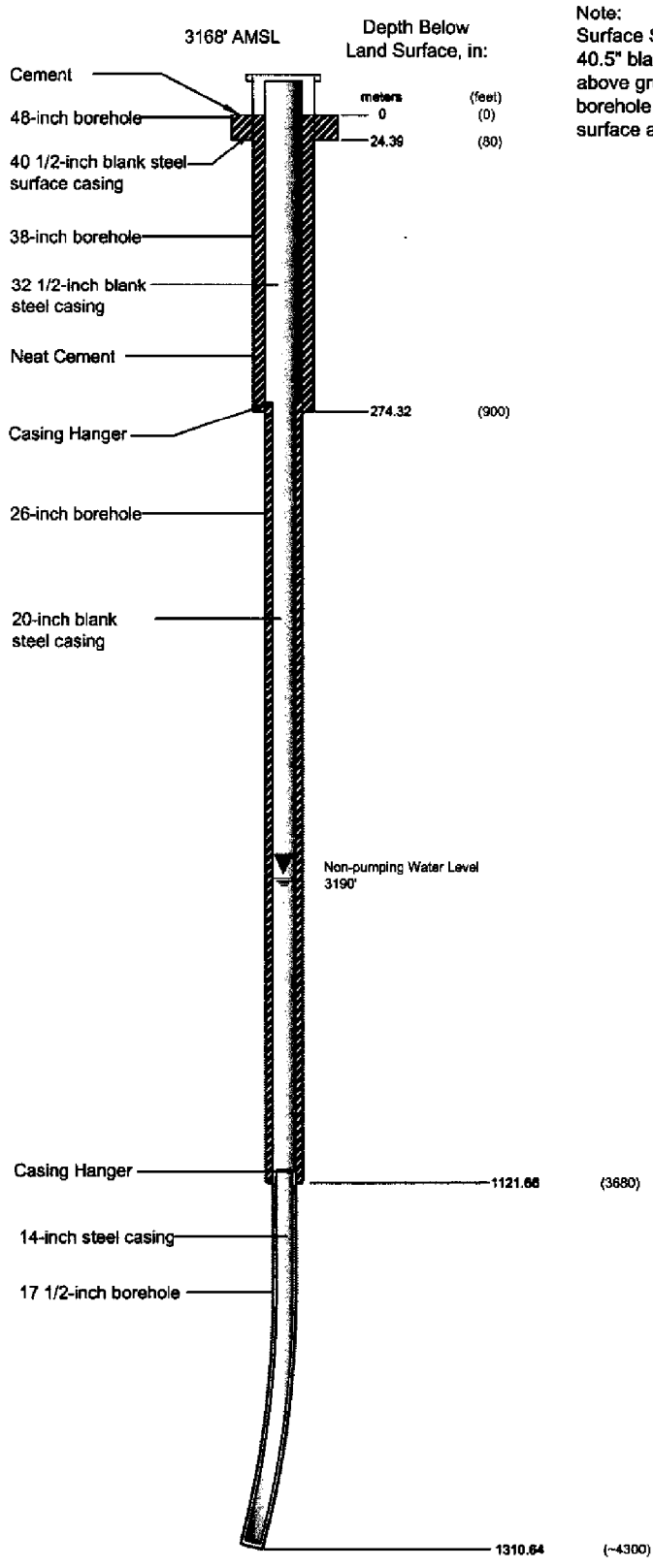
DWR License Number: 468 ROC License Category: A-4 Drilling

14. Special construction standards, if any, required pursuant to A.A.C. R12-15-821: \_\_\_\_\_


I (we), Rich Heig hereby affirm that all information provided in this application is true and correct to the best of my/our knowledge and belief.  
(print name)

Signature of Applicant Rich Heig Date June 1, 2010

**Shaft 8  
Production Well**



**Note:**  
Surface Seal Completion -  
40.5" blank steel casing - 80' with 1'  
above ground surface cemented in 48"  
borehole neat cement to fill annulus to  
surface and complete seal

<p><b>TITLE:</b> Shaft 8 Drilling Method Mud Rotary Generalized Schematic Diagram of Production Well</p>	<p><b>Drawn By:</b> MJA</p>	<p><b>PREPARED BY:</b>  </p>
	<p><b>Location:</b> T/AutoCAD/Consultants/EFS LLC &amp; Cornerstone well diagrams</p>	<p><b>SCALE:</b> Not to Scale</p>
		<p><b>DATE:</b> April 2010</p>

ARIZONA DEPARTMENT OF WATER RESOURCES  
GROUNDWATER PERMITTING AND WELLS

MEMORANDUM

---

**TO:** Stella Murillo  
**FROM:** David Christiana *DC*  
**DATE:** June 15, 2010  
**SUBJECT:** Notice of Intent to Drill a Non-exempt Well Pursuant to a Non-GIU Permit  
Well #: 55-218766  
Resolution Copper Mining, LLC

I have reviewed the above referenced notice of intent to drill a non-exempt well for water quality concerns and conformance with Arizona minimum well construction standards. The well will be added to the applicant's dewatering permit, 59-524492.0003.

**Water Quality**

The well is not near an area of known groundwater contamination that is being remediated pursuant to an U.S. Environmental Protection Agency, Arizona Department of Environmental Quality (ADEQ), or Department of Defense program. No water quality issues are known.

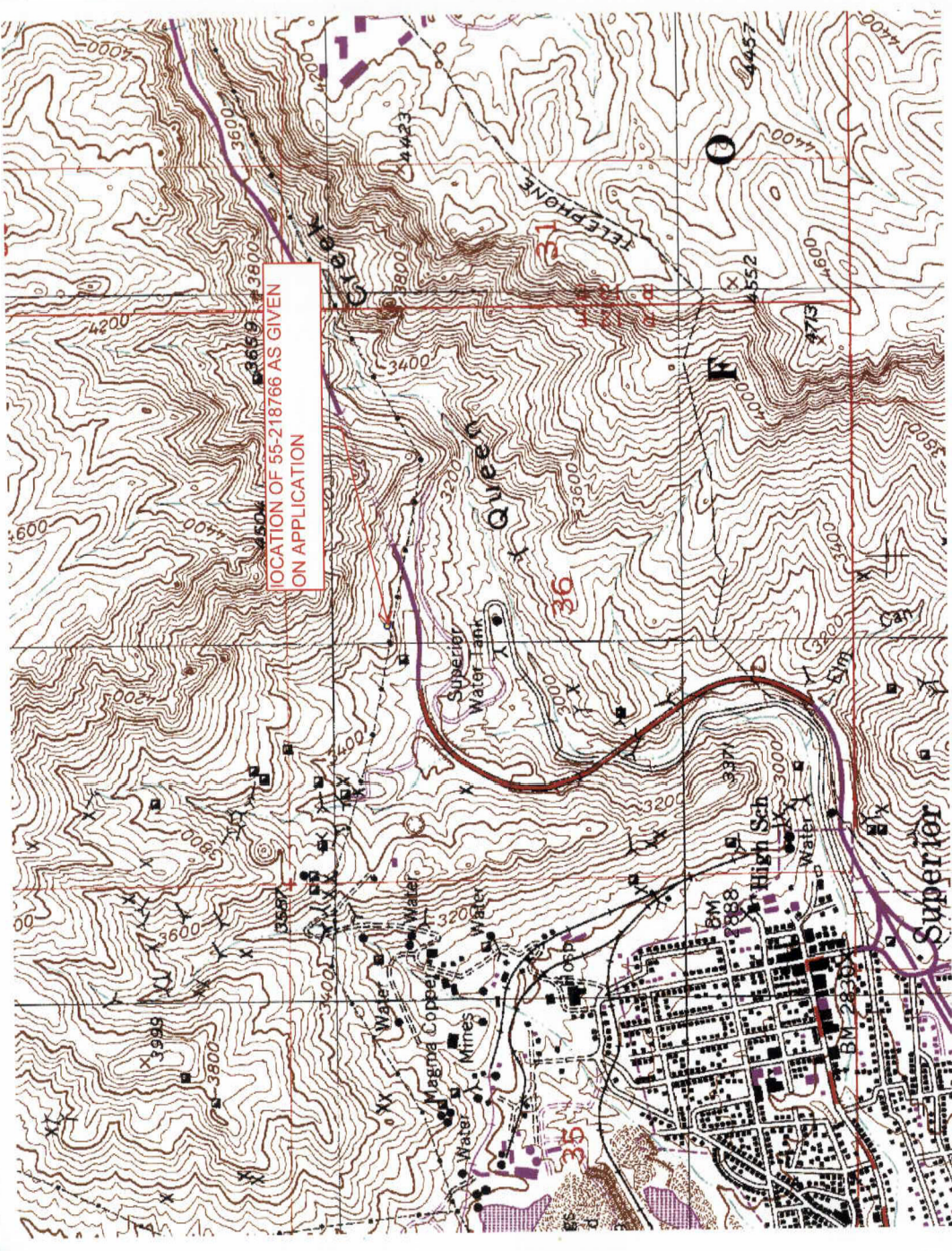
**Well Construction**

The proposed well will be approximately 4,300 feet deep, with 32-inch blank casing to 900 feet below land surface, telescoping to 20-inch blank casing to 3,680 feet below land surface, and 14-inch casing to the total depth of the well. The well will be sealed with neat cement from land surface to 3,680 feet deep. The proposed well construction is consistent with Arizona minimum well construction standards. No special requirements are necessary.





LOCATION OF 55-218766 AS GIVEN  
ON APPLICATION





**Snell & Wilmer**  
L.L.P.  
LAW OFFICES

One Arizona Center  
400 East Van Buren Street  
Suite 1900  
Phoenix, Arizona 85004-2202  
602.382.6000  
602.382.6070 (Fax)  
www.swlaw.com

Matthew A. Bailey  
602.382.6528  
mbailey@swlaw.com

June 3, 2010

RECEIVED

JUN 03 2010

WATER MGMT

**VIA HAND DELIVERY**

Mr. J. Scott Miller  
Arizona Department of Water Resources  
3550 North Central Avenue  
Phoenix, Arizona 85012

Re: Application for Notice of Intention to Drill a Non-Exempt Well Pursuant to a  
Non-Industrial Use Permit in an Active Management Area

Dear Mr. Miller:

On behalf of Resolution Copper Mining, L.L.C. ("Resolution Copper"), please find enclosed the following:

- (1) Application for Notice of Intention to Drill a Non-Exempt Well Pursuant to a Non-Industrial Use Permit in an Active Management Area;
- (2) An explanatory section for application item Nos. 9 and 10;
- (3) Well Construction Supplement (form DWR 55-90);
- (4) Detailed construction diagram of the proposed well design;<sup>1</sup> and
- (5) Check No. 402568 in the amount of \$150.00 for the application fee.

Resolution Copper is filing the attached Notice of Intention to Drill application to add a new point of withdrawal to its current Permit to Withdraw Groundwater for Dewatering Purposes Pursuant to A.R.S. § 45-513, permit no. 59-524492.0003. Once the drilling card is issued we request that the Department amend and re-issue permit no. 59-524492.0003 to reflect the addition of this new point of withdrawal.

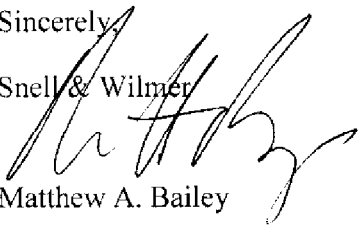
<sup>1</sup> Note that the proposed well design does not include any perforated intervals. The only open contact between the proposed well and aquifer is the terminus of the well casing at depth.

Mr. J. Scott Miller  
June 3, 2010  
Page 2

Thank you in advance for your prompt attention to this Notice of Intention to Drill request. Please feel free to contact me directly if you have any questions.

Sincerely,

Snell & Wilmer

  
Matthew A. Bailey

Enclosures

c: Brad Ross  
Carlos Ronstadt (w/out enclosures)



JANICE K. BREWER  
Governor

HERBERT R. GUENTHER  
Director

## ARIZONA DEPARTMENT OF WATER RESOURCES

3550 North Central Avenue, Second Floor  
PHOENIX, ARIZONA 85012-2105

(602) 771-8500

July 20, 2010

Resolution Copper Mining, LLC  
Attn: Rich Heig, Vice President  
102 Magma Heights, PO Box 1944  
Superior, AZ 85273

**RE: Permit to Withdraw Groundwater for Dewatering Purposes Pursuant to § 45-513  
Permit No. 59-524492.0003**

Dear Mr. Heig:

Enclosed is the signed Permit to Withdraw Groundwater for Dewatering Purposes, Permit No. 59-524492.0003 for Resolution Copper Mining, LLC.

Pursuant to the provisions of A.R.S. § 45-604, any person withdrawing groundwater from a well is required to use a water measuring device to record rates of withdrawal in order to provide or allow the computation of an annual volume of pumpage from the well. The total volume of pumpage shall be reported on an annual report. The annual report shall be submitted no later than March 31 following the end of each completed annual reporting period. The first annual reporting period shall be from the date of this permit through December 31, 2010. Subsequent annual reporting periods shall be from January 1 through December 31.

Under A.R.S. § 45-593, the person to whom a well is registered must notify the Department of a change in ownership, physical characteristics or any other data about the well in order to keep the well registration records current and accurate. A Request to Change Well Information form may be obtained online at <http://www.azwater.gov>.

In accordance with A.R.S. § 45-520 (B), any change in ownership of this permit requires the submittal of a Notification of Change of Ownership of a Groundwater Withdrawal Permit form. This form may be obtained online at <http://www.azwater.gov>.

Printed on recycled paper. Each ton of recycled paper saves 7,000 gallons of water.

Your permit has been issued by this Department without a hearing. As such, it is an appealable agency action. You are entitled to appeal and your rights are described in the enclosed notice of right to appeal.

If you have any questions about the terms and conditions of the permit or require any administrative corrections to this permit, please contact the Groundwater Permitting and Wells Section at 602-771-8527.

Sincerely,

A handwritten signature in black ink that reads "Stella Murillo". The signature is written in a cursive style with a large, stylized 'S' at the beginning.

Stella Murillo  
Water Resources Specialist III

Enclosure

cc: Matthew A. Bailey, Snell & Wilmer  
File

**JANICE K. BREWER**  
Governor



**HERBERT R. GUENTHER**  
Director

**ARIZONA DEPARTMENT OF WATER RESOURCES**

3550 North Central Avenue, Second Floor  
PHOENIX, ARIZONA 85012-2105

(602) 771-8500

June 17, 2010

Resolution Copper Mining, LLC  
Attn: Rich Heig, Vice President  
102 Magma Heights, PO Box 1944  
Superior, AZ 85273

RE: Notice of Intention to Drill a Non-Exempt Well Pursuant to a Non-General Industrial Use Permit, Permit No. 59-524492.0003, Well Registration No. 55-218766

Dear Mr. Heig:

The above-referenced Notice of Intention to Drill a Non-Exempt Well Pursuant to a Non-General Industrial Use Permit in an Active Management Area (AMA) has been approved. A copy of the Notice is enclosed for your records. A copy of the Notice is enclosed for your records. The drilling card for the replacement of the above referenced well has been forwarded to your well driller.

In the event that the location of the proposed well changes, you must notify the Department of Water Resources of the change in writing. A drill card with the correct proposed well location must be in possession of the driller before drilling may commence.

Within 30 days of completion of the well, the well driller is required to furnish the Department with a complete and accurate log of the well. In addition, the well owner is required to submit the enclosed Completion Report within 30 days of installation of pump equipment.

Pursuant to the provisions of A.R.S. § 45-604, any person withdrawing groundwater from a well is required to use a water measuring device to record rates of withdrawal in order to provide or allow the computation of an annual volume of pumpage from the well. The total volume of pumpage shall be reported on an annual report. The annual report shall be submitted no later than March 31 following the end of each completed annual reporting period.

The Department has issued the authorization to drill this well pursuant to A.R.S. §§ 45-596 and 45-597 of the Groundwater Code. The legal nature of the water withdrawn from the well may be the subject of court action in the future as part of a determination of surface water rights in your area. If there are court proceedings that could affect your well, you will be notified and be given the opportunity to participate.

Under A.R.S. § 45-593, the person to whom a well is registered must notify this Department of any changes in ownership, status or physical characteristics to keep the Well Registry records current and accurate. For changes, a Request to Change Well Information form is also enclosed.

If you have any questions, please contact me 602-771-8594.

Sincerely,



Stella Murillo  
Water Resources Specialist III

Enclosures

cc: Matthew A. Bailey, Snell & Wilmer  
File



**Arizona Department of Water Resources**  
 Information Management Unit  
 P.O. Box 33589 Phoenix, Arizona 85067-3589  
 (602) 771-8627 • (800) 352-8488  
 www.azwater.gov

**Well Driller Report  
 and  
 Well Log**

THIS REPORT MUST BE FILED WITHIN 30 DAYS OF COMPLETING THE WELL.  
 PLEASE PRINT CLEARLY USING BLACK OR BLUE INK.

FILE NUMBER  
**D (1-12) 35 AAA**  
 WELL REGISTRATION NUMBER  
**55 - 218766**  
 PERMIT NUMBER (IF ISSUED)  
**59-524492.0003**

**SECTION 1. DRILLING AUTHORIZATION**

**Drilling Firm**

<b>Mail To:</b>	NAME	DWR LICENSE NUMBER
	BOART LONGYEAR DRILING SERVICE	468
	ADDRESS	TELEPHONE NUMBER
	2745 WEST CALIFORNIA AVENUE	801-973-6667
	CITY / STATE / ZIP	FAX
	SALT LAKE CITY, UT	

**SECTION 2. REGISTRY INFORMATION**

**Well Owner**

**Location of Well**

FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL		WELL LOCATION ADDRESS (IF ANY)					
RESOLUTION COPPER MINING L.L.C.							
MAILING ADDRESS		TOWNSHIP (N/S)	RANGE (E/W)	SECTION	160 ACRE	40 ACRE	10 ACRE
102 MAGMA HEIGHTS, PO BOX 1944					¼	¼	¼
CITY / STATE / ZIP CODE		LATITUDE			LONGITUDE		
SUPERIOR, AZ 85273		Degrees	Minutes	Seconds	Degrees	Minutes	Seconds
CONTACT PERSON NAME AND TITLE		METHOD OF LATITUDE/LONGITUDE (CHECK ONE)					
		<input type="checkbox"/> *GPS: Hand-Held <input type="checkbox"/> *GPS: Survey-Grade					
TELEPHONE NUMBER	FAX	LAND SURFACE ELEVATION AT WELL					
		Feet Above Sea Level					
WELL NAME (e.g., MW-1, PZ-3, Lot 25 Well, Smith Well, etc.)		METHOD OF ELEVATION (CHECK ONE)					
		<input type="checkbox"/> *GPS: Hand-Held <input type="checkbox"/> *GPS: Survey-Grade					
		*GEOGRAPHIC COORDINATE DATUM (CHECK ONE)					
		<input type="checkbox"/> NAD-83 <input type="checkbox"/> Other (please specify):					
		COUNTY	ASSESSOR'S PARCEL ID NUMBER				
			BOOK	MAP	PARCEL		

**SECTION 3. WELL CONSTRUCTION DETAILS**

<b>Drill Method</b>	<b>Method of Well Development</b>	<b>Method of Sealing at Reduction Points</b>
CHECK ALL THAT APPLY	CHECK ALL THAT APPLY	CHECK ONE
<input type="checkbox"/> Air Rotary <input type="checkbox"/> Bored or Augered <input type="checkbox"/> Cable Tool <input type="checkbox"/> Dual Rotary <input type="checkbox"/> Mud Rotary <input type="checkbox"/> Reverse Circulation <input type="checkbox"/> Driven <input type="checkbox"/> Jetted <input type="checkbox"/> Air Percussion / Odex Tubing <input type="checkbox"/> Other (please specify):	<input type="checkbox"/> Airlift <input type="checkbox"/> Bail <input type="checkbox"/> Surge Block <input type="checkbox"/> Surge Pump <input type="checkbox"/> Other (please specify):	<input type="checkbox"/> None <input type="checkbox"/> Packed <input type="checkbox"/> Swedged <input type="checkbox"/> Welded <input type="checkbox"/> Other (please specify):
	<b>Condition of Well</b>	<b>Construction Dates</b>
	CHECK ONE	DATE WELL CONSTRUCTION STARTED
	<input type="checkbox"/> Capped <input type="checkbox"/> Pump Installed	DATE WELL CONSTRUCTION COMPLETED

I state that this notice is filed in compliance with A.R.S. § 45-596 and is complete and correct to the best of my knowledge and belief.

SIGNATURE OF QUALIFYING PARTY	DATE







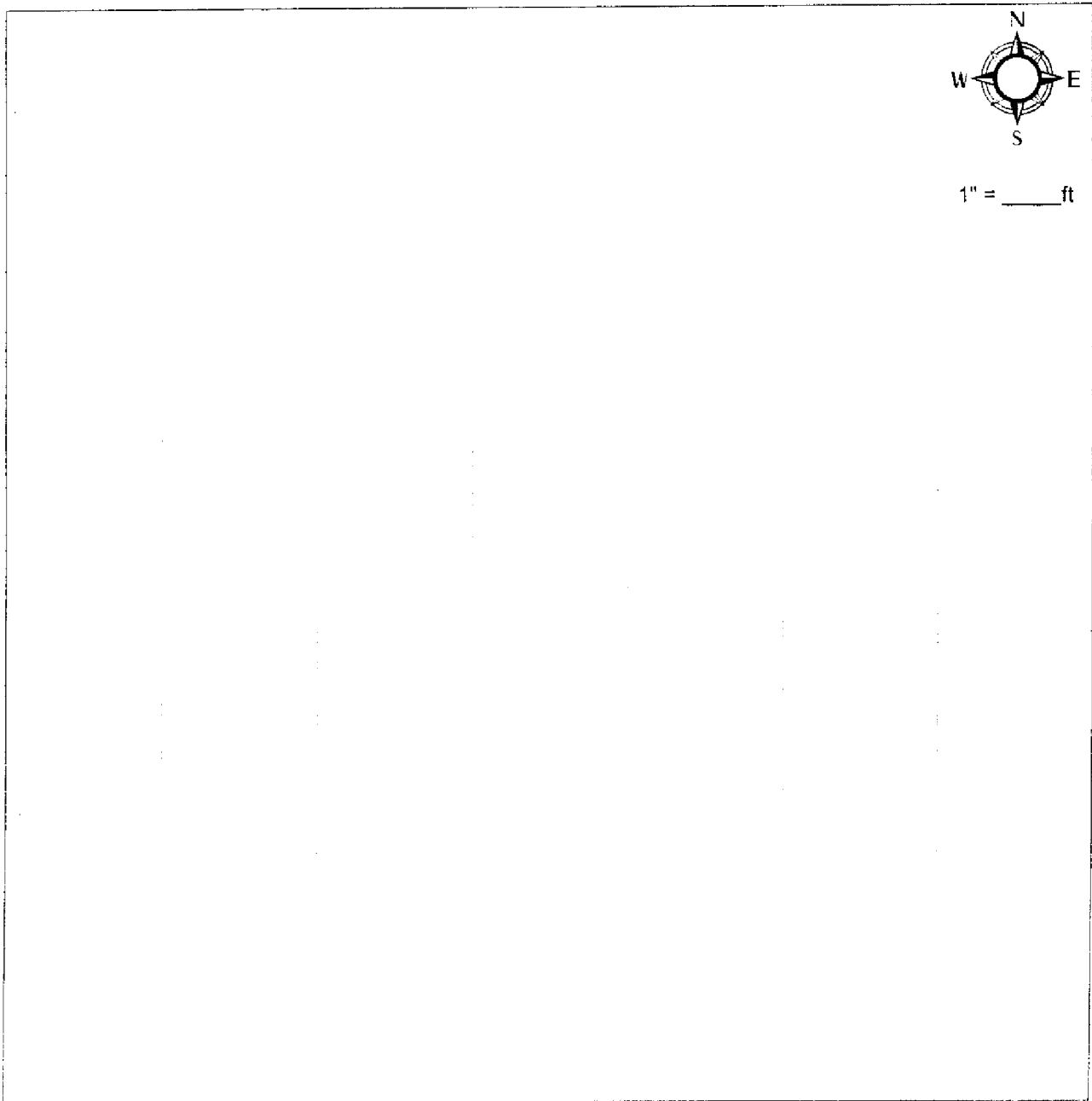
Well Driller Report and Well Log

WELL REGISTRATION NUMBER  
**55 - 218766**

**SECTION 6. WELL SITE PLAN**

NAME OF WELL OWNER RESOLUTION COPPER MINING L.L.C.	COUNTY ASSESSOR'S PARCEL ID NUMBER BOOK	MAP	PARCEL
-------------------------------------------------------	--------------------------------------------	-----	--------

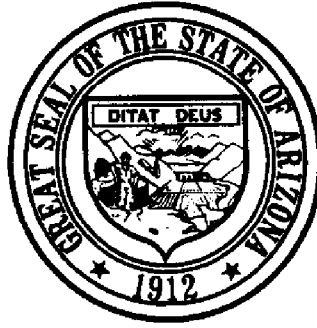
- ❖ Please draw the following: (1) the boundaries of property on which the well was located; (2) the well location; (3) the locations of all septic tank systems and sewer systems on the property or within 100 feet of the well location, even if on neighboring properties; and (4) any permanent structures on the property that may aid in locating the well.
- ❖ Please indicate the distance between the well location and any septic tank system or sewer system.



**PHOENIX AMA  
CHECK DEPOSIT REQUEST  
MOST USED APPLICATION**

<b>Submitted By:</b>	Stella Murillo	<b>Date:</b>	June 7, 2010
<b>Right Owner or Applicant:</b>			
<b>GFR or Permit No(s):</b>	Permit No. 59-524498.0003		
<b>CHECK INFORMATION</b>			
<b>Check Number:</b>	402568		
<b>Check Amount:</b>	150.00		
<b>Name on Check:</b>	Snell & Wilmer LLP		
<b>Address:</b>	One Arizona Center		
<b>City, ST, Zip:</b>	Phoenix, AZ 85004-2202		
<b>Telephone:</b>			

APPLICATION	FORM #	FUND CODE	C&A/AMA	FEE	CHECK #
Application for a Permit to Drill or Operate a Non-Exempt Well Within an AMA	55-0001	App Fee: 15245 / 4439 Permit Fee: 15238 / 4439			
NOI to Deepen, Replace or Modify an Existing Non-Exempt Well at Approximately the Same Location in an AMA	55-41	15245 / 4439			
NOI to Drill a Non-Exempt Well Pursuant to a Non-General Industrial Use Permit in an AMA	55-41a	15245 / 4439	Phoenix	Application 150.00	402568
Application for Permit to Withdraw Groundwater for Hydrologic Testing Purposes Within an AMA	51901 AP	15238 / 4439			
Application for Permit to Withdraw Groundwater for Dewatering Purposes Within an AMA (A.R.S. § 45-513)	513AP	15238 / 4439			
Application for Permit to Withdraw Groundwater for Temporary Dewatering Purposes Within an AMA (A.R.S. § 45-518)	518AP	15238 / 4439			
Application for Permit to Withdraw Groundwater for Temporary Dewatering Purposes Within an AMA (Emergency)	518AP	15238 / 4439			
Application for Permit to Withdraw Groundwater for Mineral Extraction & Metallurgical Processing Within an AMA	45-514	15238 / 4439			
Application for Permit to Withdraw Groundwater for General Industrial Use Within an AMA	515AP	15238 / 4439			
Application for Permit to Withdraw Poor Quality Groundwater Within an AMA	516AP	15238 / 4439			
Application for Permit to Use Water to Fill or Refill a Body of Water Within an AMA (Use of Groundwater)	132AP	App Fee: C&A Permit Fee: 15238 / 4439 Annual Surcharge: 50% to C&A and 50% to Purchase & Retirement Fund			
Application for Permit to Use Water to Fill or Refill a Body of Water Within an AMA (Use of Poor Quality Water)	132AP	15238 / 4439			
Application for Temporary Emergency Permit to Use Water to Fill or Refill a Body of Water Within an AMA (Use of Groundwater or Surface Water A.R.S. § 45-134)	132AP	15238 / 4439			
Application to Retire an Irrigation Grandfathered Right for a Non-Irrigation (Type 1) Use (Retired after 6/12/80)	469AP	15238 / 4439			
Legal Fees (Varies)	No Form	15242 / 4372			
Change of Well Information form (\$10.00)	55-71A	15238 / 4439			



COPY

**ARIZONA DEPARTMENT OF WATER RESOURCES**  
**PERMIT TO WITHDRAW GROUNDWATER FOR**  
**DEWATERING PURPOSES**  
**PURSUANT TO A.R.S. § 45-513**

PERMIT NO. 59-524492.0003

STATE OF ARIZONA                    )  
                                                  ) ss.  
County of Maricopa                    )

This is to certify that Application No. 59-524492.0003 meets the requirements of Title 45, Chapter 2, Article 7, Arizona Revised Statutes, for a Dewatering Permit. The Director hereby grants a permit to dewater groundwater from land for beneficial use pursuant to A.R.S. § 45-513, subject to the following limitations and conditions:

**Permit Limitations**

Permittee:                               RESOLUTION COPPER MINING, L.L.C.  
                                                  102 MAGMA HEIGHTS  
                                                  P.O. BOX 1944  
                                                  SUPERIOR, AZ 85273

Active Management Area:           PHOENIX

Sub-basin:                               EAST SALT RIVER VALLEY

Maximum Amount of  
Groundwater to be Withdrawn:   5,000 acre-feet per annum

COPY

PERMIT NO. 59-524492.0003

Authorized Use of Groundwater:

To the extent possible, up to 500 acre-feet will be used on-site for mineral extraction and metallurgical purposes, including but not limited to dust control, exploratory drilling, and construction; the balance of the dewatered groundwater will be used for agricultural purposes within New Magma Irrigation and Drainage District Service Area

Authorized Place of Use for Groundwater Withdrawn:

Township 1 South, Range 12 East, Sections 34 & 35 GSRB&M; and New Magma Irrigation and Drainage District Service Area

Authorized Points of Withdrawal or Measurements:

Authorized Well Registration Numbers	File Numbers	Depth of Well	Casing Diameter	Casing Material
55-525311	D(1 - 12)36 BBC	N/A	N/A	N/A
55-525312	D(1 - 13)32 BBD	N/A	N/A	N/A

Effective Date of Permit:

SEPTEMBER 21, 2009

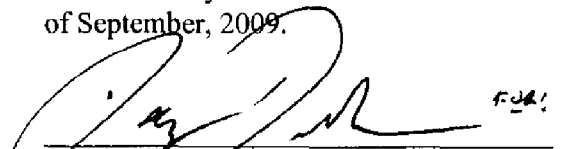
Expiration Date of Permit:

SEPTEMBER 20, 2029

**Permit Conditions**

1. The permittee shall monitor and measure withdrawals of groundwater and shall report the total amount of groundwater withdrawn on an annual water withdrawal and use report. The first annual reporting period shall be from the date of issuance of this permit through December 31, 2009. Subsequent annual reporting periods shall be January 1 through December 31.
2. The issuance of the permit does not waive any federal, state, county or local government ordinances, regulations or permits for which the facility may have to comply.

WITNESS my hand and seal of office this 21<sup>st</sup> day of September, 2009.



Sandra Fabritz-Whitney, Assistant Director

**JANICE K. BREWER**  
Governor



**HERBERT R. GUENTHER**  
Director

**ARIZONA DEPARTMENT OF WATER RESOURCES**

3550 North Central Avenue, Second Floor  
PHOENIX, ARIZONA 85012-2105  
(602) 771-8500

September 21, 2009

Resolution Copper Mining, L.L.C.  
Attn: Rich A. Heig  
102 Magma Heights  
P.O. Box 1944  
Superior, AZ 85273

**COPY**

**RE: Permit to Withdraw Groundwater for Dewatering Purposes  
Permit No. 59-524492.0003**

Dear Permittee:

Your permit as referenced above is enclosed for your records.

Pursuant to the provisions of A.R.S. § 45-604, any person withdrawing groundwater from a well is required to use a water measuring device to record rates of withdrawal in order to provide or allow the computation of an annual volume of pumpage from the well. The total volume of pumpage shall be reported on an annual report. The annual report shall be submitted no later than March 31 following the end of each completed annual reporting period. The first annual reporting period shall be from the date of this permit through December 31, 2009. Subsequent annual reporting periods shall be from January 1 through December 31.

In accordance with A.R.S. § 45-520, enclosed is a Notification of Change of Ownership of a Groundwater Withdrawal Permit form for any change in ownership of the permit.

Under A.R.S. § 45-593, the person to whom a well is registered must notify this Department of a change in ownership or physical characteristics of the well to keep the well registration records current and accurate. For such future use, a Request to Change Well Information form is enclosed.

Your permit has been issued by this Department without a hearing. As such, it is an appealable agency action. You are entitled to appeal and your rights are described in the enclosed notice of right to appeal.

If you have any questions about the condition of your permit or future reporting of water withdrawal and use, please contact Franus Darian Tomkiewicz in the Phoenix AMA office, at (602) 771-8648.

Sincerely,

*Franus Darian Tomkiewicz*

Franus Darian Tomkiewicz  
Water Resource Specialist III

Enclosures

cc: Matthew A. Bailey, Snell & Wilmer  
File

COPY

**Snell & Wilmer**  
L.L.P.  
LAW OFFICES

One Arizona Center  
Phoenix, AZ 85004-2202  
602.382.6000  
602.382.6070 (Fax)  
www.swlaw.com

Matthew A. Bailey  
602.382.6528  
m.bailey@swlaw.com

**RECEIVED**  
SEP 15 2009  
**WATER MGMT**

DENVER  
LAS VEGAS  
LOS ANGELES  
LOS CABOS  
ORANGE COUNTY  
PHOENIX  
SALT LAKE CITY  
TUCSON

September 15, 2009

Franus Darian Tomkiewicz  
Arizona Department of Water Resources  
3550 North Central Avenue  
Phoenix, Arizona 85012-2105

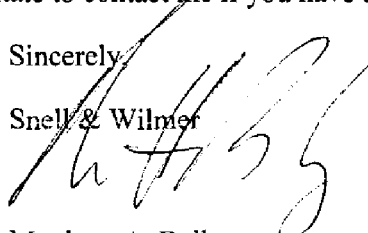
Re: Resolution Copper Mining Renewal Application for Permit to Withdraw  
Groundwater for Dewatering Purposes within an Active Management Area;  
Permit No. 59-524492.0003

Dear Mr. Tomkiewicz:

In response to your fee request letter dated September 14, 2009, please find enclosed check no. 401166 in the amount of \$96.50. This check is for full payment of fees for the above-referenced permit. Please do not hesitate to contact me if you have any questions.

Sincerely,

Snell & Wilmer

  
Matthew A. Bailey

cc: Brad Ross (w/out enclosure)

Enclosure



**Franus D. Tomkiewicz**

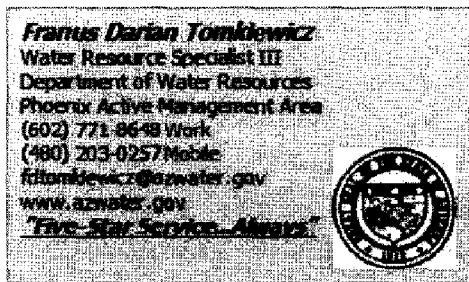
---

**From:** Franus D. Tomkiewicz  
**Sent:** Monday, September 14, 2009 4:01 PM  
**To:** 'mbailey@swlaw.com'  
**Subject:** Fee Request Letter  
**Attachments:** 59-524492.0003 RESOLUTION COPPER MINING LLC FEE REQUEST LETTER.pdf

Matthew,

To expedite renewal permit issuance in addition to saving postage expense, I have attached a copy of the *Fee Request Letter*. Please ensure all of your contacts regarding this renewal application are forwarded this email with attachment. I will be glad to mail the original letter and copies of the receipts from Accounting if requested. Upon receipt of payment, the renewal permit will be sent for Director's signature.

Regards,



JANICE K. BREWER  
Governor



HERBERT R. GUENTHER  
Director

**ARIZONA DEPARTMENT OF WATER RESOURCES**

3550 North Central Avenue, Second Floor  
PHOENIX, ARIZONA 85012-2105  
(602) 771-8500

September 14, 2009

Resolution Copper Mining LLC  
Attn: Rich A. Heig  
102 Magma Heights  
P.O. Box 1944  
Superior, AZ 85273

Re: Renewal Application for Permit to Withdraw Groundwater for Dewatering Purposes within an Active Management Area (A.R.S. § 45-513) **Permit No. 59-524492.0003**

Dear Mr. Heig:

The Department of Water Resources (Department) has reviewed the above-referenced application to determine if the application meets the substantive requirements of A.R.S. § 45-513. Enclosed is a copy of the order confirmation. The Department may not issue a permit for the above-referenced application until the outstanding fees as shown below are paid:

Application Fee	\$150.00	Paid
Permit Fee	\$50.00	Payment Due
Publication Fee	\$46.50	Payment Due

Please make check payable to the Department of Water Resources for \$96.50 and mail the check to the attention of **Franus Darian Tomkiewicz** at the above address. **Please include the permit number on your check.**

Please submit all the above information within 60 days. Failure to submit the information requested within 60 days may result in the denial of the application. Pursuant to A.R.S. § 41-1075, your application is not substantively correct until you pay the above fees. The Department's substantive review timeframe is therefore suspended until the above fees are paid.

Sincerely,

*Franus Darian Tomkiewicz*

Franus Darian Tomkiewicz  
Water Resources Specialist III  
Phoenix Active Management Area

Enclosure

cc: File  
Matthew A. Bailey, Snell & Wilmer

**IPR SUMMARY REVIEW MEMORANDUM**

*Prepared by Franus Darian Tomkiewicz, Phoenix AMA  
August 24, 2009*

**APPLICANT:** Resolution Copper Mining, LLC  
**APPLICATION / PERMIT NO:** Renewal Permit # 59-524492.0003  
**APPLICATION TYPE:** Application for Permit to Withdraw Groundwater for Dewatering Purposes within an Active Management Area (A.R.S. § 45-513)

**Summary of the Facts:**

- Applicant filed a *Application for Permit to Withdraw Groundwater for Dewatering Purposes within an Active Management Area* on August 7, 2009
- Applicant is requesting renewal of Dewatering Permit No. 59-524492.0002 which is a modified permit for 5,000 acre-feet per year effective May 13, 2008; expiring on September 20, 2009
- Previous Dewatering Permit No. 59-524492.0001 was permitted for 2,810 acre-feet for 20 years
- Site location is in the West Salt River Valley sub-basin of the Phoenix Active Management Area
- Dewatered groundwater will be used in T1S, R12E, Sections 34 & 35; and the New Magma Irrigation and Drainage District Service Area located in T3S, R9E, Section 19
- Dewatering is required for further exploration of underground mine
- Applicant requests 5,000 acre-feet per year for 20 years
- Dewatering will be accomplished using two (2) Sump Pump Nos. 55-525311 located in D(1-12)36 BBC, & 55-525312 located in D(1-13)32 BBD
- Up to 500 acre-feet will be used on-site for mineral extraction and metallurgical purposes, including but not limited to dust control, exploratory drilling, and construction. The balance of the dewatered groundwater will be used for agricultural purposes within the New Magma Irrigation and Drainage District Service Area
- Water Quality Unit has no objections to the issuance of the permit
- Public Notice objection period ends September 18, 2009
- Permit issuance is pending on no public objections received by the Department
- Permit issuance is pending on receipt of Public Notice & permit fees

**AMA Recommendations:** The Phoenix AMA recommends approval for the *Application for Permit to Withdraw Groundwater for Dewatering Purposes within an Active Management Area* to renew Dewatering Permit No. 59-524492.0002 for 5,000 acre-feet per year for 20 years.

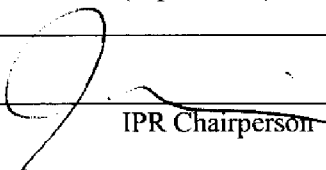
IPR Committee Comments:

IPR Special Conditions:

IPR Committee Recommendations:

- Approved
- Denied
- Other (explanation)

---



IPR Chairperson

9-3-09  
Date

**ARIZONA DEPARTMENT OF WATER RESOURCES**  
PURCHASE REQUISITION/ORDER

P.O. # **36385**

August 17, 2009  
DATE

8/17/09  
NOT VALID WITHOUT AUTHORIZED PROCUREMENT SIGNATURE

FRANUS Tomkiewicz 8648  
REQUESTOR PHONE EXT.

LARGE DELIVERIES ACCEPTED 6:30-7:30 AM, MONDAY-FRIDAY  
INSIDE DELIVERY REQUIRED - NO DOCK AVAILABLE

VENDOR:  
AZ Business Gazette  
Legal Advertising Dept.  
P.O. Box 174  
Phoenix AZ 85001

SHIP TO / BILL TO:  
ADWR  
3550 North Central Ave.  
Phoenix AZ 85012

LINE	QTY	UNIT	PART NO.	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
1	1			Renewal of Dewatering Permit	Estimate	60.00
				Resolution Copper Mining L.L.C.		
				59-524492.0003		
				Public Notice		
				8/27/09, 9/03/09		

REMARKS: (PROCUREMENT USE ONLY)	SUBTOTAL	60.00
	TAX	
	FREIGHT	
	TOTAL	Estimate 60.00

AZ CONTRACT#

BATCH HEADER				BATCH HEADER				VENDOR(11)		MC(3)	DOC DATE(8)		EFF DATE(8)	
AGCY(3)	DATE(6)	TYPE(1)	NO(3)	AGCY(3)	DATE(6)	TYPE(1)	NO(3)	18609373580	008					
WA	8/17/09	3	575	WA	1/1	4								
CUR DOC(8)		SFX(3)	REF DOC(8)		SFX(3)	MOD(1)	AGY(3)	TC(3)	INDEX(5)	PCA(5)	AY(2)	COMP OBJ(4)	AGY OBJ(4)	
21036385		001	E1036385		001	P	WA	225	48200		10		7461	
AMOUNT \$(11) #2		R(1)	DISC \$(11) #2		FO(1)	PDT(2)	DOC AMT \$(11) #2		CI(1)	PROP NO(10)				
46.50						RF	46.50							
INV NO(14)		DATE(6)		DESCRIPTION(30)				CONT NO(10)		WARRANT NO(9)		APPN NO(5)		FUND(4)
246685979		9/17/09		59-524492.0003										
COMP GL(4)	AGY GL(8)	GRANT NO.(6)		PH(2)	PROJ NO(6)		PH(2)	MPCD(10)		AGY CD-1(4)	AGY CD-2(4)	AGY CD-3(8)		

I have examined this claim and certify that the expenditure is for a valid public purpose and that funds have been appropriated or are otherwise available for payment of this claim, and if the available funds are from federal grant contract or source, this claim is allowable under the terms of such grant, contract or source, and payment of the amount claimed is hereby approved.

J. Scott Miller Printed Name      [Signature] Signature      8-17-09 Date

I hereby certify under penalty of perjury that the items invoiced above have been received and inspected, that the quantities are as stated and the condition is satisfactory.

\_\_\_\_\_  
Printed Name      \_\_\_\_\_  
Signature      \_\_\_\_\_  
Date

AFFIDAVIT OF PUBLICATION

59-524492.0003/WITHDRAW  
GROUNDWATER

Reference/PO # 36385  
05

# Arizona Business Gazette

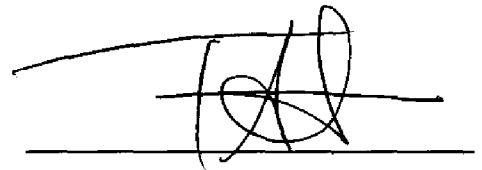
The business resource

PO BOX 194  
Phoenix, Arizona 85001-0194  
(602) 444-7315 FAX (602) 444-7364

STATE OF ARIZONA }  
COUNTY OF MARICOPA } SS.

Tabitha Antoniadis, being first duly sworn, upon oath deposes and says: That of the Arizona Business Gazette, a newspaper of general circulation in the county of Maricopa, State of Arizona, published weekly at Phoenix, Arizona, and that the copy hereto attached is a true copy of the advertisement published in the said paper on the dates indicated.

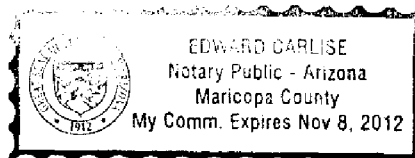
8/27/2009  
9/3/2009



Sworn to before me this  
3RD day of  
SEPTEMBER 2009



Notary Public



**LEGAL NOTICE**  
**ARIZONA DEPARTMENT**  
**OF WATER RESOURCES**  
**NOTICE TO THE APPLICATOR**  
In the matter of Application No. 59-524492.0003 (renewal of Permit No. 59-524492.0002) for a Permit to Withdraw Groundwater for Mineral Extraction or Metallurgical Processing located within the East Salt River Valley sub-basin of the Phoenix Active Management Area.  
The Director gives notice that Resolution Copper Mining, L.L.C. has filed the above referenced application for a Permit to Withdraw groundwater for Mineral Extraction or Metallurgical Processing pursuant to Arizona Revised Statutes, Title 45, Chapter 7, Article 7, § 45-513. It is the applicant's intent to use groundwater under this application for dewatering of underground mine for further exploration. The applicant intends to use two (2) sump pumps already in existence located within Section 36 Township 1 South, Range 12 East, and Section 32, Township 1 South, Range 13 East, Gadsden. A total of 2600 acre-feet per annum have been requested for a 20-year period. Groundwater will be used for dewatering purposes within T1S, R12E, Sections 34 & 35; and the New Magma Irrigation and Drainage District Service Area. Copies of the application are available for inspection in the Phoenix Active Management Area office of the Department of Water Resources, 3550 North Central Avenue, Phoenix, Arizona 85012.  
Objections to the issuance of the permit may be filed by persons that may be adversely affected by the project and must be filed in writing, with the Docket Supervisor of the Department of Water Resources, Legal Division, 3550 North Central Avenue, Phoenix, Arizona 85012, within fifteen (15) days after the last day of publication of this notice.  
For this application, the final date on which an objection may be filed is September 18, 2009. Objections are limited to whether the application meets the criteria of Arizona Revised Statutes § 45-513. An objection shall state the name and mailing address of the objector, be signed by the objector, his agent or attorney and must clearly set forth the reasons why the permit should not be issued.  
Issued this 17th day of August, 2009  
Herb Guenther  
Director  
Published: August 27;  
September 3, 2009

**JANICE K. BREWER**  
Governor



**HERBERT R. GUENTHER**  
Director

**ARIZONA DEPARTMENT OF WATER RESOURCES**

3550 North Central Avenue, Second Floor  
PHOENIX, ARIZONA 85012-2105  
(602) 771-8500

August 17, 2009

Arizona Business Gazette  
Attn: Ed Carlese  
Legal Advertising Department  
P.O. Box 194  
Phoenix, AZ 85001

Re: Resolution Copper Mining, L.L.C. Dewatering Permit Renewal Application No. 59-524492.0003

Dear Mr. Carlese:

The Department of Water Resources requests that the enclosed legal notice be published in your newspaper on the following dates:

August 27, 2009 and September 03, 2009

Please publish the notice per our purchase order number 36385. Please return two affidavits of publication, with your billing to the Department of Water Resources, to the attention of the Administration Division.

The Department of Water Resources is required to publish legal notice of the referenced application by statute. If for any reason the legal notice must be published on dates other than those requested, please notify me at once at (602) 771-8648, as it will require a change in the text of the notice.

Thank you for your cooperation in this matter.

Sincerely,

*Franus Darian Tomkiewicz*

Franus Darian Tomkiewicz  
Water Resources Specialist III  
Phoenix Active Management Area

Enclosure

cc: Applicant: Resolution Copper Mining, L.L.C.  
Consultant: Matthew Bailey, Snell & Wilmer  
Kathleen Donoghue, ADWR Legal Division  
Glenda Winters, ADWR Legal Division  
File

# LEGAL NOTICE

## ARIZONA DEPARTMENT OF WATER RESOURCES

### BEFORE THE DIRECTOR

In the matter of Application No. 59-524492.0003 (renewal of Permit No. 59-524492.0002) for a Permit to Withdraw Groundwater for Mineral Extraction or Metallurgical Processing; located within the East Salt River Valley sub-basin of the Phoenix Active Management Area.

The Director gives notice that Resolution Copper Mining, L.L.C. has filed the above referenced application for a Permit to Withdraw Groundwater for Mineral Extraction or Metallurgical Processing pursuant to Arizona Revised Statutes, Title 45, Chapter 2, Article 7, § 45-513. It is the applicant's intent to use groundwater under this application for dewatering of underground mine for further exploration. The applicant intends to use two (2) sump pumps already in existence located within Section 36, Township 1 South, Range 12 East; and Section 32, Township 1 South, Range 13 East; GSRB&M. A total of 5,000 acre-feet per annum have been requested for a 20-year period. Groundwater will be used for dewatering purposes within T1S, R12E, Sections 34 & 35; and the New Magma Irrigation and Drainage District Service Area. Copies of the application are available for inspection in the Phoenix Active Management Area office of the Department of Water Resources, 3550 North Central Avenue, Phoenix, Arizona 85012.

Objections to the issuance of the permit may be filed by persons that may be adversely affected by the project and must be filed, in writing, with the Docket Supervisor of the Department of Water Resources, Legal Division, 3550 North Central

Avenue, Phoenix, Arizona 85012, within fifteen (15) days after the last day of publication of this notice.

For this application, the final date on which an objection may be filed is September 18, 2009. Objections are limited to whether the application meets the criteria of Arizona Revised Statutes § 45-513. An objection shall state the name and mailing address of the objector, be signed by the objector, his agent or attorney and must clearly set forth the reasons why the permit should not be issued.

Issued this 17<sup>th</sup> day of August, 2009  
Herb Guenther  
Director

Publication Dates:

August 27, 2009 and September 03, 2009



## **Franus D. Tomkiewicz**

---

**From:** Bailey, Matthew [mbailey@swlaw.com]  
**Sent:** Monday, August 17, 2009 5:00 PM  
**To:** Franus D. Tomkiewicz  
**Cc:** Kathleen A. Donoghue; Glenda S. Winters  
**Subject:** RE: Resolution Copper Mining L.L.C. Public Notice

Franus,  
Great, thank you very much.

Matthew Bailey  
602-382-6528

---

**From:** Franus D. Tomkiewicz [mailto:fdtomkiewicz@azwater.gov]  
**Sent:** Monday, August 17, 2009 4:46 PM  
**To:** Bailey, Matthew  
**Cc:** Kathleen A. Donoghue; Glenda S. Winters  
**Subject:** Resolution Copper Mining L.L.C. Public Notice

Attached is the legal notice copy for your records.

Matthew, please forward this to your contacts at Resolution Copper Mining, L.L.C.

Regards,

*Franus Darian Tomkiewicz*  
Water Resource Specialist III  
Arizona Department of Water Resources  
Water Management  
Phoenix Active Management Area  
3550 North Central Avenue  
Phoenix, Arizona 85012  
Direct Line...602-771-8648  
Fax...602-771-8688  
E-Mail: [fdtomkiewicz@azwater.gov](mailto:fdtomkiewicz@azwater.gov)  
Website: [www.azwater.gov](http://www.azwater.gov)

## Franus D. Tomkiewicz

---

**From:** Bailey, Matthew [mbailey@swlaw.com]  
**Sent:** Monday, August 17, 2009 2:24 PM  
**To:** Franus D. Tomkiewicz  
**Cc:** Ross, Brad ( RCC )  
**Subject:** RE: Dewatering Permit No. 59-524492.0002 Inquiry

Franus,  
We would prefer to renew the permit for a period of 20 years if possible. This would match the term of the original permit. Please let me know if you have any questions. Thank you.

**Snell Wilmer**

DENVER LAS VEGAS LOS ANGELES LOS CABOS ORANGE COUNTY PHOENIX SALT LAKE CITY TUCSON

Matthew Bailey

Snell & Wilmer L.L.P.  
One Arizona Center  
Phoenix, AZ 85004-2202  
602.382.6528 | Fax 602.382.6070

[mbailey@swlaw.com](mailto:mbailey@swlaw.com) | [www.swlaw.com](http://www.swlaw.com)

---

**From:** Franus D. Tomkiewicz [mailto:fdtomkiewicz@azwater.gov]  
**Sent:** Monday, August 17, 2009 11:24 AM  
**To:** Bailey, Matthew  
**Subject:** Dewatering Permit No. 59-524492.0002 Inquiry

Mr. Bailey,

I am processing the application to renew **Dewatering Permit No. 59-524492.0002**. Generally, the Department will renew a dewatering permit for a 10-year period. Pending IPR committee approval, is 10 years sufficient or would you like to request additional years? Upon notification by email of your decision, the legal notice will be sent for publishing, with a copy provided to you and Resolution Copper Mining L.L.C.

Thank you,

*Franus Darian Tomkiewicz*  
Water Resource Specialist III  
Arizona Department of Water Resources  
Water Management  
Phoenix Active Management Area  
3550 North Central Avenue  
Phoenix, Arizona 85012  
Direct Line...602-771-8648  
Fax...602-771-8688  
E-Mail: [fdtomkiewicz@azwater.gov](mailto:fdtomkiewicz@azwater.gov)  
Website: [www.azwater.gov](http://www.azwater.gov)

ARIZONA DEPARTMENT OF WATER RESOURCES  
HYDROLOGY DIVISION – WATER QUALITY UNIT

MEMORANDUM

---

**TO:** Danita Haywood, Phoenix, AMA  
Franus Tomkiewicz, Phoenix, AMA  
Sharon Ward, Phoenix/AMA  
**FROM:** Dani Williams *DW*  
Water Quality Unit  
**DATE:** August 11, 2009  
**SUBJECT:** Application for Permit to Withdraw Groundwater for Dewatering Purposes  
Application 59-524492.0003 Wells 55-525311 & 55-525312  
Resolution Copper Mining, LLC

Hydrology has reviewed the above referenced permit to withdraw groundwater for dewatering purposes. These are existing sump pumps located in mine shafts. A water quality review is not necessary. Arizona minimum well construction standards are not applicable.

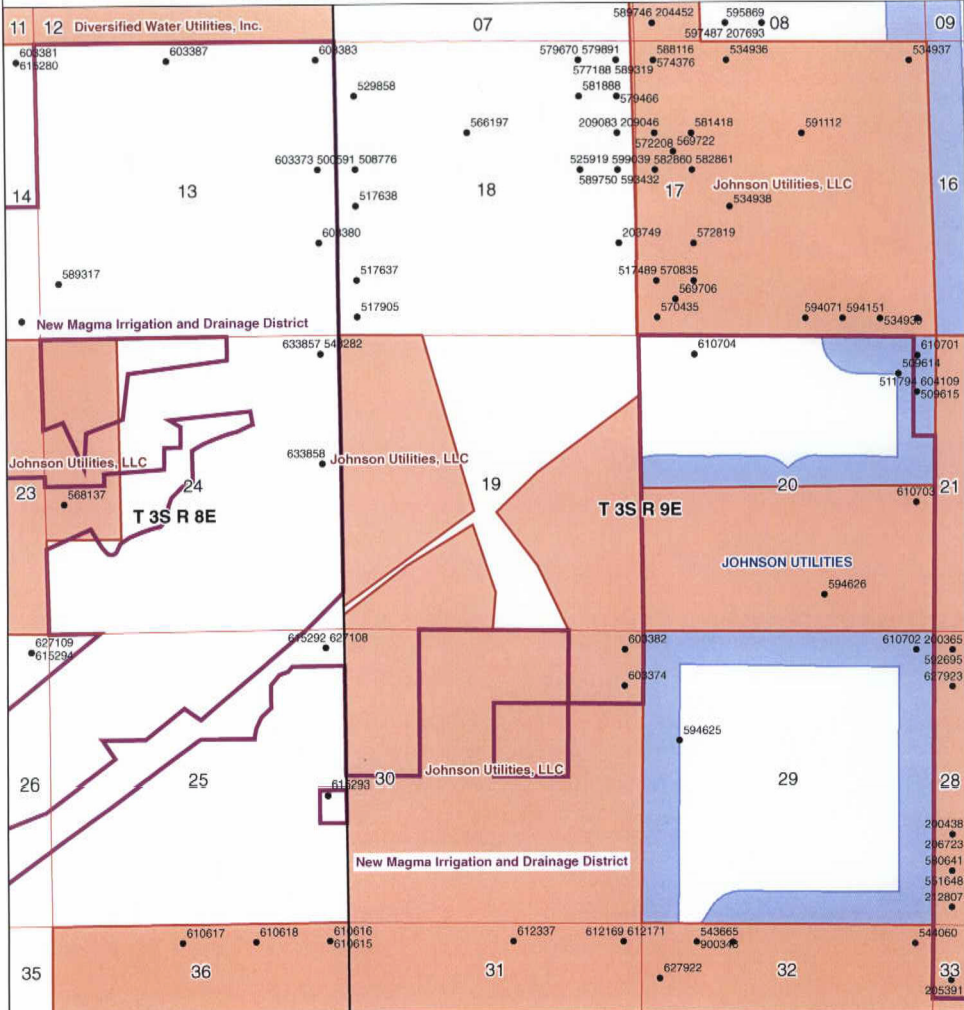
The Hydrology Water Quality Unit has no objections to approving this permit. If additional information is needed, please contact me at extension 1-8555.



Printed on recycled paper. Each ton of recycled paper saves 7,000 gallons of water.

*✓*

**ARIZONA MUNICIPAL WATER PROVIDERS AND  
CERTIFICATES OF CONVENIENCE AND NECESSITY  
New Magma Irrigation & Drainage District T3S, R9E, Section 19**



- ADWR SS Wells
- Major Cities
- CC&N Label
- Townships
- Sections
- AMA Boundary
- Irrigation Districts
- Water Provider 2005
- Counties



0 0.1 0.2 0.3 0.4  
Miles  
Scale 1:25,773

N  
Map Printed: 8/24/2009 3:08:30 PM

For more information about this map contact:  
Arizona Department of Water Resources  
Water Resources Information Central  
3550 North Central Ave  
Phoenix, AZ 85012  
Phone: (602) 771-8500 or 1-800-352-8488

U:\Workspaces\Hydrology\GIS\Projects\  
PMF\Projects\Maps\PMF\_ArcReader\  
CC&N\_WaterProvider85X11\_Publisher

Topographic map source: U.S. Geological Survey

SEC. 19 TN.3S RG.9E

210-38

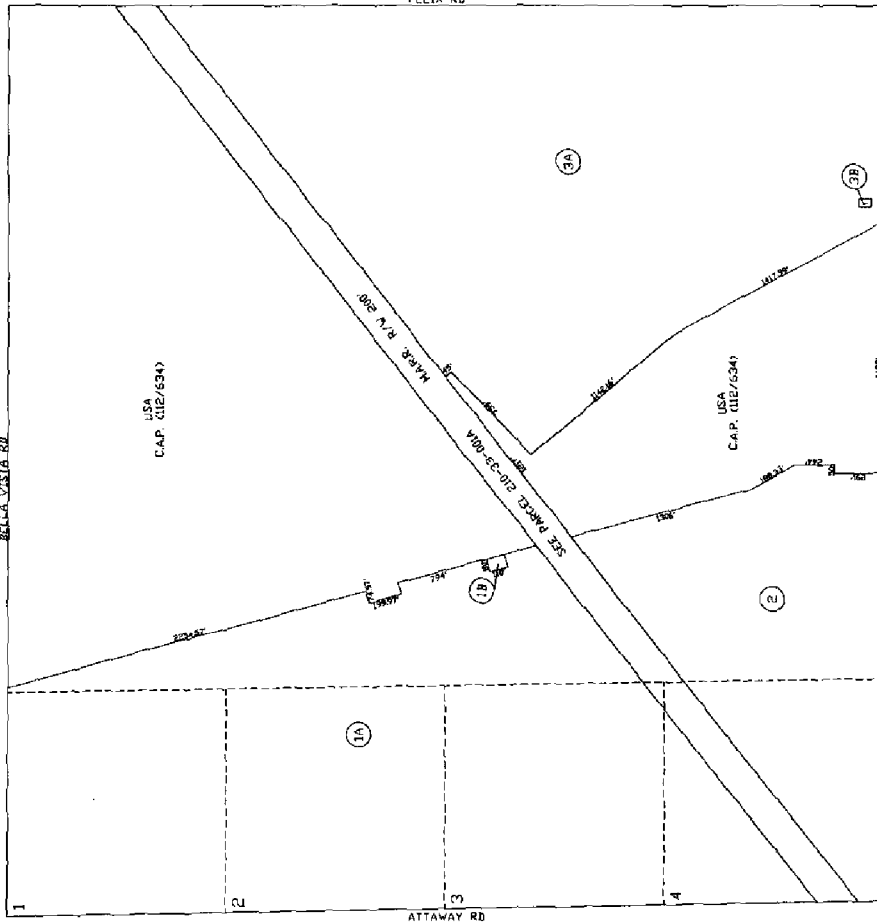
AREA CODE  
0100

SPECIAL DISTRICTS  
00000  
00000

THIS MAP IS FOR TAX PURPOSES ONLY  
THIS OFFICE WILL NOT ASSUME LIABILITY FOR  
REPRESENTATION, MEASUREMENTS OR ACREAGE

VICINITY MAP

1	2	3	4	5	6
7	8	9	10	11	12
13	14	15	16	17	18
19	20	21	22	23	24
25	26	27	28	29	30
31	32	33	34	35	36



SEE MAP 210-24

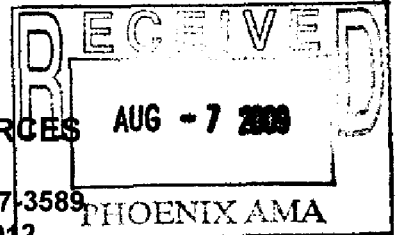
SEE MAP 210-39



SCALE: 1" = 600'

Update By: Y  
12-26-2007

PINAL COUNTY ASSESSORS MAP



ARIZONA DEPARTMENT OF WATER RESOURCES  
 WATER MANAGEMENT DIVISION  
 MAIL TO: P.O. BOX 33589, PHOENIX, ARIZONA 85067-3589  
 3550 North Central Avenue, Phoenix, Arizona 85012  
 Phone (602) 771-8585 Fax (602) 771-8688

**APPLICATION FOR PERMIT TO WITHDRAW GROUNDWATER  
 FOR DEWATERING PURPOSES  
 WITHIN AN ACTIVE MANAGEMENT AREA (A.R.S. § 45-513)**

**I. INSTRUCTIONS:**

1. COMPLETE ALL APPROPRIATE ITEMS ON THIS APPLICATION AND SIGN IN DESIGNATED PLACE.
2. Mail to P.O. Box 33589, Phoenix, Arizona 85067-3589 or deliver in person to 3550 North Central Avenue, Phoenix, Arizona 85012.
3. Pursuant to A.R.S. § 45-113 the application fee is \$150.00 and the permit fee is \$50.00. The permit fee will be requested prior to issuance of permit.
4. USE EXPLANATORY SECTION ON BACK FOR CLARIFICATION.
5. PERMIT RENEWAL APPLICATION for Dewatering Permit No. 59-524492.0002

FOR DEPARTMENT USE ONLY	
Application/Permit No.	59-524492.0002
Filed	D(1-12) 36 ED(1-13) 32
AMA	PHOENIX
S/B	E.S.R.V. W/S UPPER GIL R.V

**II. GENERAL DATA**

1. Name of Applicant Resolution Copper Mining, L.L.C. ("Resolution Copper")  
 Mailing Address 102 Magma Heights P.O. Box 1944  

Superior	AZ	85273	520-689-3320
City	State	Zip	Telephone Number
2. AMA: Phoenix Sub-basin East Salt River Valley
3. Name of owner of land where groundwater will be withdrawn: Resolution Copper  
102 Magma Heights P.O. Box 1944 Superior, AZ 85273  

Mailing Address	City	State	Zip
-----------------	------	-------	-----
4. Legal description of land where groundwater will be used: See Attached.
5. Name of owner of land where groundwater will be used if different than No. 3: See Attached.  

Mailing address	City	State	Zip
-----------------	------	-------	-----
6. Describe the mineral extraction and metallurgical processing operation: Dewatering of underground mine for further exploration.
7. Total annual volume of groundwater in acre-feet to be dewatered: 5,000
8. Total annual volume of groundwater in acre-feet to be used and description of use: See Attached.

0000 1 - 00A

9. Groundwater to be withdrawn by means of:

A. Wells already in existence:

Location	Depth	Diameter of Casing	Casing Type	Registration No
D(1-12)36bbc	n/a	n/a	n/a	55- 525311
D(1-13)32bbd	n/a	n/a	n/a	55- 525312
				55- _____

B. New wells: Complete and attach a Well Construction Supplement, DWR Form 55-90, for each new well.

C. Describe sump pump or other withdrawal system (Registration number to be assigned by DWR for each point of withdrawal:)

Note: All points of withdrawal must be measured and withdrawals of groundwater must be reported on an annual withdrawal and use report. Give Township, Range, Section and 1/4 1/4 of all points of withdrawal:

Well Registration Numbers 55-525311 and 55-525312 are both sump pumps located in existing shafts of Resolution Copper's Magma Mine.

10. Total estimated volume of groundwater necessary to meet mineral extraction and metallurgical processing requirements: \*\*\* 5,000 acre-feet per year for dewatering purposes; \*\*\* acre feet. see also #8 above.

11. Total estimated volume of groundwater necessary for municipal and industrial needs of communities and residential areas directly related to applicant's processing operation: n/a acre-feet.

12. Identify the water right numbers and legal description of any irrigated acres of land owned or controlled by the applicant: n/a

I (we), RICH A. HEIG hereby affirm that all information provided in this application is true and correct to the best of my/our knowledge and belief.

Signature of Applicant(s) Rich A. Heig Date August 6, 2009

2008 T - 30A

9. Groundwater to be withdrawn by means of:

A. Wells already in existence:

Location	Depth	Diameter of Casing	Casing Type	Registration No
D(1-12)36bbc	n/a	n/a	n/a	55- 525311
D(1-13)32bbd	n/a	n/a	n/a	55- 525312
				55- _____

B. New wells: Complete and attach a Well Construction Supplement, DWR Form 55-90, for each new well.

C. Describe sump pump or other withdrawal system (Registration number to be assigned by DWR for each point of withdrawal:)

Note: All points of withdrawal must be measured and withdrawals of groundwater must be reported on an annual withdrawal and use report. Give Township, Range, Section and ¼ ¼ ¼ of all points of withdrawal:

Well Registration Numbers 55-525311 and 55-525312 are both sump pumps located in existing shafts of Resolution Copper's Magma Mine.

10. Total estimated volume of groundwater necessary to meet mineral extraction and metallurgical processing requirements: \*\*\* 5,000 acre-feet per year for dewatering purposes; \*\*\* \_\_\_\_\_ acre feet. see also #8 above.

11. Total estimated volume of groundwater necessary for municipal and industrial needs of communities and residential areas directly related to applicant's processing operation: n/a acre-feet.

12. Identify the water right numbers and legal description of any irrigated acres of land owned or controlled by the applicant: n/a

I (we), Rich A. Heilig hereby affirm that all information provided in this (print name)

application is true and correct to the best of my/our knowledge and belief.

Signature of Applicant(s) Rich A. Heilig Date August 6, 2009





**Application for Permit to Withdraw Groundwater for Dewatering Purposes within an  
Active Management Area (A.R.S. § 45-513)**

**Permit Renewal for Dewatering Permit No. 59-524492.0002**

**Explanatory Section for Certain Application Items**

**4. Legal description of land where groundwater will be used:**

(1) Resolution Copper, T1S, R12E, Sections 34 & 35; and

(2) New Magma Irrigation and Drainage District (“NMIDD”) Service Area (see attached NMIDD legal description).

**5. Name of owner of land where groundwater will be used if different than No. 3:**

(1) Resolution Copper (same as No. 3); and

(2) NMIDD, 34630 N. Schnepf Road, Queen Creek, AZ 85242.

**8. Total annual volume of groundwater in acre-feet to be used and description of use:**

To the extent possible, up to 500 acre-feet will be used on-site for mineral extraction and metallurgical purposes, including but not limited to dust control, exploratory drilling, and construction; the balance of the dewatered groundwater will be used for agricultural purposes within NMIDD’s Service Area.

New Magma Irrigation & Drainage District

Lateral System C

EXHIBIT A

DESCRIPTION OF REAL ESTATE IN  
PINAL COUNTY, STATE OF ARIZONA

Three parcels of land in Section Nineteen (19), Township Three (3) South, Range Nine (9) East, Gila and Salt River Meridian, containing a combined area of 12.4 acres, more or less, and being more particularly and separately described as follows:

Parcel One

Beginning at a point in the South boundary of said Section 19 that bears South 89°50'07" East 50.00 feet, from the Southwest corner of said Section 19; thence North 01°16'12" West 291.49 feet to the South boundary of the Magma Arizona Railroad; thence North 52°36'43" East 337.57 feet along said South boundary; thence South 37°23'17" East 105 feet; thence South 52°36'43" West 320 feet; thence South 02°56'41" West 219.12 feet to the South boundary of said Section 19; thence North 89°50'07" West 60.00 feet along said South boundary to the point of beginning. Said Parcel One contains an area of 1.2 acres, more or less.

TRACT NO. NMC-024

Parcel Two

Beginning at a point in the West boundary of said Section 19 that bears North  $01^{\circ}16'12''$  West 501.33 feet from the Southwest corner of said Section 19; thence North  $01^{\circ}16'12''$  West 185.69 feet along said West boundary; thence North  $52^{\circ}36'43''$  East 2239.19 feet; thence North  $17^{\circ}17'24''$  East 377.53 feet; thence North  $73^{\circ}58'57''$  East 270.25 feet to the West boundary of U.S.B.R. Tract No. SG-3-11; thence South  $16^{\circ}01'03''$  East 60.00 feet along said boundary to the North boundary of U.S.B.R. Tract No. SG-3-11A; thence South  $73^{\circ}58'57''$  West 80.00 feet along said North boundary; thence South  $16^{\circ}01'03''$  East 110.00 feet along the West boundary of said Tract; thence North  $73^{\circ}58'57''$  East 80.00 feet along the South boundary of said Tract to the West boundary of U.S.B.R. Tract No. SG-3-11; thence South  $16^{\circ}01'03''$  East 119.71 feet; along said boundary to the North boundary of the Magma Arizona Railroad; thence South  $52^{\circ}36'43''$  West 2802.78 feet along said boundary to the point of beginning. Said Parcel Two contains an area of 11.1 acres, more or less.

Parcel Three

The South 125 feet of the North 170 feet of the West 45 feet of said Section 19. Said Parcel Three contains an area of 0.1 acre, more or less.

TRACT NO. NMC-024

Checked as to Engineering Data

R. Nantz 10-28

KVR 11-18-85

## NEW MAGMA IRRIGATION & DRAINAGE DISTRICT

34630 North Schnepf Road, Queen Creek, AZ 85242

(602) 987-3461

The territory embraced within the boundaries of the New Magma Irrigation & Drainage District lying wholly within the confines of Pinal and Maricopa Counties, State of Arizona, being more particularly described as follows:

Beginning at the Northwest corner of Section Two (2), Township Three (3) South, Range Seven (7) East of the Gila and Salt River Base and Meridian, Pinal County, Arizona;

thence Southerly along the West boundaries of Sections Two (2), Eleven (11) and Fourteen (14), Township Three (3) South, Range Seven (7) East to the Southwest corner of said Section Fourteen (14);

thence Easterly along the South boundaries of Sections Fourteen (14) and Thirteen (13), Township Three (3) South, Range Seven (7) East to the Southeast corner of said Section Thirteen (13);

thence Southerly along the West boundaries of Sections Nineteen (19), Thirty (30) and Thirty-One (31), Township Three (3) South, Range Eight (8) East to the Southwest corner of said Section Thirty-One (31);

thence Easterly along the South boundaries of Sections Thirty-One (31), Thirty-Two (32), Thirty-Three (33) and Thirty-Four (34), Township Three (3) South, Range Eight (8) East to the Southeast corner of said Section Thirty-Four (34);

thence Southerly along the West boundary of Section Two (2), Township Four (4) South, Range Eight (8) East to the Southwest corner of said Section Two (2);

thence Easterly along the South boundary of Section Two (2), Township Four (4) South, Range Eight (8) East to the Southeast corner of said Section Two (2);

thence Southerly along the West boundary of Sections Twelve (12), Thirteen (13) and Twenty-Four (24), Township Four (4) South, Range Eight (8) East to the Southwest corner of said Section Twenty-Four (24);

thence Easterly along the South boundary of Section Twenty-Four (24), Township Four (4) South, Range Eight (8) East to the Southeast corner of said Section Twenty-Four (24);

thence Easterly along the South boundaries of Sections Nineteen (19) and Twenty (20) Township Four (4) South, Range Nine (9) East to the Southeast corner of said Section Twenty (20);

thence Northerly along the East boundaries of Sections Twenty (20), Seventeen (17) and Eight (8), Township Four (4) South, Range Nine (9) East to the Northeast corner of said Section Eight (8);

thence Easterly along the South boundaries of Sections Four (4) and Three (3), Township Four (4) South, Range Nine (9) East to the Southeast corner of said Section Three (3);

thence Northerly along the East boundary of Section Three (3), Township Four (4) South, Range Nine (9) East to the Northeast corner of said Section Three (3);

thence Northerly along the East boundary of Section Thirty-Four (34), Township Three (3) South, Range Nine (9) East to the Northeast corner of said Section Thirty-Four (34);

thence Westerly along the North boundaries of Sections Thirty-Four (34) and Thirty-Three (33), Township Three (3) South, Range Nine (9) East to the Southeast corner of the Southeast Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ) of Section Twenty-Eight (28), Township Three (3) South, Range Nine (9) East;

thence Northerly along the East boundary of the Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ), Section Twenty-Eight (28), Township Three (3) South, Range Nine (9) East to the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ), Section Twenty-Eight (28);

thence Westerly along the North boundary of the Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ), Section Twenty-Eight (28), Township Three (3) South, Range Nine (9) East, to the Northwest corner of said Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ), Section Twenty-Eight (28);

thence Northerly along the East boundaries of Sections Twenty-Nine (29) and Twenty (20), Township Three (3) South, Range Nine (9) East to the Northeast corner of said Section Twenty (20);

thence Westerly along the North boundary of Section Twenty (20), Township Three (3) South, Range Nine (9) East to the Northwest corner of said Section Twenty (20);

thence Southerly along the West boundary of Section Twenty (20), Township Three (3) South, Range Nine (9) East to the Southwest corner of said Section Twenty (20);

thence Westerly along the North boundary of Section Thirty (30), Township Three (3) South, Range Nine (9) East to the Northwest corner of said Section Thirty (30);

thence Northerly along the East boundaries of Sections Twenty-Four (24) and Thirteen (13), Township Three (3) South, Range Eight (8) East to the Northeast corner of said Section Thirteen (13);

thence Westerly along the North boundary of Section Thirteen (13), Township Three (3) South, Range Eight (8) East to the Northwest corner of said Section Thirteen (13);

thence Northerly along the East boundaries of Sections Eleven (11) and Two (2), Township Three (3) South, Range Eight (8) East to the Northeast corner of said Section Two (2);

thence Northerly along the East boundary of Section Thirty-Five (35), Township Two (2) South, Range Eight (8) East to the Northeast corner of said Section Thirty-Five (35);

AND BEGINNING at the Southeast corner of Section Sixteen (16), Township Two (2) South, Range Eight (8) East to the Gila and Salt River Base and Meridian;

thence Northerly along the East boundaries of Sections Sixteen (16) and Nine (9), Township Two (2) South, Range Eight (8) East to the Northeast corner of said Section Nine (9);

thence Westerly along the North boundary of Section Nine (9), Township Two (2) South, Range Eight (8) East to the Northwest corner of said Section Nine (9);

thence Southerly along the West boundaries of Sections Nine (9) and Sixteen (16), Township Two (2) South, Range Eight (8) East to the Southwest corner of said Section Sixteen (16);

thence Easterly along the South boundary of Section Sixteen (16), Township Two (2) South, Range Eight (8) East to the Southeast corner of said Section Sixteen (16);

AND THEN BEGINNING at the Northeast corner of Section Thirty-Five (35), Township Two (2) South, Range Eight (8) East of the Gila and Salt River Base and Meridian;

thence Westerly along the North boundaries of Sections Thirty-Five (35), Thirty-Four (34), Thirty-Three (33), Thirty-Two (32) and Thirty-One (31) Township Two (2) South, Range Eight (8) East to the Southeast corner of Lot 11 of Section Thirty (30), Township Two (2) South, Range Eight (8) East, being the Southeast corner of the Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ );

thence Northerly along the East boundaries of Lots 11, 8 and 5 of Section Thirty (30), Township Two (2) South, Range Eight (8) East to the Northeast corner of Lot 5 of said Section Thirty (30), being the Northeast corner of the Southwest Quarter of the Northwest Quarter (SW $\frac{1}{4}$ NW $\frac{1}{4}$ );

thence Westerly along the North boundaries of Lots 5 and 4 of Section (30), Township Two (2) South, Range Eight (8) East to the Northwest corner of Lot 4, being the Northwest corner of the Southwest Quarter of the Northwest Quarter (SW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of said Section Thirty (30);

thence Westerly along the Mid-Quarter line of the Northeast Quarter (NE $\frac{1}{4}$ ) and the Northwest Quarter (NW $\frac{1}{4}$ ) of Section Twenty-Five (25), Township Two (2) South, Range Seven (7) East to the Northeast corner of the Southwest Quarter of the Northwest Quarter (SW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of said Section Twenty-Five (25);

thence Westerly along the Mid-Quarter line of the Northeast Quarter (NE $\frac{1}{4}$ ) of Section Twenty-Six (26), Township Two (2) South, Range Seven (7) East to the Northwest corner of the Southwest corner of the Northeast Quarter (SW $\frac{1}{4}$ NE $\frac{1}{4}$ ) of said Section Twenty-Six (26);

thence Southerly along the North-South Mid-Section line of Section Twenty-Six (26), Township Two (2) South, Range Seven (7) East to the Southwest corner of the Northeast Quarter (NE $\frac{1}{4}$ ) of said Section Twenty-Six (26);

thence Easterly along the East-West Mid-Section line of Section Twenty-Six (26), Township Two (2) South, Range Seven (7) East to the Southeast corner of the Northeast Quarter of said Section Twenty-Six (26);

thence Southerly along the West boundaries of Sections Twenty-Five (25) and Thirty-Six (36), Township Two (2) South, Range Seven (7) East to the Northeast corner of Section Two (2), Township Three (3) South, Range Seven (7) East;

thence Westerly along the North boundary of Section Two (2), Township Three (3) South, Range Seven (7) East to the Northwest corner of said Section Two (2), being the point of beginning.

EXCEPTING THEREFROM the following described parcels:

The Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ) of Section Fourteen (14), Township Three (3) South, Range Seven (7) East, being owned by the United States of America.

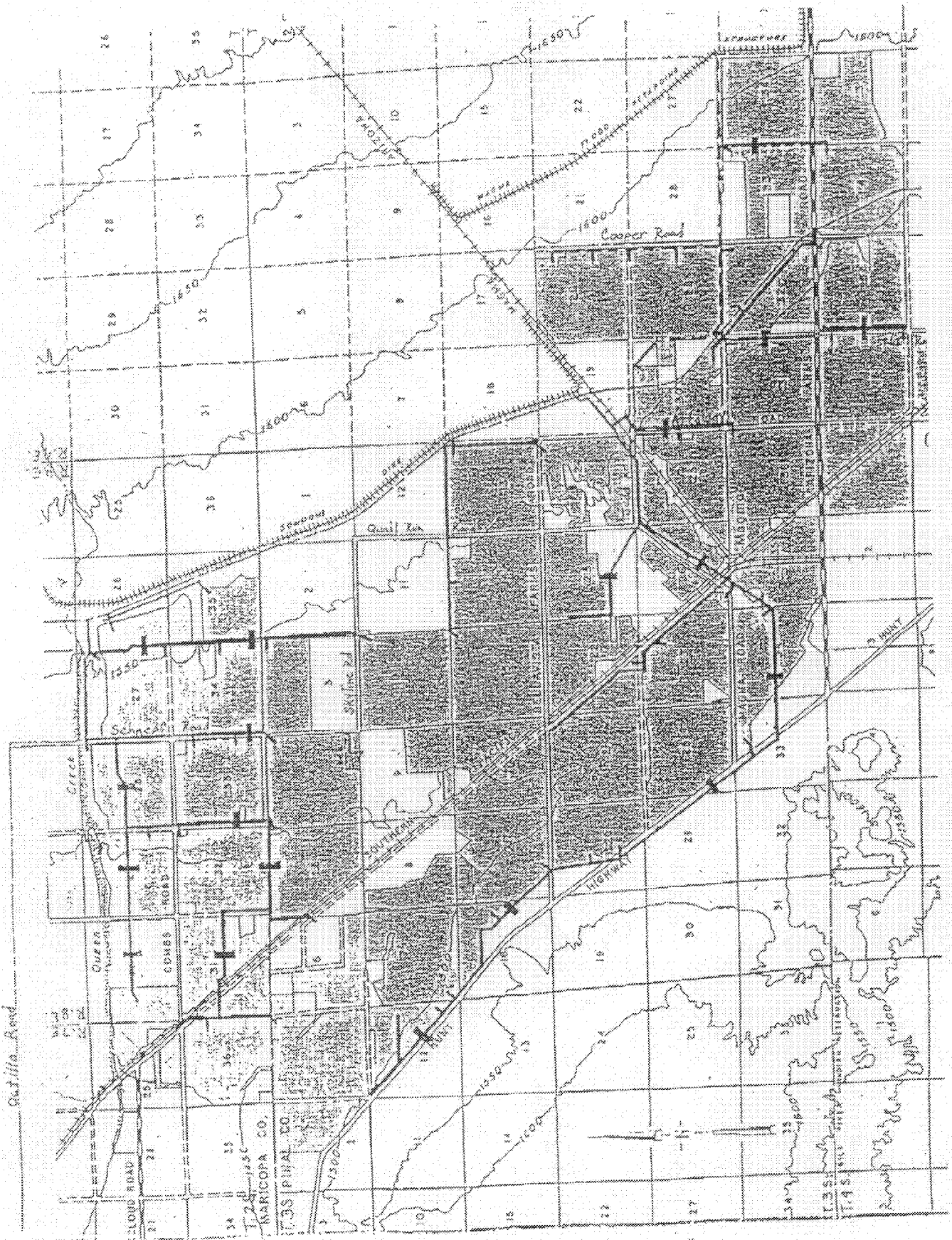
The East One-Half (E $\frac{1}{2}$ ) of Section Thirteen (13), Township Four (4) South, Range Eight (8) East, except the Southeast Quarter of the Southeast Quarter of the Southeast Quarter (SE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ ) of said Section Thirteen (13), being owned by the United States of America.

The Northwest Quarter (NW $\frac{1}{4}$ ) and the North One-Half of the Northeast Quarter (N $\frac{1}{2}$ NE $\frac{1}{4}$ ), Section Twenty-Four (24), Township Four (4) South, Range Eight (8) East, being owned by the United States of America.

The West One-Half (W $\frac{1}{2}$ ) of Section Eighteen (18), Township Four (4) South, Range Nine (9) East, being owned by the United States of America.

That certain real property situated in Pinal County, State of Arizona, referred to and shown as Parcels 1, 2, 3, 4, Un. 1 and Und. 2 on Southern Pacific Company Right of Way and Track Maps v-3a/1, v-3a/2, v-37/7, v-37/8 and v-37/9, which said maps were recorded October 25, 1965 at Book 13, pages 1 to 6, inclusive, of Maps, in the office of the County Recorder of Pinal County, State of Arizona.

That certain real property situated in Maricopa County, State of Arizona, referred to and shown as Parcels 1 and 2 on Southern Pacific Company Right of Way and Track Map v-37, Sheets 5 and 6, which said maps were recorded October 25, 1965 at Book 16, pages 54 and 55, of Road Maps, in the office of the County Recorder of Maricopa County, State of Arizona.

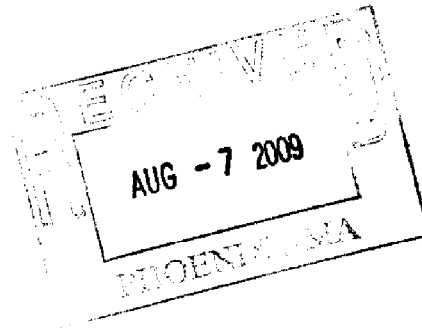




One Arizona Center  
Phoenix, AZ 85004-2202  
602.382.6000  
602.382.6070 (Fax)  
www.swlaw.com

Matthew A. Bailey  
602.382.6528  
mbailey@swlaw.com

August 7, 2009



DENVER  
LAS VEGAS  
LOS ANGELES  
LOS CABOS  
ORANGE COUNTY  
PHOENIX  
SALT LAKE CITY  
TUCSON

**VIA HAND DELIVERY**

Ms. Sharon Ward  
Arizona Department of Water Resources  
3550 North Central Avenue  
Phoenix, Arizona 85012

Re: Permit Renewal Application for Dewatering Permit No. 59-524492.0002

Dear Ms. Ward:

On behalf of Resolution Copper Mining, L.L.C. ("Resolution Copper"), please find enclosed the following:

- (1) Permit Renewal Application for Dewatering Permit No. 59-524492.0002;
- (2) An explanatory section for application item Nos. 4, 5, and 8;
- (3) A legal description for the New Magma Irrigation and Drainage District ("NMIDD" or "District") Service Area; and
- (4) Check No. 401029 in the amount of \$150.00 for the application fee.

The current expiration date for Dewatering Permit No. 59-524492.0002 is September 20, 2009. Based on our previous discussions, you explained that Resolution Copper may continue to withdraw groundwater pursuant to Dewatering Permit No. 59-524492.0002 after September 20, 2009, in the event that the Department has not yet finalized its process or otherwise re-issued a dewatering permit by that time. I would very much appreciate any updates you can offer on the Department's progress with this application as September 20, 2009 approaches.

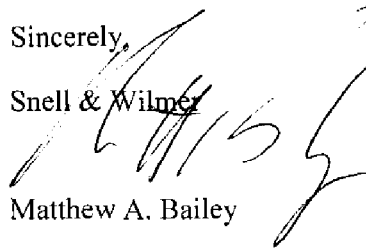
Ms. Sharon Ward  
August 7, 2009  
Page 2

Thank you in advance for your prompt attention to this permit renewal request. Please feel free to contact me directly if you have any questions.

Sincerely,

Snell & Wilmer

Matthew A. Bailey

A handwritten signature in black ink, appearing to read 'M. Bailey', is written over the typed name 'Matthew A. Bailey'.

Enclosures

cc: Brad Ross  
Carlos Ronstadt (w/out enclosures)

**PHOENIX AMA  
CHECK DEPOSIT REQUEST  
MOST USED APPLICATION**

<b>Submitted By:</b>	<b>RESOLUTION COOPER MINING</b>	<b>Date:</b>	<b>8/07/2009</b>
<b>Right Owner or Applicant:</b>	<b>RESOLUTION COOPER MINING</b>		
<b>GFR or Permit No(s):</b>	<b>59-524492.0003</b>		
<b>CHECK INFORMATION</b>			
<b>Check Number:</b>	<b>401029</b>		
<b>Check Amount:</b>	<b>150.00</b>		
<b>Name on Check:</b>	<b>SNELL &amp; WILMER LLP</b>		
<b>Address:</b>	<b>ONE ARIZONA CENTER</b>		
<b>City, ST, Zip:</b>	<b>PHOENIX, AZ 85004-2202</b>		
<b>Telephone:</b>	<b>(520) 689-3320</b>		

APPLICATION	FORM #	FUND CODE	C&A/AMA	FEE	CHECK #
Application for a Permit to Drill or Operate a Non-Exempt Well Within an AMA	55-0001	App Fee: 15245 / 4439 Permit Fee: 15238 / 4439			
NOI to Deepen, Replace or Modify an Existing Non-Exempt Well at Approximately the Same Location in an AMA	55-41	15245 / 4439			
NOI to Drill a Non-Exempt Well Pursuant to a Non-General Industrial Use Permit in an AMA	55-41a	15245 / 4439			
Application for Permit to Withdraw Groundwater for Hydrologic Testing Purposes Within an AMA	51901 AP	15238 / 4439			
Application for Permit to Withdraw Groundwater for Dewatering Purposes Within an AMA (A.R.S. § 45-513)	513AP	15238 / 4439	PHOENIX	150.00	401029
Application for Permit to Withdraw Groundwater for Temporary Dewatering Purposes Within an AMA (A.R.S. § 45-518)	518AP	15238 / 4439			
Application for Permit to Withdraw Groundwater for Temporary Dewatering Purposes Within an AMA (Emergency)	518AP	15238 / 4439			
Application for Permit to Withdraw Groundwater for Mineral Extraction & Metallurgical Processing Within an AMA	45-514	15238 / 4439			
Application for Permit to Withdraw Groundwater for General Industrial Use Within an AMA	515AP	15238 / 4439			
Application for Permit to Withdraw Poor Quality Groundwater Within an AMA	516AP	15238 / 4439			
Application for Permit to Use Water to Fill or Refill a Body of Water Within an AMA (Use of Groundwater)	132AP	App Fee: C&A Permit Fee: 15238 / 4439 Annual Surcharge: 50% to C&A and 50% to Purchase & Retirement Fund			
Application for Permit to Use Water to Fill or Refill a Body of Water Within an AMA (Use of Poor Quality Water)	132AP	15238 / 4439			
Application for Temporary Emergency Permit to Use Water to Fill or Refill a Body of Water Within an AMA (Use of Groundwater or Surface Water A.R.S. § 45-134 )	132AP	15238 / 4439			
Application to Retire an Irrigation Grandfathered Right for a Non-Irrigation (Type 1) Use (Retired after 6/12/80)	469AP	15238 / 4439			
Change of Well Information form (\$10.00)	55-71A	15238 / 4439			
Legal Fees (Varies)	No Form	15242 / 4372			

**PHOENIX AMA  
CHECK DEPOSIT REQUEST  
MOST USED APPLICATIONS**

Submitted By: <b>FRANUS DARIAN TOMKIEWICZ</b>	Date: <b>SEPTEMBER 15, 2009</b>
Right Owner or Applicant: <b>RESOLUTION COPPER MINING</b>	
GFR or Permit No(s): <b>59-524492.0003</b>	
<b>CHECK INFORMATION</b>	
Check Number: <b>401166</b>	
Check Amount: <b>\$96.50</b>	
Name on Check: <b>SNELL &amp; WILMER LLP</b>	
Address: <b>ONE ARIZONA CENTER</b>	
City, ST, Zip: <b>PHOENIX, AZ 85004-2202</b>	
Telephone: <b>(602) 382-6528</b>	

APPLICATION	FORM #	FUND CODE	C&A/AMA	FEE	CHECK #
Application for a Permit to Drill or Operate a Non-Exempt Well Within an AMA	55-0001	App Fee: 15245 / 4439 Permit Fee: 15238 / 4439			
NOI to Deepen, Replace or Modify an Existing Non-Exempt Well at Approximately the Same Location in an AMA	55-41	15245 / 4439			
NOI to Drill a Non-Exempt Well Pursuant to a Non-General Industrial Use Permit in an AMA	55-41a	15245 / 4439			
Application for Permit to Withdraw Groundwater for Hydrologic Testing Purposes Within an AMA	51901_AP	15238 / 4439			
Application for Permit to Withdraw Groundwater for Dewatering Purposes Within an AMA (A.R.S. § 45-513)	513AP	15238 / 4439	<b>PHOENIX</b>	<b>PERMIT \$50.00</b>	<b>401166</b>
Application for Permit to Withdraw Groundwater for Temporary Dewatering Purposes Within an AMA (A.R.S. § 45-518)	518AP	15238 / 4439			
Application for Permit to Withdraw Groundwater for Temporary Dewatering Purposes Within an AMA (Emergency)	518AP	15238 / 4439			
Application for Permit to Withdraw Groundwater for Mineral Extraction & Metallurgical Processing Within an AMA	45-514	15238 / 4439			
Application for Permit to Withdraw Groundwater for General Industrial Use Within an AMA	515AP	15238 / 4439			
Application for Permit to Withdraw Poor Quality Groundwater Within an AMA	516AP	15238 / 4439			
Application for Permit to Use Water to Fill or Refill a Body of Water Within an AMA (Use of Groundwater)	132AP	App Fee: C&A Permit Fee: 15238 / 4439 Annual Surcharge: 50% to C&A and 50% to Purchase & Retirement Fund			
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Application for Temporary Emergency Permit to Use Water to Fill or Refill a Body of Water Within an AMA (Use of Groundwater or Surface Water A.R.S. § 45-134 )	132AP	15238 / 4439			
Application to Retire an Irrigation Grandfathered Right for a Non-Irrigation (Type 1) Use (Retired after 6/12/80)	469AP	15238 / 4439			
Change of Well Information form (\$10.00)	55-71A	15238 / 4439			
Legal Fees (Varies)	No Form	15242 / 4372	<b>PHOENIX</b>	<b>PUBLICATION \$46.50</b>	<b>401166</b>

Printed: 8/17/2009 1:10:15 PM

Arizona Department of Water Resources

3550 N Central Ave.  
Phoenix AZ 85012

Customer:

SNELL & WILMER L.L.P.  
ONE ARIZONA CENTER  
PHOENIX, AZ 85004-2202

Receipt #: 10-7417  
Office: MAIN OFFICE  
Receipt Date: 8/11/2009  
Sale Type: Mail  
Cashier: WRCCC

Item No.	Index	AOBJ	Description	Ref ID	Qty	Unit Price	Ext Price
84	15238	4439-04	APP FOR PERMIT TO WITHDRAW GW DEWATERING PURPOSES	59-524492.0003	1	150.00	150.00
<b>RECEIPT TOTAL:</b>							<b>150.00</b>

Payment type: CHECK

Amount Paid: \$150.00

Check # 401029

Notes: Right Owner or Applicant: RESOLUTION COOPER MINING

Printed: 9/22/2009 12:01:29 PM

Arizona Department of Water Resources

3550 N Central Ave.  
Phoenix AZ 85012

Customer:

SNELL & WILMER L.L.P.  
ONE ARIZONA CENTER  
PHOENIX, AZ 85004-2202

Receipt #: 10-7892  
Office: MAIN OFFICE  
Receipt Date: 9/16/2009  
Sale Type: Mail  
Cashier: WRCCC

Item No.	Index	AOBJ	Description	Ref ID	Qty	Unit Price	Ext Price
840	15238	4439-04	PERMIT FEE TO WITHDRAW GW FOR DEWATERING PURPOSES	59-524492.0003	1	50.00	50.00
51	15242	4372-02	NEWSPAPERS/PUBLICATIONS	59-524492.0003	1	46.50	46.50
<b>RECEIPT TOTAL:</b>							<b>96.50</b>

Payment type: CHECK

Amount Paid: \$96.50

Check # 401166

Notes: Right Owner or Applicant: RESOLUTION COPPER MINING

# ANNUAL WATER WITHDRAWAL AND USE REPORT GROUNDWATER SUMMARY - WQ 2010

**OWNER OF GROUNDWATER RIGHT**

RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

**TYPE OF RIGHT**

DEWATERING PERMIT (MINING)

**RIGHT / PERMIT NO.**

59-524492.0003



PHOENIX AMA (602) 771-8585  
LOCATION: 34 1.0S 12.0E  
WITHDRAWAL AUTHORITY ALLOTMENT: 5000.00 AF  
PERMIT EXPIRATION DATE: 09/20/2029  
FACILITY NAME:

*ANNUAL REPORT  
6/10, 2010-2011  
RGR*

**REPORTING PARTY**

59-524492.0003  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

**RECEIVED**

MAR 25 2011

If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 10 Schedule A attached  
Complete this section only if you operate a non-exempt well.

2004.0      \$ 3.00      \$ 6012.00

ACRE - FEET X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

- 0 -      ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late  (Maximum of 6)

2) Calculate Late Report Fee   
(\$25.00 X number of months late)

3) Calculate Late Payment Fee   
(10 % X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2011. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2011.

REPORTS FILED AFTER MARCH 31, 2011 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X Rich A. Heig      VP - Resolution Copper      Mar 14 2011  
AUTHORIZED SIGNATURE      TITLE      DATE  
Rich A. Heig      520-689-3338  
PRINTED NAME      TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.

# WORKSHEET W-1 2010

GROUNDWATER RIGHT/PERMIT/ 59-524492.0003  
BMP Farm Unit NO.

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twp Rng		
	55-525311	SW	NW	NW	38	1.0S	12.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	NO MEASURING DEVICE SPECIF						
	SIZE	UNITS MEASURED GALS X MIL					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	6020008	156648				
ENERGY CONSUMPTION UNITS							

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
286.35	600.60	314.25

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	964.4	9 BREAKDOWN ESTIMATE	0
-------------	-------	----------------------	---

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	964.4
-----------------------	-------

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twp Rng		
	55-525312	SE	NW	NW	32	1.0S	13.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	NO MEASURING DEVICE SPECIF						
	SIZE	UNITS MEASURED GALS X MILL					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	6020008	156648				
ENERGY CONSUMPTION UNITS							

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
266.53	605.30	338.77

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	1,039.6	9 BREAKDOWN ESTIMATE	- 0 -
-------------	---------	----------------------	-------

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	1039.6
-----------------------	--------

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twp Rng		
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	NO MEASURING DEVICE SPECIF						
	SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
ENERGY CONSUMPTION UNITS							

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twp Rng		
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	NO MEASURING DEVICE SPECIF						
	SIZE	UNITS MEASURED					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
ENERGY CONSUMPTION UNITS							

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--





**WQARF WORKSHEET**  
 WATER QUALITY ASSURANCE  
 REVOLVING FUND

**ANNUAL REPORT 2010**

**OWNER**

RESOLUTION COPPER MINING LLC

**RIGHT/PERMIT NUMBER**

59-524492.0003



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A. 2004.0  
 Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is **NOT** subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

- 0 - **Box 1**  
 Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

- 0 - **Box 2**  
 Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

- 0 - **Box 3**  
 Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B. - 0 -  
 Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

2004.0  
**Box C**  
 (Acre-feet on which WQARF fees apply)

X \$2.12 = \$4248.57  
 WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2011.

# SCHEDULE G-5

ARIZONA DEPARTMENT OF WATER RESOURCES

GENERAL INDUSTRIAL USERS

Facility Name: \_\_\_\_\_

Facility No.: \_\_\_\_\_

## ANNUAL REPORT 2010

Facility Owner: Resolution Coppe Mining, LLC

Contact Name: Brad Ross

Contact Address: 102 Magma Heights  
P.O. Box 1944  
Superior, AZ 85173

Contact Phone: 520-689-3320

Rights Used at Facility:	
<u>59-524492.0003</u>	_____
<u>58-117402.0001</u>	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2010 Annual Water Withdrawal and Use Report to validate deliveries received.

Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all general industrial use facilities are required to supply the following information. Please complete one form per general industrial use facility. Instructions are listed on the reverse side of this form.

### PART 1 - DESCRIPTION OF WATER USES

Please describe the primary purposes for which water from any source, including effluent, is used.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### PART 2 - AMOUNTS USED FOR VARIOUS PURPOSES

Please provide metered quantities of water used annually from any source, including effluent, for the following purposes:

Purpose	Amount Metered (AF)	Amount Estimated (AF)
Industrial Process Water	<u>82.43</u>	
Process Cooling Water		
Process Cleaning Water		
Space Cooling Water		
Landscape Watering		
Other (Please Specify) <u>irrigation</u>	<u>2004.0</u>	

### PART 3 - WASTEWATER PRODUCTION AND USE

Please provide estimated quantities of wastewater generated and recycled.

GENERATED	AF	RECYCLED	AF
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# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2011

3/29/12  
#500013997  
\$12,149.76

**OWNER OF GROUNDWATER RIGHT**

RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

RECEIVED  
MAR 28 2012  
ARIZONA DEPARTMENT  
OF WATER RESOURCES

**REPORTING PARTY**

59-524492.0003  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

**TYPE OF RIGHT**

DEWATERING PERMIT (MINING)

**RIGHT / PERMIT NO.**

59-524492.0003



PHOENIX AMA (602) 771-8585

LOCATION: 34 1.0S 12.0E

WITHDRAWAL AUTHORITY ALLOTMENT: 5000.00 AF

PERMIT EXPIRATION DATE: 09/20/2029

FACILITY NAME:

If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 10 Schedule A attached  
Complete this section only if you operate a non-exempt well.

2373 \$ 3.00 \$ 7119.00

ACRE - FEET X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached

2341 ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached

-0- ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II

32 ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

1) Enter number of months late -0- (Maximum of 6)

2) Calculate Late Report Fee \$-0-  
(\$25.00 X number of months late)

3) Calculate Late Payment Fee \$-0-  
(10 % X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached \$ 5030.76

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI \$ 12,149.76

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2012. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2012.

REPORTS FILED AFTER MARCH 31, 2012 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X Bradley J. Ross  
AUTHORIZED SIGNATURE

Manager Infrastructure 3-26-12  
TITLE DATE

Bradley J. Ross  
PRINTED NAME

520-689-3390  
TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.

# ARIZONA DEPARTMENT OF WATER RESOURCES



January 20, 2012

JANICE K. BREWER  
Governor

SANDRA A. FABRITZ-WHITNEY  
Director

Dear Groundwater Right Owner:

Enclosed are your Annual Water Withdrawal and Use Report forms for calendar year 2011. The Summary page is printed on the reverse side of this letter. This report is for those right holders having Type 1 or Type 2 non-irrigation grandfathered rights or groundwater withdrawal permits. As a non-irrigation right or permit holder you are required to pay a Water Quality Assurance Revolving Fund (WQARF) fee. Please pay particular attention to the enclosed WQARF schedule.

The Department has preprinted certain information from our records onto these forms. If any of the preprinted information is incorrect, please make the necessary changes. Note that a separate annual report must be filed for each right you own or lease. [Separate checks should be enclosed to cover the fees associated with each right and the right number should be written on the check.](#)

The Groundwater Code requires that each person who owns a right to withdraw groundwater in an Active Management Area must file an annual report, even if no groundwater was used. [Persons who did not withdraw or use water during 2011 are required to return the forms with zeros in the appropriate blanks and sign and date the summary page.](#)

[Reports must be received by the Department or postmarked no later than March 31, 2012.](#)

The penalty for filing late is \$25.00 per month or part of month that the report is late up to \$150.00. In addition, if you withdrew groundwater, and did not pay the withdraw fee on time, the penalty is 10% of the unpaid fee per month or part of a month that the fees are delinquent, up to a maximum of 60% of the unpaid balance.

In addition, after six months, the Department may take further enforcement action for failure to file an Annual Report, including seeking civil penalties in an amount not less than \$250.00.

If your water right has been sold, then both the buyer and seller must notify the Department of the conveyance. [The owner of the right as of December 31, 2011 is responsible for filing an annual report covering the entire calendar year.](#) Please contact Groundwater Permitting and Wells Section for conveyance forms and instructions.

We have tried to provide you with the proper forms according to information in our files. Failure to receive proper forms does not relieve a person of the responsibility of keeping the required records or filing the required reports. You should keep a copy of this report for your records.

If you need help or have questions, contact Annual Reports & Planning Section.

Sincerely,

Thomas Buschatzke  
Assistant Director  
Water Planning Division





# SCHEDULE G-5

ARIZONA DEPARTMENT OF WATER RESOURCES

GENERAL INDUSTRIAL USERS

Facility Name: \_\_\_\_\_

Facility No.: \_\_\_\_\_

## ANNUAL REPORT 2011

Facility Owner: Resolution Copper Mining LLC  
 Contact Name: Brad Ross  
 Contact Address: 102 Magma Heights  
P.O. Box 1944  
Superior, AZ 85173  
 Contact Phone: 520-689-3370

Rights Used at Facility:

_____	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2011 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all general industrial use facilities are required to supply the following information. Please complete one form per general industrial use facility. Instructions are listed on the reverse side of this form.*

### PART 1 - DESCRIPTION OF WATER USES

Please describe the primary purposes for which water from any source, including effluent, is used.

Sent to irrigation district for irrigating  
Crops

### PART 2 - AMOUNTS USED FOR VARIOUS PURPOSES

Please provide metered quantities of water used annually from any source, including effluent, for the following purposes:

Purpose	Amount Metered (AF)	Amount Estimated (AF)
Industrial Process Water		
Process Cooling Water		
Process Cleaning Water		
Space Cooling Water		
Landscape Watering		
Other (Please Specify)		<u>1912</u>

### PART 3 - WASTEWATER PRODUCTION AND USE

Please provide estimated quantities of wastewater generated and recycled.

GENERATED	AF	RECYCLED	AF
-----------	----	----------	----



# WORKSHEET W-1 2011

GROUNDWATER RIGHT/PERMIT/ **59-524492.0003**  
BMP Farm Unit NO.

1 DWR WELL REGISTRATION NO. 55-218766	10	40	160	LOCATION		
	Q	Q	Q	Sec	Twp	Rng
	NE	NE	NE	35	1.0S	12.0E
2 TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIF						
MAKE / MODEL						
SIZE						
UNITS MEASURED						
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME			ACCOUNT NO.	POWER METER NO.		
			ENERGY CONSUMPTION	UNITS		

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE	

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	

1 DWR WELL REGISTRATION NO. 55-525311	10	40	160	LOCATION		
	Q	Q	Q	Sec	Twp	Rng
	SW	NW	NW	36	1.0S	12.0E
2 TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIF						
MAKE / MODEL						
SIZE						
UNITS MEASURED GALS X MIL						
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME SALT RIVER PROJECT			ACCOUNT NO. 6020008	POWER METER NO. 156648		
			ENERGY CONSUMPTION	UNITS		

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
600.6	1,055.0	394.4

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE	
1,210	-0-	

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	1,210
-----------------------	-------

1 DWR WELL REGISTRATION NO. 55-525312	10	40	160	LOCATION		
	Q	Q	Q	Sec	Twp	Rng
	SE	NW	NW	32	1.0S	13.0E
2 TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIF						
MAKE / MODEL						
SIZE						
UNITS MEASURED GALS X MILL						
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME SALT RIVER PROJECT			ACCOUNT NO. 6020008	POWER METER NO. 156648		
			ENERGY CONSUMPTION	UNITS		

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
605.3	984.2	378.9

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE	
1,163	-0-	

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	1,163
-----------------------	-------

1 DWR WELL REGISTRATION NO. 55-912941	10	40	160	LOCATION		
	Q	Q	Q	Sec	Twp	Rng
	SW	NE	NE	35	1.0S	12.0E
2 TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIF						
MAKE / MODEL						
SIZE						
UNITS MEASURED						
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME			ACCOUNT NO.	POWER METER NO.		
			ENERGY CONSUMPTION	UNITS		

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE	

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

**WQARF WORKSHEET**  
 WATER QUALITY ASSURANCE  
 REVOLVING FUND

**ANNUAL REPORT 2011**

**OWNER**

RESOLUTION COPPER MINING LLC

**RIGHT/PERMIT NUMBER**

59-524492.0003



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A.   
Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

Box 1  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

Box 2  
Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

Box 3  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B.   
Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

**Box C**  
(Acre-feet on which WQARF fees apply)

X \$2.12 =   
WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2012.

This is the original annual report for authority: 59-524492.0003

Note created: 4/5/2013

--- The document starts on the next page. ---

ARIZONA DEPARTMENT OF WATER RESOURCES, 3550 NORTH CENTRAL AVENUE, PHOENIX, AZ 85012-2105

# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2012

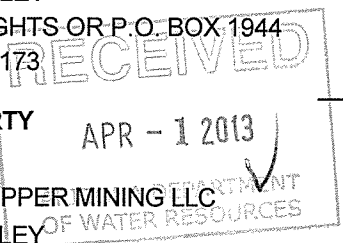
A 1  
D 1  
G5 1  
W1 1  
WQ 1

**OWNER OF GROUNDWATER RIGHT**  
 RESOLUTION COPPER MINING LLC  
 ATT: DAVID STANLEY  
 102 MAGMA HEIGHTS OR P.O. BOX 1944  
 SUPERIOR AZ 85173

**TYPE OF RIGHT**  
 DEWATERING PERMIT (MINING)

**RIGHT / PERMIT NO.**  
 59-524492.0003

**REPORTING PARTY**  
 59-524492.0003  
 RESOLUTION COPPER MINING LLC  
 ATT: DAVID STANLEY  
 102 MAGMA HEIGHTS OR P.O. BOX 1944  
 SUPERIOR AZ 85173



PHOENIX AMA (602) 771-8585  
 LOCATION: 34 1.0S 12.0E  
 WITHDRAWAL AUTHORITY ALLOTMENT: 5000.00 AF  
 PERMIT EXPIRATION DATE: 09/20/2029  
 FACILITY NAME:

If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 10 Schedule A attached  
 Complete this section only if you operate a non-exempt well.  
 1,287 ACRE - FEET X \$ 3.00 Withdrawal Fee = \$ 3,861.00

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached  
 1,287 ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached  
 0 ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II  
 1,287 ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.  
 Note: A portion of a month after March 31 is counted as a full month.

- 1) Enter number of months late 0 (Maximum of 6)
- 2) Calculate Late Report Fee \$
- 3) Calculate Late Payment Fee \$  
 (10 % X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached \$ 2,728.44

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI \$ 6,589.44

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2013. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2013.

REPORTS FILED AFTER MARCH 31, 2013 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X David Stanley AUTHORIZED SIGNATURE  
 David Stanley PRINTED NAME  
Manager Infrastructure TITLE  
3/27/13 DATE  
520-689-3219 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT





# WORKSHEET W-1 2012

GROUNDWATER RIGHT/PERMIT/ 59-524492.0003  
BMP Farm Unit NO.

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-218766	NE	NE	NE	35	1.0S	12.0E
2	TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIFIED	MAKE / MODEL					
	SIZE	UNITS MEASURED					
	INSTALLATION OR OVERHAUL DATE						
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-525311	SW	NW	NW	36	1.0S	12.0E
2	TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIFIED	MAKE / MODEL					
	SIZE	UNITS MEASURED GAL X MIL					
	INSTALLATION OR OVERHAUL DATE						
3	POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008	POWER METER NO. 156648				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
1055	1,736.4	181.4

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE
556.7	

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET
556.7

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-525312	SE	NW	NW	32	1.0S	13.0E
2	TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIFIED	MAKE / MODEL					
	SIZE	UNITS MEASURED GALS X MILL					
	INSTALLATION OR OVERHAUL DATE						
3	POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008	POWER METER NO. 156648				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
984.2	1,727.0	737.8

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE
730.0	

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET
730.0

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-912941	SW	NE	NE	35	1.0S	12.0E
2	TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIFIED	MAKE / MODEL					
	SIZE	UNITS MEASURED					
	INSTALLATION OR OVERHAUL DATE						
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET



# WQARF WORKSHEET

WATER QUALITY ASSURANCE  
REVOLVING FUND

## ANNUAL REPORT 2012

OWNER

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT NUMBER

59-524492.0003



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A. 1,287  
Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

0 Box 1  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

0 Box 2  
Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

0 Box 3  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B. 0  
Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

1,287  
Box C  
(Acre-feet on which WQARF fees apply)

X \$2.12 = \$ 2,728.44  
WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2013.



# SCHEDULE G-1

## METAL MINING FACILITIES

### ANNUAL REPORT 2012

ARIZONA DEPARTMENT OF WATER RESOURCES

Facility Name: RESOLUTION COPPER MINING

Facility No.: 11-211001.0000

Facility Owner : \_\_\_\_\_  
 Contact Name: WILLIAMS, WILLIAM R.  
 Contact Address: RESOLUTION COPPER MINING  
PO BOX 1944  
SUPERIOR, AZ 85173  
 Contact Phone: 520-689-9374

Rights Used at Facility:	
<u>58-117402.0001</u>	_____
_____	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2012 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all metal mining facilities are required to supply the following information. Please complete one form per metal mining facility. Instructions are listed on the reverse side of this form.*

#### PART 1 - MAKE-UP WATER USES

Purpose	Measured (AF)	Estimated (AF)
Domestic	0.044	
Equipment Washing		
Tailing Transport		
Tailing Revegetation		
Milling Operations		
Leaching Operations	Water Use (AF)	
	Vat:	Heap:
		In Situ:

#### PART 2 - RECOVERED WATER

Tailing Impoundments	Surface: AF	Interceptors: AF	
Pit Dewatering	AF		
Leaching Operations	Vat: AF	Heap: AF	In Situ: AF

#### PART 3 - AVERAGE DEPTH OF WATER AT DECANT SITE

Impoundment Name	Average depth at Decant Site	Average % Solids (by wt.)

#### PART 4 - AMOUNTS PROCESSED

Product	Material Mined	Ore Milled	Ore Vat Leached	Ore In-Situ Leached	Ore Stacked to Heap Leach
Tonnage					

# SCHEDULE G-5

ARIZONA DEPARTMENT OF WATER RESOURCES

GENERAL INDUSTRIAL USERS

Facility Name: \_\_\_\_\_

Facility No.: \_\_\_\_\_

## ANNUAL REPORT 2012

Rights Used at Facility:

Facility Owner: Resolution Copper Mining

Contact Name: David Stanley

Contact Address: 102 Magma Heights Dr.  
P.O. Box 1944  
Superior, AZ 85173

Contact Phone: 570 689 3219

_____	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2012 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all general industrial use facilities are required to supply the following information. Please complete one form per general industrial use facility. Instructions are listed on the reverse side of this form.*

### PART 1 - DESCRIPTION OF WATER USES

Please describe the primary purposes for which water from any source, including effluent, is used.

- Groundwater pumped under 59-574497.0003 is delivered to irrigation district for farming use.  
 Water from Arizona Water Company is used as indicated below.
- A smaller amount pumped under 58-117402.0001 is used for ~~water~~ potable and for dust suppression/drilling.

### PART 2 - AMOUNTS USED FOR VARIOUS PURPOSES

Please provide metered quantities of water used annually from any source, including effluent, for the following purposes:

Purpose	Amount Metered (AF)	Amount Estimated (AF)
Industrial Process Water <u>Mine Construction</u>	<u>139 AF</u>	
<del>Process Cooling Water</del> <u>Exploration Drill Cooling</u>	<u>6 AF</u>	
Process Cleaning Water <u>Dust Control</u>	<u>17,840,700 gal / 54.7 AF</u>	
Space Cooling Water <u>Domestic</u>	<u>0.04 AF</u>	
<del>Landscape Watering</del> <u>Industrial Process</u>	<u>1.1 AF</u>	
Other (Please Specify)		

### PART 3 - WASTEWATER PRODUCTION AND USE

Please provide estimated quantities of wastewater generated and recycled.

GENERATED	AF	RECYCLED	AF
-----------	----	----------	----

This is the original annual report for authority: 59-524492.0003

Note created: 4/25/2014

--- The document starts on the next page. ---

# ANNUAL WATER WITHDRAWAL AND USE REPORT GROUNDWATER SUMMARY - WQ 2013

A 1  
D 1  
G5 1  
W1 1  
WQ 1

**OWNER OF GROUNDWATER RIGHT**  
RESOLUTION COPPER MINING LLC  
ATT:DAVID STANLEY  
102 MAGMA HEIGHTS OR P.O. BOX 1944  
SUPERIOR AZ 85173

**TYPE OF RIGHT**  
DEWATERING PERMIT (MINING)

**RIGHT / PERMIT NO.**  
59-524492.0003

**REPORTING PARTY**  
59-524492.0003  
RESOLUTION COPPER MINING LLC  
ATT:DAVID STANLEY  
102 MAGMA HEIGHTS OR P.O. BOX 1944  
SUPERIOR AZ 85173

RECEIVED  
APR 24 2014  
ADWR

PHOENIX AMA (602) 771-8585  
LOCATION: 34 1.0S 12.0E  
WITHDRAWAL AUTHORITY ALLOTMENT: 5000.00 AF  
PERMIT EXPIRATION DATE: 09/20/2029  
FACILITY NAME:

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I GROUNDWATER WITHDRAWN

From Box 10 Schedule A attached  
Complete this section only if you operate a non-exempt well.

1,532 ACRE - FEET X Withdrawal Fee = \$ 3.00 \$ 4,596.00

### PART II WATER DELIVERED TO OTHER RIGHTS

From Box 24 Schedule D attached

1,532 ACRE - FEET

### PART III WATER RECEIVED FROM OTHER SOURCES

Total from Schedule E attached

0 ACRE - FEET

### PART IV TOTAL WATER USED BY THIS RIGHT

Calculate as follows: Part I + Part III - Part II

0 ACRE - FEET

### PART V LATE FEES

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

- 1) Enter number of months late 1 (Maximum of 6)
- 2) Calculate Late Report Fee 25.00 \$ 25.00 (\$25.00 X number of months late)
- 3) Calculate Late Payment Fee 459.60 \$ 459.60 (10 % X number of months late X withdrawal fee calculated in Part I above)

### PART VI WATER QUALITY

From WQARF Worksheet attached \$ 3,248

### PART VII TOTAL FEES DUE

Add amounts from Parts I, V and VI \$ 8,328.60

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2014. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2014.

REPORTS FILED AFTER MARCH 31, 2014 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X David Stanley AUTHORIZED SIGNATURE  
Principal Advisor Infrastructure TITLE  
3/24/14 DATE  
David Stanley PRINTED NAME  
520-689-3219 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.

# SCHEDULE A

REPORT OF PUMPING

## ANNUAL REPORT 2013

ARIZONA DEPARTMENT OF WATER RESOURCES

Owner  
RESOLUTION COPPER MINING LLC

RIGHT/PERMIT/BMP Farm Unit NO.  
59-524492.0003

Note: Pumpage for each well must be shown on the attached well worksheets.  
Information for up to four wells may be shown on each worksheet.

2		3		4		5				9		
DWR WELL		Depth to Static Water Level (Designated Providers Only)		Ground -water Pumped		RECOVERED WATER PUMPED				Total Water Pumped		
10	40	160	Q	Q	Q	Q	Q	Q	Q	Q	Q	
Q	Q	Q	SEC	TWN	RNG	Date # 1	Mgmt # 1	Well Running? (Y/N)	Q	Q	Q	
						Date # 2	Mgmt # 2		SW	EFFI N	EFF/ OUT	
55-218766		NE	NE	35	1.0S	12.0E						728
55-525311		SW	NW	NW	36	1.0S	12.0E					804
55-525312		SE	NW	NW	32	1.0S	13.0E					804
55-912941		SW	NE	NE	35	1.0S	12.0E					804
TOTAL WATER WITHDRAWN (acre-feet)		10*		1532						14**		1,532

\* ENTER TOTAL ACRE-FEET OF GROUNDWATER WITHDRAWN IN PART I OF THE SUMMARY PAGE.  
\*\* ENTER ACRE-FEET OF TOTAL WATER PUMPED IN PART IV.D. 1 OF THE SCHEDULE AWS.



# WQARF WORKSHEET

WATER QUALITY ASSURANCE  
REVOLVING FUND

## ANNUAL REPORT 2013

OWNER

RESOLUTION COPPER MINING LLC

RIGHT/PERMIT NUMBER

59-524492.0003



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

### TO CALCULATE WQARF FEES OWED:

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A.  Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

Box 1  
Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

Box 2  
Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

Box 3  
Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B.  Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

Box C  
(Acre-feet on which WQARF fees apply)

X \$2.12 =

WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2014.

# SCHEDULE G-5

ARIZONA DEPARTMENT OF WATER RESOURCES

GENERAL INDUSTRIAL USERS

Facility Name: \_\_\_\_\_

Facility No.: \_\_\_\_\_

## ANNUAL REPORT 2013

Facility Owner: Resolution Copper Mining LLC

Contact Name: David Stanley

Contact Address: PO Box 1944  
Superior, AZ 85173

Contact Phone: 520-689-3219

Rights Used at Facility:	
<u>55-218766</u>	_____
<u>55-525312</u>	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2013 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all general industrial use facilities are required to supply the following information. Please complete one form per general industrial use facility. Instructions are listed on the reverse side of this form.*

### PART 1 - DESCRIPTION OF WATER USES

Please describe the primary purposes for which water from any source, including effluent, is used.

Water is delivered to New Magma Irrigation District for  
crop irrigation

### PART 2 - AMOUNTS USED FOR VARIOUS PURPOSES

Please provide metered quantities of water used annually from any source, including effluent, for the following purposes:

Purpose	Amount Metered (AF)	Amount Estimated (AF)	Water Type
Industrial Process Water			
Process Cooling Water			
Process Cleaning Water			
Space Cooling Water			
Landscape Watering			
Other (Please Specify)		<u>1532</u>	<u>ground water</u>

### PART 3 - WASTEWATER PRODUCTION AND USE

Please provide estimated quantities of wastewater generated and recycled.

GENERATED	<u>0</u> AF	RECYCLED	<u>0</u> AF
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# WORKSHEET W-1 2013

GROUNDWATER RIGHT/PERMIT/ **59-524492.0003**  
BMP Farm Unit NO.

1 DWR WELL REGISTRATION NO. 55-218766	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	NE	NE	NE	35	1.0S	12.0E
2 TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIFIED		MAKE / MODEL				
SIZE		UNITS MEASURED GALS X MIL				
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME Salt River Project		ACCOUNT NO. 6020008		POWER METER NO. 156648		
ENERGY CONSUMPTION				UNITS		

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
1236.4	1,473.6	237.2

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	728	9 BREAKDOWN ESTIMATE	
-------------	-----	----------------------	--

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	728
-----------------------	-----

1 DWR WELL REGISTRATION NO. 55-525311	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	SW	NW	NW	36	1.0S	12.0E
2 TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIFIED		MAKE / MODEL				
SIZE		UNITS MEASURED GAL X MIL				
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME SALT RIVER PROJECT		ACCOUNT NO. 6020008		POWER METER NO. 156648		
ENERGY CONSUMPTION				UNITS		

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
1236.4		

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

1 DWR WELL REGISTRATION NO. 55-525312	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	SE	NW	NW	32	1.0S	13.0E
2 TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIFIED		MAKE / MODEL				
SIZE		UNITS MEASURED GALS X MILL				
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME SALT RIVER PROJECT		ACCOUNT NO. 6020008		POWER METER NO. 156648		
ENERGY CONSUMPTION				UNITS		

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
1222	1483.9	261.9

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	804	9 BREAKDOWN ESTIMATE	
-------------	-----	----------------------	--

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	804
-----------------------	-----

1 DWR WELL REGISTRATION NO. 55-912941	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	SW	NE	NE	35	1.0S	12.0E
2 TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIFIED		MAKE / MODEL				
SIZE		UNITS MEASURED				
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME		ACCOUNT NO.		POWER METER NO.		
ENERGY CONSUMPTION				UNITS		

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in 10 in Column 13 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

JANICE K. BREWER  
Governor



MICHAEL J. LACEY  
Director

ARIZONA DEPARTMENT OF WATER RESOURCES  
PO Box 36020  
PHOENIX, ARIZONA 85067-36020  
(602) 771-8585

April 18, 2014

59-524492.0003  
RESOLUTION COPPER MINING LLC  
ATT:DAVID STANLEY  
102 MAGMA HEIGHTS OR P.O. BOX 1944  
SUPERIOR, AZ 85173



**NOTICE OF VIOLATION**  
**FAILURE TO FILE 2013 ANNUAL REPORT**

Arizona Department of Water Resources ("Department") records indicate that the 2013 Annual Report for the right or permit listed above has not been filed. The Annual Report must be filed with the Director of the Department no later than March 31st of each year for the preceding calendar year. The Annual Report must be filed regardless of whether or not water was used pursuant to the right or permit. You are in receipt of this Notice of Violation for failure to file an Annual Report for one of the following statutes:

Pursuant to A.R.S. § 45-632(O) an Annual Water Withdrawal and Use Report must be filed no later than March 31 of each year for the preceding calendar year. This includes Annual Reports filed for service area rights, grandfathered groundwater rights, groundwater withdrawal permits, irrigation district and BMP groundwater summaries, recovery well reports and BMP enrollees, among others.

The penalty for failure to file an Annual Report pursuant to A.R.S. § 45-632(O) is \$25.00 for each month or portion of a month that the Annual Report is delinquent. The total penalty assessed for violations of A.R.S. § 45-632(O) shall not exceed \$150.00. If groundwater was withdrawn in 2013, you are also subject to a late payment fee of ten percent of the unpaid groundwater withdrawal fee for each month or portion of a month that the Annual Report is delinquent, not to exceed sixty percent of the unpaid fee. A.R.S. § 45-614(E). Water Quality Assurance Revolving Fund fees for groundwater withdrawals, if applicable, are also due at this time. A.R.S. § 45-616.

Or

Pursuant to A.R.S. § 45-875.01, an Annual Water Withdrawal and Use Report must be filed no later than March 31 of each year for the preceding calendar year. This includes Annual Reports for water storage facility permits, e.g., GSF, USF, UWS and WS summaries, among others.

The penalty for failure to file an Annual Report pursuant to A.R.S. § 45-875.01(E) is \$25.00 for each month or portion of a month that the Annual Report is delinquent. The total penalty assessed for violations of A.R.S. § 45-875.01(E) shall not exceed \$150.00.

**Please contact the Department at (602) 771-8585 if you believe this Notice of Violation was mailed in error.**

To obtain annual report forms, please go to  
[www.azwater.gov/azdwr/WaterManagement/AMAs/phoenixAMA/AMAWithdrawalandUseAnnualReport.htm](http://www.azwater.gov/azdwr/WaterManagement/AMAs/phoenixAMA/AMAWithdrawalandUseAnnualReport.htm)  
or call us at 602-771-8585, or email us at [earp@azwater.gov](mailto:earp@azwater.gov) and please include your right or permit number.



This is the original annual report for authority: 59-524492.0003

Note created: 4/8/2015

--- The document starts on the next page. ---

# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2014

### OWNER OF GROUNDWATER RIGHT

RESOLUTION COPPER MINING LLC  
ATTN: DAVID STANLEY  
102 MAGMA HEIGHTS OR P.O. BOX 1944  
SUPERIOR AZ 85173

### TYPE OF RIGHT

DEWATERING PERMIT (MINING)

### RIGHT / PERMIT NO.

59-524492.0003

### REPORTING PARTY

59-524492.0003

RESOLUTION COPPER MINING LLC  
ATTN: DAVID STANLEY  
102 MAGMA HEIGHTS OR P.O. BOX 1944  
SUPERIOR AZ 85173



PHOENIX AMA (602) 771-8585

LOCATION: 34 1.0S 12.0E

WITHDRAWAL AUTHORITY ALLOTMENT: 5000.00 AF

PERMIT EXPIRATION DATE: 09/20/2029

FACILITY NAME:

RECEIVED  
APR 02 2015  
ADMR

RECEIVED  
MAR 31 2015

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I GROUNDWATER WITHDRAWN

From Box 10 Schedule A attached  
Complete this section only if you operate a non-exempt well.

1489 \$ 3.00 \$ 4,467.00

ACRE - FEET X Withdrawal Fee =

### PART II WATER DELIVERED TO OTHER RIGHTS

From Box 24 Schedule D attached

ACRE - FEET

### PART III WATER RECEIVED FROM OTHER SOURCES

Total from Schedule E attached

ACRE - FEET

### PART IV TOTAL WATER USED BY THIS RIGHT

Calculate as follows: Part I + Part III - Part II

ACRE - FEET

### PART V LATE FEES

Complete if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

- 1) Enter number of months late  (Maximum of 6)
- 2) Calculate Late Report Fee \_\_\_\_\_ \$   
(\$25.00 X number of months late)
- 3) Calculate Late Payment Fee \_\_\_\_\_ \$   
(10 % X number of months late X withdrawal fee calculated in Part I above)

### PART VI WATER QUALITY

From WQARF Worksheet attached \$ 3,156.68

### PART VII TOTAL FEES DUE

Add amounts from Parts I, V and VI \$ 7,623.68

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be mailed to P.O. Box 36020 Phoenix, AZ. 85067 and postmarked no later than March 31, 2015. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2015.

REPORTS FILED AFTER MARCH 31, 2015 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X David Stanley AUTHORIZED SIGNATURE Principal Infrastructure TITLE 3/20/15 DATE

David Stanley PRINTED NAME 520-827-0243 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.



Owner

RESOLUTION COPPER MINING LLC

# SCHEDULE D

## REPORT OF WATER DELIVERIES TO OTHER WATER RIGHTS

1 RIGHT/PERMIT/BMP Farm Unit NO.

59-524492.0003

### ANNUAL REPORT 2014

2 RIGHT NO. DELIVERED TO	4 DWR WELL NUMBER	5 CUSTOMER ACCOUNT NUMBER	6 FILING ON BEHALF	7 HOW MEASURED OR ESTIMATED	A ACRE-FEET DELIVERED BY TYPE OF WATER					TOTAL ACRE-FEET DELIVERED
					8 GW	9 CAP	10 EFF	11 SRP	12 Other SW	
3 TYPE OF RIGHT 57-002511.0000 IRRIGATION DISTRICT (SW & C)				48 Meter	1489					1489
Note: If you delivered water to a storage facility, enter the amounts on a UWS - Schedule.										
EXCHANGE WATER GIVEN										
14 EXCHANGE NO. RECEIVING WATER	15 DWR WELL NO. IF APPLICABLE									
67-										
68-										
69-										
TOTAL ACRE-FEET DELIVERED					8	9	10	11	12	13
					1489					1489

14 EXCHANGE NO. RECEIVING WATER	15 DWR WELL NO. IF APPLICABLE	B ACRE-FEET EXCHANGED BY TYPE OF WATER					TOTAL ACRE-FEET EXCHANGED
		16 TOT. GW	17 TOT. CAP	18 TOT. EFF	19 TOT. SRP	20 TOT. O. SW	
TOTAL ACRE-FEET EXCHANGED		16	17	18	19	20	21
TOTAL ACRE-FEET DELIVERED AND EXCHANGED							22
							1489

# SCHEDULE G-5

ARIZONA DEPARTMENT OF WATER RESOURCES

GENERAL INDUSTRIAL USERS

Facility Name: \_\_\_\_\_

Facility No.: \_\_\_\_\_

## ANNUAL REPORT 2014

Facility Owner: Resolution Copper Mining LLC

Contact Name: David Stanley

Contact Address: 102 Magma Heights Dr.  
Superior, AZ 85173

Contact Phone: 520-689-8219

Rights Used at Facility:

_____	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2014 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all general industrial use facilities are required to supply the following information. Please complete one form per general industrial use facility. Instructions are listed on the reverse side of this form.*

### PART 1 - DESCRIPTION OF WATER USES

Please describe the primary purposes for which water from any source, including effluent, is used.

Water is used for domestic purposes, dust control, and  
concrete mixing - also for treatment of mine water

### PART 2 - AMOUNTS USED FOR VARIOUS PURPOSES

Please provide metered quantities of water used annually from any source, including effluent, for the following purposes:

Purpose	Amount Metered (AF)	Amount Estimated (AF)	Water Type
Industrial Process Water			
Process Cooling Water			
Process Cleaning Water			
Space Cooling Water			
Landscape Watering			
Other (Please Specify)			

### PART 3 - WASTEWATER PRODUCTION AND USE

Please provide estimated quantities of wastewater generated and recycled.

GENERATED	AF	RECYCLED	AF
-----------	----	----------	----



# WORKSHEET W-1 2014

GROUNDWATER RIGHT/PERMIT/ 59-524492.0003  
BMP Farm Unit NO.

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-218766	NE	NE	NE	35	1.0S	12.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	NO MEASURING DEVICE SPECIFIED	UNITS MEASURED					
	SIZE	GAL * MILLIO					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE
1473.6		

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE
-------------	----------------------

Enter total Acre-feet  
Shown in 10 in one of  
Columns 4-8 of Schedule A

10 TOTAL IN ACRE-FEET
-----------------------

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-525311	SW	NW	NW	36	1.0S	12.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	NO MEASURING DEVICE SPECIFIED	UNITS MEASURED					
	SIZE	GAL * MILLIO					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	6020008	156648				
ENERGY CONSUMPTION		UNITS					

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE
-------------	----------------------

Enter total Acre-feet  
Shown in 10 in one of  
Columns 4-8 of Schedule A

10 TOTAL IN ACRE-FEET
-----------------------

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-525312	SE	NW	NW	32	1.0S	13.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	NO MEASURING DEVICE SPECIFIED	UNITS MEASURED					
	SIZE	GAL * MILLIO					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	SALT RIVER PROJECT	6020008	156648				
ENERGY CONSUMPTION		UNITS					

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE
-------------	----------------------

Enter total Acre-feet  
Shown in 10 in one of  
Columns 4-8 of Schedule A

10 TOTAL IN ACRE-FEET	1489
-----------------------	------

1	DWR WELL REGISTRATION NO.	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	55-912941	SW	NE	NE	35	1.0S	12.0E
2	TYPE OF MEASURING DEVICE	MAKE / MODEL					
	NO MEASURING DEVICE SPECIFIED	UNITS MEASURED					
	SIZE	GAL * MILLIO					
INSTALLATION OR OVERHAUL DATE							
3	POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
	ENERGY CONSUMPTION		UNITS				

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	9 BREAKDOWN ESTIMATE
-------------	----------------------

Enter total Acre-feet  
Shown in 10 in one of  
Columns 4-8 of Schedule A

10 TOTAL IN ACRE-FEET
-----------------------

**WQARF WORKSHEET**  
 WATER QUALITY ASSURANCE  
 REVOLVING FUND

**ANNUAL REPORT 2014**

**OWNER**

RESOLUTION COPPER MINING LLC

**RIGHT/PERMIT NUMBER**

59-524492.0003



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page

A.  Acre-Feet

- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

Box 1 Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

Box 2 Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

Box 3 Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B.  Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

Box C  
 (Acre-feet on which WQARF fees apply)

X \$2.12 =

WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2015.

This is the original annual report for authority: 59-524492.0003

Note created: 5/3/2016

--- The document starts on the next page. ---

# ANNUAL WATER WITHDRAWAL AND USE REPORT

## GROUNDWATER SUMMARY - WQ 2015

A 1  
D 1  
G5 1  
W1 1  
WQ 1

**OWNER OF GROUNDWATER RIGHT**  
RESOLUTION COPPER MINING LLC  
ATTN: DAVID STANLEY  
102 MAGMA HEIGHTS, P.O. BOX 1944  
SUPERIOR AZ 85173

**TYPE OF RIGHT**  
DEWATERING PERMIT (MINING)

**RIGHT / PERMIT NO.**  
59-524492.0003

**REPORTING PARTY**  
59-524492.0003  
RESOLUTION COPPER MINING LLC  
ATTN: DAVID STANLEY  
102 MAGMA HEIGHTS, P.O. BOX 1944  
SUPERIOR AZ 85173

PHOENIX AMA (602) 771-8585  
LOCATION: 34 1.0S 12.0E  
WITHDRAWAL AUTHORITY ALLOTMENT: 5000.00 AF  
PERMIT EXPIRATION DATE: 09/20/2029  
FACILITY NAME:

RECEIVED  
APR 28 2016  
ADWR

If any of the information preprinted on this report is incorrect, please make the necessary changes.

**PART I GROUNDWATER WITHDRAWN**

From Box 11 Schedule A attached  
Complete this section only if you operate a non-exempt well.  
1,460 \$ 3.00 \$ 4,380.00  
ACRE - FEET X Withdrawal Fee =

**PART II WATER DELIVERED TO OTHER RIGHTS**

From Box 24 Schedule D attached  
1,460 ACRE - FEET

**PART III WATER RECEIVED FROM OTHER SOURCES**

Total from Schedule E attached  
0 ACRE - FEET

**PART IV TOTAL WATER USED BY THIS RIGHT**

Calculate as follows: Part I + Part III - Part II  
0 ACRE - FEET

**PART V LATE FEES**

Complete if filing after March 31.  
Note: A portion of a month after March 31 is counted as a full month.

- 1) Enter number of months late 1 (Maximum of 6)
- 2) Calculate Late Report Fee \$ 25.00 (Maximum of 6)
- 3) Calculate Late Payment Fee \$ 438.00 (10% X number of months late X withdrawal fee calculated in Part I above)

**PART VI WATER QUALITY**

From WQARF Worksheet attached \$ 3,095.20

**PART VII TOTAL FEES DUE**

Add amounts from Parts I, V and VI \$ 7,938.20

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be mailed to P.O. Box 36020 Phoenix, AZ. 85067 and postmarked no later than March 31, 2016. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2016.

REPORTS FILED AFTER MARCH 31, 2016 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X [Signature]  
AUTHORIZED SIGNATURE  
David Stanley  
PRINTED NAME

Principal Adviser Infrastructure 3/31/16  
TITLE DATE  
520 689 3719  
TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.





# SCHEDULE G-5

GENERAL INDUSTRIAL USERS

ARIZONA DEPARTMENT OF WATER RESOURCES

Facility Name: \_\_\_\_\_

Facility No.: \_\_\_\_\_

## ANNUAL REPORT 2015

Facility Owner: Resolution Copper Mining

Contact Name: Daniel Stanley

Contact Address: 102 Magna Heights Dr.  
Superior, AZ 85173

Contact Phone: 520 827 0743

Rights Used at Facility:	
_____	_____
_____	_____
_____	_____

If you received an annual use letter from an irrigation district or municipal provider, please submit a copy of their letter with your 2015 Annual Water Withdrawal and Use Report to validate deliveries received.

*Pursuant to Chapter 6 of the Third Management Plan of your Active Management Area, all general industrial use facilities are required to supply the following information. Please complete one form per general industrial use facility. Instructions are listed on the reverse side of this form.*

### PART 1 - DESCRIPTION OF WATER USES

Please describe the primary purposes for which water from any source, including effluent, is used.

Water is used for  
Domestic Purposes  
Make-up for cooling tower circuits  
Dilution/Treatment of Mine Water

### PART 2 - AMOUNTS USED FOR VARIOUS PURPOSES

Please provide metered quantities of water used annually from any source, including effluent, for the following purposes:

Purpose	Amount Metered (AF)	Amount Estimated (AF)	Water Type
Industrial Process Water		<u>300</u>	<u>Arizona Water Co.</u>
Process Cooling Water			
Process Cleaning Water			
Space Cooling Water			
Landscape Watering			
Other (Please Specify)			

### PART 3 - WASTEWATER PRODUCTION AND USE

Please provide estimated quantities of wastewater generated and recycled.

GENERATED	<u>20</u> AF	RECYCLED	AF
-----------	--------------	----------	----

# WORKSHEET W-1 2015

GROUNDWATER RIGHT/PERMIT/ **59-524492.0003**  
BMP Farm Unit NO.

1 DWR WELL REGISTRATION NO. 55-218766	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	NE	NE	NE	35	1.0S	12.0E
2 TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIFIED		MAKE / MODEL				
SIZE		UNITS MEASURED				
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
ENERGY CONSUMPTION			UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET	1,460	9 BREAKDOWN ESTIMATE	
-------------	-------	----------------------	--

Enter total Acre-feet  
Shown in **10** in one of  
Columns 5-9 of Schedule A

10 TOTAL IN ACRE-FEET	1,460
-----------------------	-------

1 DWR WELL REGISTRATION NO. 55-525311	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	SW	NW	NW	36	1.0S	12.0E
2 TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIFIED		MAKE / MODEL				
SIZE		UNITS MEASURED				
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008	POWER METER NO. 156648				
ENERGY CONSUMPTION			UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
5 INITIAL	6 ENDING	7 DIFFERENCE

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in **10** in one of  
Columns 5-9 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

1 DWR WELL REGISTRATION NO. 55-525312	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	SE	NW	NW	32	1.0S	13.0E
2 TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIFIED		MAKE / MODEL				
SIZE		UNITS MEASURED				
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME SALT RIVER PROJECT	ACCOUNT NO. 6020008	POWER METER NO. 156648				
ENERGY CONSUMPTION			UNITS			

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ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

WATER TOTALIZING METER READINGS		
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8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in **10** in one of  
Columns 5-9 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--

1 DWR WELL REGISTRATION NO. 55-912941	10 Q	40 Q	160 Q	LOCATION Sec Twn Rng		
	SW	NE	NE	35	1.0S	12.0E
2 TYPE OF MEASURING DEVICE NO MEASURING DEVICE SPECIFIED		MAKE / MODEL				
SIZE		UNITS MEASURED				
INSTALLATION OR OVERHAUL DATE						
3 POWER CO. NAME	ACCOUNT NO.	POWER METER NO.				
ENERGY CONSUMPTION			UNITS			

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ?  Yes  No  
ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

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8 ACRE FEET		9 BREAKDOWN ESTIMATE	
-------------	--	----------------------	--

Enter total Acre-feet  
Shown in **10** in one of  
Columns 5-9 of Schedule A

10 TOTAL IN ACRE-FEET	
-----------------------	--



# WQARF WORKSHEET

WATER QUALITY ASSURANCE  
REVOLVING FUND

## ANNUAL REPORT 2015

**OWNER**

RESOLUTION COPPER MINING LLC

**RIGHT/PERMIT NUMBER**

59-524492.0003



WORKSHEET FOR DETERMINING WHICH GROUNDWATER WITHDRAWALS ARE SUBJECT TO PAYMENT OF WATER QUALITY ASSURANCE REVOLVING FUND (WQARF) FEES AND FOR CALCULATION OF FEES DUE

**TO CALCULATE WQARF FEES OWED:**

- Enter in Box A the total groundwater withdrawn pursuant to this right/permit, as reported on Part I of the Annual Water Withdrawal and Use Report Summary page
- Calculate groundwater withdrawn pursuant to this right/permit that is NOT subject to the WQARF fee as follows:

A.  Acre-Feet

- Enter in Box 1 the amount of groundwater (if any) withdrawn by a city, town, private water company, or county improvement district.

Box 1 Acre-Feet

Note: Groundwater withdrawn by a city, town, private water company, or county improvement district and delivered to customers for use and not for resale is subject to a tax on potable water imposed by A.R.S. § 42-5302.

- Enter in Box 2 the amount of groundwater (if any) withdrawn pursuant to a withdrawal permit but **not** put to a beneficial use (e.g. pumped from well directly into a riverbed or sewer, etc.)

Box 2 Acre-Feet

- Enter in Box 3 the amount of groundwater (if any) withdrawn and used within the Buckeye waterlogged area pursuant to a drainage water withdrawal permit.

Box 3 Acre-Feet

- Add the total of amounts entered in Boxes 1 + 2 + 3 above; this total is the amount of groundwater exempted from WQARF fee. Enter this amount in Box B.

B.  Acre-Feet

- Calculate the amount of groundwater that is subject to WQARF fee, and for which WQARF fees are owed:

- Total WQARF fees owed: Box A - Box B =

Box C  
(Acre-feet on which WQARF fees apply)

X \$2.12 =

WQARF Fees owed

Transfer the amount of WQARF fees to Part VI of the Summary Page.

Note: WQARF fees MUST BE REPORTED AND PAID at the time the Annual Water Withdrawal and Use Report is filed and the withdrawal fees paid, but NOT LATER THAN MARCH 31, 2016.

DOUGLAS A. DUCEY  
Governor



THOMAS BUSCHATZKE  
Director

April 20, 2016

ARIZONA DEPARTMENT OF WATER RESOURCES  
PO Box 36020  
PHOENIX, ARIZONA 85067-36020  
(602) 771-8585

59-524492.0003  
RESOLUTION COPPER MINING LLC  
ATTN: DAVID STANLEY  
102 MAGMA HEIGHTS, P.O. BOX 1944  
SUPERIOR, AZ 85173



**NOTICE OF VIOLATION**  
**FAILURE TO FILE 2015 ANNUAL REPORT**

Arizona Department of Water Resources ("Department") records indicate that the 2015 Annual Report for the right or permit listed above has not been filed. The Annual Report must be filed with the Director of the Department no later than March 31st of each year for the preceding calendar year. The Annual Report must be filed regardless of whether or not water was used pursuant to the right or permit. You are in receipt of this Notice of Violation for failure to file an Annual Report for one of the following statutes:

Pursuant to A.R.S. § 45-632(O) an Annual Water Withdrawal and Use Report must be filed no later than March 31 of each year for the preceding calendar year. This includes Annual Reports filed for service area rights, grandfathered groundwater rights, groundwater withdrawal permits, irrigation district and BMP groundwater summaries, recovery well reports and BMP enrollees, among others.

The penalty for failure to file an Annual Report pursuant to A.R.S. § 45-632(O) is \$25.00 for each month or portion of a month that the Annual Report is delinquent. The total penalty assessed for violations of A.R.S. § 45-632(O) shall not exceed \$150.00. If groundwater was withdrawn in 2015, you are also subject to a late payment fee of ten percent of the unpaid groundwater withdrawal fee for each month or portion of a month that the Annual Report is delinquent, not to exceed sixty percent of the unpaid fee. A.R.S. § 45-614(E). Water Quality Assurance Revolving Fund fees for groundwater withdrawals, if applicable, are also due at this time. A.R.S. § 45-616.

Or

Pursuant to A.R.S. § 45-875.01, an Annual Water Withdrawal and Use Report must be filed no later than March 31 of each year for the preceding calendar year. This includes Annual Reports for water storage facility permits, e.g., GSF, USF, UWS and WS summaries, among others.

The penalty for failure to file an Annual Report pursuant to A.R.S. § 45-875.01(E) is \$25.00 for each month or portion of a month that the Annual Report is delinquent. The total penalty assessed for violations of A.R.S. § 45-875.01(E) shall not exceed \$150.00.

**Please contact the Department at (602) 771-8585 if you believe this Notice of Violation was mailed in error.**

To obtain annual report forms, please go to  
[www.azwater.gov/azdwr/WaterManagement/AMAs/phoenixAMA/AMAWithdrawalandUseAnnualReport.htm](http://www.azwater.gov/azdwr/WaterManagement/AMAs/phoenixAMA/AMAWithdrawalandUseAnnualReport.htm)  
or call us at 602-771-8585, or email us at [earp@azwater.gov](mailto:earp@azwater.gov) and please include your right or permit number.



**ARIZONA DEPARTMENT OF WATER RESOURCES  
WATER MANAGEMENT DIVISION**

500 North Third Street, Phoenix, Arizona 85004  
Telephone 602 417-2470  
Fax 602 417-2423



**JANET NAPOLITANO**  
Governor

**HERB GUENTHER**  
Director

March 2, 2005

Mr. Daniel L. Mead  
Resolution Copper Mining LLC  
13592 n. Wide View Drive  
Tucson, AZ 85737

Re: Conveyance of Dewatering Permit No. 59-524492.0001

Dear Permittee:

Enclosed is a copy of your permit for your records. The department's records reflect the conveyance of this permit from BHP Copper Inc. to Resolution Copper Mining LLC. None of the limitations or conditions of the permit has been changed.

Pursuant to the provisions of A.R.S. § 45-604 any person withdrawing groundwater from a well is required to use a water measuring device to record rates of withdrawal in order to provide or allow the computation of an annual volume of pumpage from the well. The total volume of pumpage shall be reported on an annual report. The annual report shall be submitted no later than March 31 following the end of each completed annual reporting period. Subsequent annual report periods shall be January 1 through December 31.

Under A.R.S. § 45-593, the person to whom a well is registered must notify this Department of a change in ownership, status or physical characteristics of the well to keep the well registrations records current and accurate. This would include notifying the Department of abandonment or capping of a well. For such future use, a Change of Well Information/Ownership form is enclosed.

The Department has issued the authorization of this dewatering use permit pursuant to A.R.S. § 45-513 of the Groundwater Code. The legal nature of the water withdrawn from your wells may be the subject of court action in the future as part of a determination of surface water rights in your area. If there are court proceedings that could affect your wells, you will be notified and be given the opportunity to participate.

In accordance with A.R.S. § 45-520, your groundwater withdrawal permit may be conveyed only for the same use, subject to the approval of the director. Enclosed is a Notification of Change of Ownership of Groundwater Withdrawal Permit form for any change in ownership of the permit.

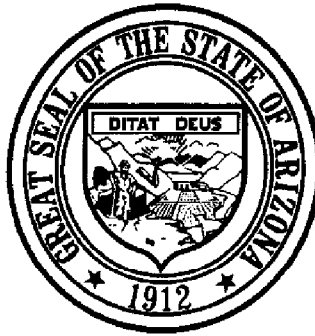
If you have any questions about the terms and conditions of the permit, please contact the Phoenix Active Management Area office at 602-417-2465.

Sincerely,

A handwritten signature in cursive script, appearing to read "Darlene Sumpter-King".

Darlene Sumpter-King  
Water Resource Specialist  
Enclosures

cc: Phoenix Active Management Area



## CONVEYED PERMIT

ARIZONA DEPARTMENT OF WATER RESOURCES

PERMIT TO WITHDRAW GROUNDWATER FOR

DEWATERING PURPOSES

PERMIT NO. 59-524492.0001

STATE OF ARIZONA                    )  
                                                          ) ss.  
County of Maricopa                    )

This is to certify that Application No. 59-524492.0001 meets the requirements of Title 45, Chapter 2, Article 7, Arizona Revised Statutes, for a dewatering permit. The Director hereby grants a permit to dewater groundwater from land for beneficial use pursuant to A.R.S. § 45-513, subject to the following limitations and conditions:

### Permit Limitations

Permittee:                               Resolution Copper Mining LLC  
                                                      Suite C-135  
                                                      2525 East Arizona Biltmore Circle  
                                                      Phoenix, Arizona 85016

Active Management Area:           Phoenix

Sub-basin:                               East Salt River Valley

Maximum Amount of Groundwater  
to be Withdrawn:                   2810 acre feet per annum.

PERMIT NO. 59-524492.0001

Authorized Use of Groundwater: Mineral extraction and metallurgical processing.

Authorized Place Where Groundwater  
May Be Used: Section 34 and 35, Township 1 South, Range 12  
East.

Authorized Points of Withdrawal:

Authorized Well Registration Numbers:	File Numbers:	Depth of Well	Casing Diameter	Casing Material
55-525311	D (1-12) 36 BBC	Not applicable	Not applicable	Not applicable
55-525312	D (1-13) 32 BBD	Not applicable	Not applicable	Not applicable

Effective Date of Permit: September 20, 1989

Expiration Date of Permit: September 20, 2009

**Permit Conditions**

1. The permittee shall monitor and measure withdrawals of groundwater and shall report the total amount of groundwater withdrawn on an annual water withdrawal and use report. The first annual reporting period shall be from the date of issuance of this permit through December 31, 2005.
2. The issuance of the permit does not waive any federal, state, county or local government ordinances, regulations or permits for which the facility may have to comply.

WITNESS my hand and seal of office this 2nd day  
of March, 2005. **(Reissued)**



Mark Frank, Acting Assistant Director

# NOTIFICATION OF CHANGE OF OWNERSHIP OF A GROUNDWATER WITHDRAWAL PERMIT

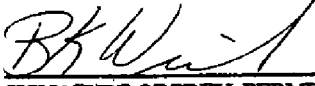
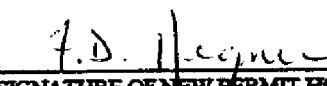
**RECEIVED**  
**FEB 23 2005**  
**PHOENIX AMA**

**INSTRUCTIONS**

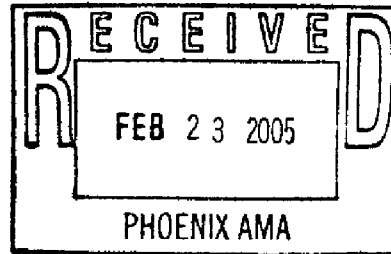
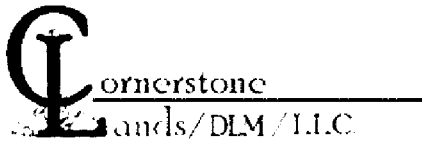
- BOTH THE PRIOR AND NEW PERMIT HOLDERS MUST SIGN THIS FORM.
- **NOTE THAT THE FOLLOWING TYPES OF WITHDRAWAL PERMITS MAY NOT BE CONVEYED TO A NEW OWNER:**
  - TEMPORARY AND EMERGENCY DEWATERING PERMITS, PURSUANT TO A.R.S. § 45-517 AND 45-518;
  - HYDROLOGIC TESTING PERMIT, PURSUANT TO A.R.S. § 45-519.01.
- PURSUANT TO A.R.S. § 45-113, THE FEE FOR CONVEYING A WITHDRAWAL PERMIT IS \$35.00. PLEASE INCLUDE A CHECK PAYABLE TO A.D.W.R.

In accordance with A.R.S. §45-520(B), the undersigned parties hereby notify the Arizona Department of Water Resources of the conveyance of the following groundwater withdrawal permit:

1. Groundwater Withdrawal Permit number: 59- 524492 .0000
2. Type of Permit: Grandfathered Groundwater Right
3. Amount of permit: 2810 acre feet per annum.
4. Expiration date of permit 9 /20 / 2009
5. Please specify the effective date of this conveyance 3 /31 /04.
6. Indicate the registration numbers of all wells that will be operated pursuant to this permit. Attach a separate sheet if necessary.  
55-525311      55-525312      55-\_\_\_\_\_      55-\_\_\_\_\_
7. Indicate the intended place of use of water withdrawn pursuant to this permit: T1.0S, R12.0E Sections 34, 35
8. Indicate the intended non-irrigation use(s): None

PREVIOUS PERMIT HOLDER (Print or Type)	NEW PERMIT HOLDER (Print or Type)
NAME <u>BHP Copper Inc.</u>	NAME <u>Resolution Copper Mining LLC</u>
ADDRESS <u>200 S. Veterans Memorial Blvd</u>	ADDRESS <u>2525 East Arizona Biltmore</u>
<u>San Manuel, AZ 85631</u>	<u>Circle-Suite C-135 Phx AZ85016</u>
PHONE <u>520-385-3306</u>	PHONE <u>602-956-0223</u>
	
SIGNATURE OF PREV. PERMIT HOLDER	SIGNATURE OF NEW PERMIT HOLDER
<u>2/18/05</u>	<u>2-22-05</u>
DATE	DATE

If you have questions regarding this matter, please phone the appropriate Active Management Area office: Phoenix (602) 417-2470; Prescott (520) 778-7202; Pinal (520) 836-4857; Tucson (520) 770-3800; Santa Cruz (520) 761-1814.



Daniel Mead  
Land Consultant

February 18, 2005

## MEMO

To: Department of Water Resources  
Attention: Darlene Sumpter/King  
From: Dan Mead  
Subject: **Ground Water Withdrawal Permit Ownership Change Form:**

Darlene:

Please find attached the new form you sent us to complete the ownership transfer of Groundwater Permit no 59-524492.0000 from BHP Copper Inc. to Resolution Copper Mining LLC.

Please give me a call if you have any questions.

Sincerely yours;

A handwritten signature in black ink that reads 'Daniel Mead'.

Daniel L Mead  
For Resolution Copper Mining LLC

13592 North Wide View Drive \* Tucson, AZ 85737  
Phone: 520-419-2622 Fax: 520-825-7182  
E-mail: [daniel.mead@worldnet.att.net](mailto:daniel.mead@worldnet.att.net)



ARIZONA DEPARTMENT OF WATER RESOURCES  
DEWATERING PERMIT

 **COPY**

**REVISED**

PERMIT NO. 59-524492

STATE OF ARIZONA     )  
                                          )ss.  
County of MARICOPA    )

This is to certify that I have examined Application No. 59-524492 and have determined that it meets the requirements of Title 45, Chapter 2, Article 7, Section 45-513, Arizona Revised Statutes, for a Dewatering Permit. The Department hereby grants a permit to withdraw groundwater for dewatering, subject to the following limitations and conditions:

Permittee:                    BHP Copper Inc.  
                                  7400 North Oracle Road, Suite 200  
                                  Tucson, Arizona 85704

Active Management Area:       Phoenix                    Sub-basin: East Salt River Valley

Authorized use of groundwater withdrawn: Mineral extraction and metallurgical processing.

Groundwater may be used within: Sections 34 and 35, Township 1 South, Range 12 East GSRB&M.

Authorized Points of Withdrawal:

Registration No.	File No.
55-525311	D(1-12)35 aa
55-525312	D(1-13)32 bbd

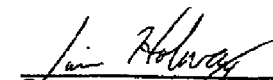
Total amount of groundwater to be withdrawn: 2,810 acre feet per annum.

Duration of permit: From September 20, 1989 to September 20, 2009

**Special conditions of permit:**

- In order for the Department to monitor the withdrawal of groundwater, the applicant shall meter the amount of groundwater withdrawn and shall report the information to the Department on an annual report.

Witness my hand and seal of office this   29th   day of       April, 1996.

  
\_\_\_\_\_  
Jim Holway, Assistant Director



**COPY**

ARIZONA DEPARTMENT OF WATER RESOURCES

REVISED PERMIT

PERMIT NO. 59-524492

STATE OF ARIZONA     )  
                                          ) ss.  
County of Maricopa     )

This is to certify that I have examined Application No. 59-524492 and have determined that the applicant is entitled to withdraw groundwater in an Active Management Area pursuant to Title 45, Chapter 2, Article 7, Arizona Revised Statutes. By this examination, the Department has determined that dewatering is necessary for the beneficial use of the land from which the groundwater is to be withdrawn. I hereby approve the applicant's right to withdraw groundwater for the purpose of dewatering pursuant to §45-513, Arizona Revised Statutes, subject to the following limitations and conditions:

Applicant:                     Magma Copper Company,  
                                      Superior Division, P.O. Box 37  
                                      Superior, Arizona 85273

Active Management Area: Phoenix     Subbasin: East Salt River Valley

Authorized sump pumps:

Registration No. 55-525311     File No. D(1-12)35 aa  
Registration No. 55-525312     File No. D(1-13)32 bbd

Total amount of groundwater to be withdrawn: 2,810 acre feet per annum

Authorized use of groundwater: 1,490 acre feet per annum for mineral extraction and metallurgical processing

Duration of permit: From September 20, 1989 to September 20, 2009

Land groundwater will be used upon:

As authorized by Permit No. 59-524492

Witness my hand and seal of office this 20<sup>th</sup> day of June, 1991.



*Herb Dishlip*  
\_\_\_\_\_  
Herb Dishlip  
Deputy Director



**NOTIFICATION OF CHANGE OF OWNERSHIP OF A TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHT AND/OR APPLICATION FOR REVISED CERTIFICATE TO REFLECT NEW OR ADDITIONAL POINTS OF WITHDRAWAL FOR A TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHT**

**INSTRUCTIONS AND REQUIRED ATTACHMENTS**

- COMPLETE PART I AND PART IV OF THIS FORM. IF YOU ARE REPORTING AN OWNERSHIP CHANGE, PART II MUST ALSO BE COMPLETED. IF YOU ARE REQUESTING A REVISED CERTIFICATE TO REFLECT NEW OR ADDITIONAL POINTS OF WITHDRAWAL, PART III MUST BE COMPLETED. OBTAIN ALL REQUIRED SIGNATURES. MAIL THE COMPLETED FORM TO THE ABOVE ADDRESS OR HAND DELIVER IT TO ADWR AT 500 NORTH THIRD STREET, PHOENIX.
- PURSUANT TO A.A.C. R12-15-101, IF YOU REQUEST A REVISED CERTIFICATE TO REFLECT NEW OR ADDITIONAL POINTS OF WITHDRAWAL, THE DEPARTMENT WILL ISSUE A WRITTEN NOTICE GRANTING OR DENYING YOUR APPLICATION WITHIN 90 DAYS AFTER RECEIPT OF THE APPLICATION. THE DEPARTMENT WILL FIRST DETERMINE WHETHER THE APPLICATION IS ADMINISTRATIVELY COMPLETE (ADMINISTRATIVE REVIEW PERIOD) AND THEN WHETHER THE APPLICATION MEETS THE SUBSTANTIVE CRITERIA ESTABLISHED BY STATUTE OR RULE (SUBSTANTIVE REVIEW PERIOD). THE TIME FRAME FOR ADMINISTRATIVE COMPLETENESS REVIEW IS 45 DAYS. THE TIME FRAME FOR SUBSTANTIVE REVIEW IS 135 DAYS. THE OVERALL TIME FRAME OF 180 DAYS ENCOMPASSES BOTH THE ADMINISTRATIVE COMPLETENESS REVIEW AND THE SUBSTANTIVE REVIEW TIME FRAMES. THESE TIME FRAMES MAY BE SUSPENDED IF THE DEPARTMENT DETERMINES THAT THE APPLICATION IS NOT COMPLETE AND REQUESTS ADDITIONAL INFORMATION IN WRITING.
- ENCLOSE THE ORIGINAL CERTIFICATE OF GRANDFATHERED GROUNDWATER RIGHT. THIS DOCUMENT IS AVAILABLE FROM THE SERVICE UNIT OR CURRENT OWNER. IF THE ORIGINAL CERTIFICATE HAS BEEN LOST, A NOTARIZED STATEMENT TO THIS EFFECT MUST BE SUBMITTED.
- ENCLOSE A \$65.00 FEE TO COVER ISSUANCE OF A NEW CERTIFICATE. CHECKS MUST BE MADE PAYABLE TO ARIZONA DEPARTMENT OF WATER RESOURCES. THIS FEE IS REQUESTED BY A.A.C. RULE R12-15-151 (BY NC).
- IF THE TYPE 2 RIGHT WILL BE LEASED IN FULL OR IN PART, A NOTIFICATION OF LEASE OF A TYPE 2 NON-IRRIGATION GRANDFATHERED RIGHT (FORM 58-800) MUST BE FILED ALSO.
- IF YOU NEED ANY ASSISTANCE PLEASE CONTACT THE CONVEYANCE UNIT AT 602-417-2465 (PHOENIX AREA) OR 800-352-8488 (STATEWIDE). TO ACCESS ADWR REQUIRED GRANDFATHERED RIGHT CONVEYANCE FORMS, VISIT OUR WEBSITE ADDRESS: [www.water.az.gov](http://www.water.az.gov).

**WRONG FORM TO USE**  
**WRONG FEE**  
**WRONG FEE**

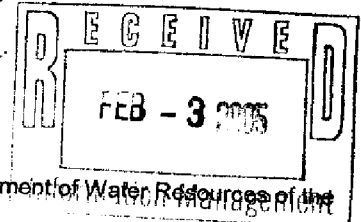
**PART I. GENERAL INFORMATION**

1. Certificate of Grandfathered Groundwater Right number: 59-524492.0000
2. Amount of right indicated on certificate: 2810.00 acre-feet annually.
3. Active Management Area: Phoenix

**PART II. NOTIFICATION OF CHANGE OF OWNERSHIP**

In accordance with A.R.S. § 45-482(B), the undersigned parties hereby notify the Arizona Department of Water Resources of the conveyance of this Type 2 Non-Irrigation Grandfathered Right:

Please specify the effective date of this ownership change 3/31/04 and the quantity of groundwater withdrawn or received pursuant to the right between January 1 of that calendar year and the effective date of the ownership change: \_\_\_\_\_ acre-feet.



2. Will the type of use of the groundwater change after this conveyance? \_\_\_\_\_ YES X NO. If yes, describe the new use. (Note: In accordance with A.R.S. § 45-474(A), the owner of a Type 2 Non-Irrigation Grandfathered Right that is issued for purposes of mineral extraction or processing, or for purposes of electrical energy generation, may not convey the right for any other purpose.)



**PART III. APPLICATION FOR REVISED CERTIFICATE TO REFLECT NEW OR ADDITIONAL POINTS OF WITHDRAWAL**

In accordance with A.R.S. § 45-471(C), the undersigned hereby requests the Arizona Department of Water Resources to issue a revised certificate of Type 2 Non-Irrigation Grandfathered Right to reflect different points of withdrawal or to remove all wells from this certificate.

1. Wells to be added to the certificate (list by ADWR registration number; non-exempt wells only). If no new wells are to be added, write "None."

ADWR Reg. No.	Twp	Rng	Sec	Quarters			Owner Name	Proposed Type 2 Withdrawals
				160	40	10		
55-None								_____ acre-feet annually
55-_____								_____ acre-feet annually
55-_____								_____ acre-feet annually

2. Wells to be removed from the certificate (list by ADWR registration number) and status of removed wells:

55-_____	not in use	_____ capped	_____ abandoned	_____ exempt	pump cap: _____ gpm
55-_____	not in use	_____ capped	_____ abandoned	_____ exempt	pump cap: _____ gpm
55-_____	not in use	_____ capped	_____ abandoned	_____ exempt	pump cap: _____ gpm

**PART IV. GRANTOR AND GRANTEE OR CURRENT OWNER INFORMATION**

GRANTOR (SELLER)  
OR CURRENT OWNER

GRANTEE (BUYER)  
OR OTHER OWNERS OF  
NEW POINTS OF WITHDRAWAL

(Print or Type)

(Print or Type)

NAME BHP Copper, Inc.

NAME Resolution Copper Mining LLC

ADDRESS 200 S. Veterans Memorial Blvd.  
San Manuel, AZ 85631

ADDRESS 2525 East Arizona Biltmore Circle-Suite C-135  
Phoenix, AZ 85016

PHONE (520) 385-3306

PHONE (602) 956-0223

SIGNATURE *BK Wait* DATE 1/26/05

SIGNATURE *J.D. Hegner* DATE 15 Sept. 04

\*This right is currently in the name of Magma Copper Company, a Delaware corporation, which changed its name to BHP Copper, Inc. on 13 February 1996. Attached is a copy of the State of Delaware certification evidencing that change.

 **COPY**

**Resolution Copper Mining, LLC**  
2525 E. Arizona Biltmore Circle  
Suite C-135  
Phoenix, AZ 85016

Wells Fargo Bank, N.A.  
Salt Lake City, UT 84111

11-24 00002363  
1210  
DATE 09/30/04

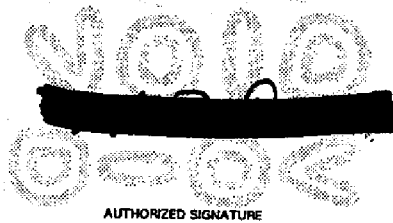
\$ \*\*\*\*\*115.00

Y ONE HUNDRED FIFTEEN DOLLARS AND ZERO CENTS

THE ARIZONA DEPT. OF WATER RESOURCES  
DER OF 500 NORTH THIRD STREET

PHOENIX , AZ85004

SECURITY FEATURES INCLUDED ON THIS DOCUMENT ARE DETAILED ON BACK OF CHECK. IF THESE FEATURES ARE NOT PRESENT, DO NOT CASH



AUTHORIZED SIGNATURE



**ATTACHMENT 3**

Resolution Copper Mining, LLC's 2013 Application to Arizona Department of Water Resources for Water Reallocation

'13 JUN 14 PM 1:40:20



**APPLICATION FOR  
NON-INDIAN AGRICULTURAL (NIA)  
WATER REALLOCATION**

Submitted By

**RESOLUTION COPPER MINING, LLC**

102 Magma Heights  
Superior, AZ 85173

To

**ARIZONA DEPARTMENT OF WATER RESOURCES**

3550 North Central Avenue  
Phoenix, AZ 85012

June 14, 2013

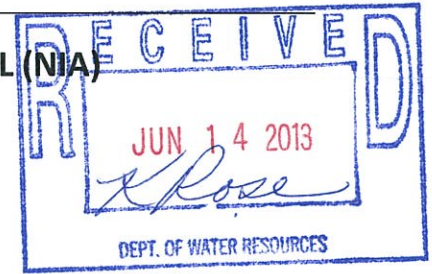
**APPLICATION FOR NON-INDIAN AGRICULTURAL (NIA)  
WATER REALLOCATION**

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APPLICATION FOR NON-INDIAN AGRICULTURAL (NIA)  
WATER REALLOCATION  
JUNE 14, 2013



0. **CONTEXT OF APPLICATION**

Resolution Copper Mining LLC (also referred to as "RCML," "Resolution Copper," and "Resolution Copper Project") is submitting this application to the Arizona Department of Water Resources ("ADWR") pursuant to the public notices provided by ADWR regarding the re-allocation of Non-Indian Agricultural priority water ("NIA Water"), the most recent of which are published on ADWR's website as Final NIA Reallocation Application Requirements and Final NIA Reallocation Process and Evaluation Criteria ("Criteria"). A pre-application meeting was held between RCML and ADWR on April 16, 2013.

1. **EXECUTIVE SUMMARY**

Resolution Copper Mining LLC is requesting an allocation of 6,350 Acre Feet of NIA Water for purposes of mineral extraction and processing at Resolution Copper's operation located adjacent to the Town of Superior. The water will be stored for future use during the pre-production years. During the mine's production years, the allocation will be used directly and supplemented by the stored water supplies as needed.

The use of the NIA water for this purpose meets ADWR's objectives stated in the Criteria by reducing the amount of groundwater pumped and by delivering renewable supplies to areas of limited groundwater resources.

2. **RESOLUTION COPPER PROJECT OVERVIEW**

***Historical Summary***

The Magma Copper Company was organized by founder Colonel William Boyce Thompson in 1910 in response to ore discoveries in the area of Superior, formerly known as the Hastings Pioneer Mining District. The underground Magma mine operated off and on throughout the 20th century as a full mine-mill-smelting operation, connecting itself to customers via the Magma Arizona Railroad line. Among its remarkable achievements was the first full scale refrigeration system for an underground mine – a development necessitated by the high subsurface rock temperatures in the region.

BHP Billiton acquired Magma Copper Company in 1996 under the newly formed BHP Copper Group. Soon after, an exploratory drilling campaign led to the discovery of a new porphyry deposit, positioned deeper than the original Magma mine workings and slightly to the east. However, the exploration efforts needed to evaluate the new deposit were dampened by a softening of the copper market worldwide. Not long after the acquisition was complete, BHP's Superior operation was closed down entirely.



In 2001, discussions between Rio Tinto's exploration group and BHP led to the signing of a joint venture agreement between the two companies. In 2004 and after meeting certain earn-in requirements specified in the joint venture agreement, Resolution Copper Mining LLC was formed recognizing Rio Tinto as the managing entity and majority shareholder with a 55 percent stake and BHP as the minority shareholder with a 45 percent stake in the Resolution Copper Project. Since 2004, Resolution Copper has diligently worked to delineate and further the evaluation of the ore body, develop a project concept and design, and prepare environmental and engineering studies to support the mine's permitting requirements. In addition, substantial land reclamation work of the obsolete mining facilities from the historic old Magma Mine located at what is called the Project's West Plant Site ("WPS") has been completed or is in progress.

### ***Project Current Status***

Resolution Copper presently employs 100 full time personnel, all of whom live in the region stretching from the Greater Phoenix Metropolitan area to the San Carlos Apache Reservation. While this group forms the hub of project activity, a much greater share of the work – both in engineering and construction – is outsourced to contractors, many of whom are located within Arizona. Several key activities are now progressing in parallel with one another, all of which are necessary in order to obtain the required operating permits and to justify the ongoing investment in mine development in a proper manner. A brief description of each of these follows.

### ***Geology***

Developing a thorough understanding of the underground copper resource is the primary focus of current Project activities. Rock samples are extracted from several thousand feet below the surface by specially trained drill crews. These cylindrical samples, called "cores" are then carefully analyzed by geologists, who log and analyze the relevant data so it can ultimately be used to construct a digital 3D model of the copper-rich region, called the "ore body". This is a process of incremental discovery, in which each new core sample contributes an additional data set to the 3D model. As the number of data points increase, so does the confidence in the model's accuracy – confidence which must meet certain standards in order to justify investment in the mine. Hence, what is initially termed an "exploration" effort, later transitions into what is known as "resource evaluation."

Since the initial signing of the exploration agreement in 2001, the work of resource evaluation has continued in an earnest fashion to the present time. Nearly a million man hours have been logged in the effort, with the total length of the core samples extracted approaching 150,000 meters by the end of 2012. The shape and extent of the 3D model has become more definite over time, revealing a natural resource of tremendous significance to Arizona.

### ***Engineering***

Understanding the best approach to extract and process the ore is the also crucial. Without this, there is no real knowledge of the how much value is contained in the deposit – and whether the business is viable. There are numerous mining and processing methods available for consideration; once these are selected there are even more numerous configurations from which



to choose. The relative costs of each of these permutations must be understood in order to progressively select from the options and to ultimately optimize the basic design.

To this end, consulting experts within Arizona, the United States and from around the world have worked with Resolution Copper's on site engineering staff to develop the project's technical and financial basis. The work has involved engineering from all disciplines: mining, geotechnical, refrigeration, civil, mechanical, electrical, marine, and hydrology to name a few. The water-related technical information provided in this application is; therefore, a small portion of the product of this effort that has required the better part of a decade and an investment of over \$1 Billion.

#### ***Environmental Studies and Permits***

The mining industry in the United States operates in a highly regulated context at the County, State, and Federal levels. Long before mining operations start, permits are required in order to collect the needed baseline data for the Project, to stockpile rock removed from the mine, to discharge water, to manage and maintain historic facilities associated with the former Magma Mine and to conduct a host of other needed activities. Resolution Copper currently holds and maintains compliance with over 20 permits with state, county, and federal agencies (above and beyond those obtained from ADWR) in order to continue its work.

Several of the long-term permits that Resolution Copper will need in the future to operate the mine require that extensive environmental baseline surveys be conducted in advance. These surveys provide the information needed by the engineers so that mine plans and designs can include crucial measures needed to protect the areas in which the mine will operate. For example, Resolution Copper is in the midst of a comprehensive hydrological study. This study work is a project unto itself, involving thus far a cost of approximately \$47 million and the installation of 46 monitoring and test wells located strategically across the project area stretching from Florence Junction to Top of the World. In addition to the test wells, Resolution Copper has collected close to a decade's worth of surface hydrologic data in and around the Project area. The data set is used to understand the baseline subsurface and surface hydrology to help characterize the groundwater flows and aquifer systems in the region of the proposed mine activities.

The orebody lies primarily beneath lands administered by the US Forest Service (USFS). In order to operate the mine, Resolution Copper must obtain authorization from the USFS only after completing a comprehensive environmental review under the National Environmental Policy Act ("NEPA"). This authorization can be granted only after Resolution Copper submits a General Plan of Operations to the USFS along with the associated environmental baseline impact studies. This information will be reviewed by the USFS and its third-party contractor and used to develop and Environmental Impact Statement ("EIS") in accordance with NEPA's requirements. Resolution Copper's General Plan of Operations has been in development roughly in parallel with the engineering efforts and is expected to be submitted to the USFS this year. Resolution Copper's overall development schedule is dependent on the progress and outcomes of the NEPA review as



well as the over fifty permits and approvals that also must be obtained before commercial mining can commence.

#### ***Reclamation of Old Mine Area***

When BHP's assets were acquired by Rio Tinto, a \$50 million budget was allocated to begin land reclamation efforts on the 1,500 acres of property located around Superior, where decades-old tailings piles, waste rock and historic mining facilities looked down from the foothills. The waste rock has been shaped into a more natural looking landform and re-vegetated with a native seed mixture; the tailings piles have been graded, capped with a growth media, and re-vegetated in recent years; while the historic concentrator and other buildings have been demolished, reshaped and re-vegetated. Superior has thus gained an aesthetically pleasing backdrop more consistent with the area's abundant natural beauty.

#### ***Early Construction Activities***

The Resolution Copper Project will require an investment of over \$6 billion to engineer, permit, and construct the mine—all before a single pound of copper is extracted. A significant portion of this cost is in the construction of the underground workings of the mine, which may be compared to a complete large scale factory a mile beneath the surface – complete with crushers, conveyors, rail hauling systems, hoists, cooling plants, maintenance shops, offices, and more. The construction of such a facility on the surface would be challenging enough. But to do so underground, where the space must first be created by the removal of 11 million metric tons of rock, will indeed constitute a major engineering achievements, requiring approximately a decade of construction time – the same time it took to build the Panama Canal. Thus, the construction of the permanent block cave mine, with all of its supporting underground infrastructure and features, may rightly be considered itself a major mining operation.

In 2008, Resolution Copper began construction of No. 10 Shaft—a 28-foot diameter, 7,000 foot deep shaft that was used as an exploratory shaft to access the underground and understand the rock conditions, the temperature, and to collect samples for additional analytical test work. This shaft was constructed within the footprint of the historic Magma Mine No. 9 Shaft site and thus no new disturbance footprint was created. The information gathered from No. 10 Shaft was instrumental in advancing the underground mine design. Eventually, No. 10 Shaft will serve as a permanent ventilation shaft allowing heat and exhaust air to be ventilated away from the underground mine workers. Another key activity has been the construction of a mine dewatering system and treatment facility. In 2007, Resolution Copper completed commissioning of a brand new water processing facility. This facility receives water pumped out of the historic Magma Mine Workings and delivers the treated water via a 25 mile pipeline to the New Magma Irrigation and Drainage District (“NMIDD”) for farming use.

#### ***Water Acquisition***

In the early years of Resolution Copper it became apparent that the bedrock in the vicinity of the mine was not going to be an efficient or sustainable source of water to supply the Project's water needs. A water acquisition plan was then developed to help guide Resolution Copper's actions in



acquiring the necessary water supplies needed for the future mine. In the context of Arizona's water picture and the related concerns over excessive groundwater pumping by industrial users, the plan calls for the use of renewable supplies to the maximum extent possible – even if such reserves can only be acquired at a higher cost to the business.

In accordance with this plan, Resolution Copper began acquiring and storing excess CAP water in 2006 and was one of Arizona's leading purchasers of excess CAP water for a time. As of June 2013, approximately 275,000 acre feet have been stored in various facilities within the Phoenix and Pinal AMAs. Resolution Copper continues to look for water partners and one-time purchase opportunities in order to acquire additional renewable water supplies.

In addition, Resolution Copper has sought to provide meaningful contributions to the ongoing discussions in Arizona around water supplies. Company representatives participated in CAP-led Acquire, Develop, and Deliver Water (Project ADD Water) workshops held in 2010 and 2011 and are now involved in subsequent water stakeholder discussions throughout southern Arizona, joining not only with other mining interests but also with municipal and agricultural interests in an effort to sustain Arizona's water future.

#### ***Project Benefits to the State of Arizona***

Arizona has a vested interest in the progress and success of the Resolution Copper Project. Independent economic analyses have estimated that tax revenues over the 42 year life of the mine at approximately \$20 billion. The people of Arizona will benefit from the approximately 3,700 jobs added, and an annual payroll from such jobs estimated at \$220 million. However, the economic value of the project cannot be measured in dollars alone. The state will benefit in other ways as it retains a greater share of its talented tradesmen, operators, and university graduates who choose to begin their career in the mining industry at Resolution Copper and who will choose to stay for their entire professional lives.

Natural resources such as the Resolution Copper deposit also represent a unique type of economic asset for the state – one that will not require state or federal incentives in order to attract the investment dollars. Indeed, it would be difficult to find a comparable undeveloped natural resource anywhere else in the United States.

More information on the Resolution Project can be found at the project's website, [www.resolutioncopper.com](http://www.resolutioncopper.com).

### **3. USE OF WATER IN MINING**

Water has three fundamental uses in mining.

1. *Ore Processing* refers to the milling and flotation processes that separate value minerals from the rest. The milling processes include multiple stages of crushing and grinding in order to reduce the ore particles to a size at which the copper minerals can be successfully liberated. The milling process is followed by flotation, in which the copper-bearing particles

are separated from the rest in a water medium. This process normally involves a water-to-solids ratio of approximately 2:1.

2. *Conveyance* refers to the general movement of minerals both within a given plant, such as a concentrator, and also between plants, such as from the concentrator to the concentrate load out facility, or from the concentrator to the tailings storage facility. In this context, minerals are transported through pipelines in a slurry, with water acting as a conveying agent. The water to solids ratio of these slurries is roughly 1:2.
3. *Dust Mitigation* refers to the use of water to suppress dust in any context. Underground ore piles, roads, stockpiles, underground work fronts, and blasting surfaces use water to reduce the potential for dust generation and to meet the national ambient air quality standards and conditions set forth in air quality permits.

These water uses in mining normally involve industrial quality water that has been recycled multiple times. In the overall water system of the operation, water is re-used as many times as technically feasible. Essentially, fresh water sources are used only to provide original processing volumes and then to make up the amount lost either through pond evaporation or tailings deposition.

Each mine project is unique as to its actual demand for water and the configuration of its water systems. Mine configuration, production rate, local climate, availability and location of fresh water sources – these are just a few of the factors that figure into the water demand picture. For example, due to the large area exposed to the atmosphere, surface mines require a greater quantity of water for dust mitigation than do underground mines such as Resolution Copper.

During the past 2-3 decades, as diminishing water resources throughout the world have become the subject of concern for regulators, industries, and communities, the mining industry has made significant investments in water conservation. These have brought about changes in both operating practice and in the use of technology in a two pronged approach to the problem:

1. find new ways to re-use water over and over again in the operation; and
2. look at lower quality original sources and apply current technologies to make them useful.

Both approaches have yielded positive results by reducing fresh water consumption by as much as 30% in certain arid regions.



**4. RESOLUTION COPPER WATER MANAGEMENT PLAN**

**Operations Overview**

The mine production and processing facilities are divided into five major areas. These are listed in Table 4.1 below.

**TABLE 4.1  
MAJOR PLANT AREAS**

Operating Area	Description
East Plant	The site of the historic No. 9 Shaft, the location of No. 10 Shaft, the planned location of all new shafts and surface works, and the underground mine itself. Located east of the Town of Superior. Resolution Copper has private land holdings in this area.
West Plant	The historic Magma Mine site used for mining and ore processing;. Lands owned by Resolution Copper immediately north and east of the Town of Superior;. The location of the water processing facility and a potential site of the future mill.
Tailings Storage Facility	A search for a suitable tailings site is currently underway. The previously preferred site at Pinto Valley is no longer available due to the restart of mining operations there.
MARRCO Corridor	Begins at the Union Pacific Line at Magma Junction and continues to the Town of Superior. The railroad’s right-of-way will be used for product and water conveyance.
Concentrate Load Out and Filter Plant	Located near the western terminus of the MARRCO line. At this facility, copper concentrate will be loaded onto rail cars for shipment to customers. Water filtered from the copper concentrate product will be recycled back to the mill.

A map showing the relative position of these areas is provided in Figure 4.2.

A schematic overview of Resolution Copper’s General Plan of Operations is shown in Figure 4.3 on the following page.



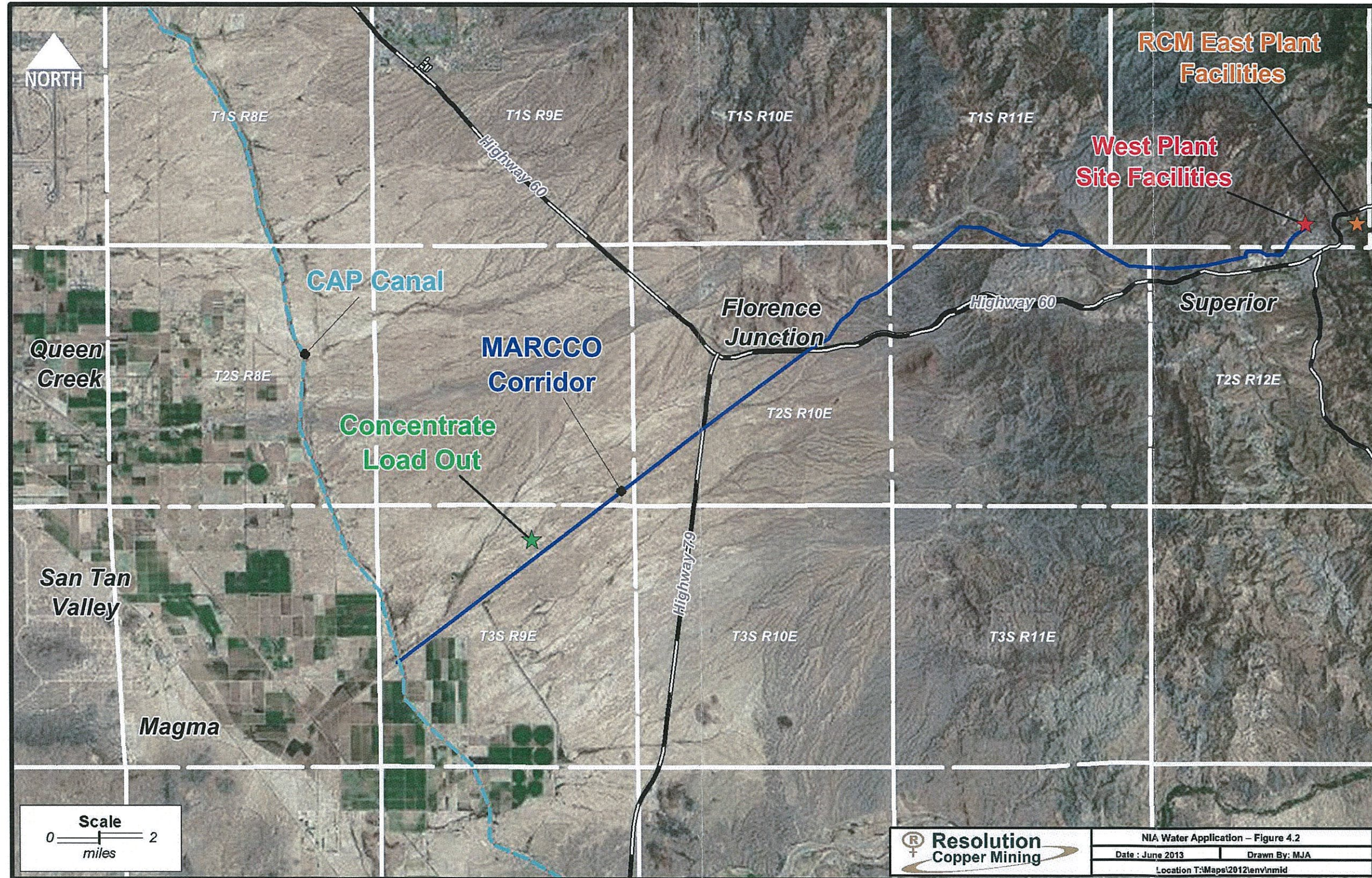


Figure 4.2: Resolution Copper – Overall Map of Facilities



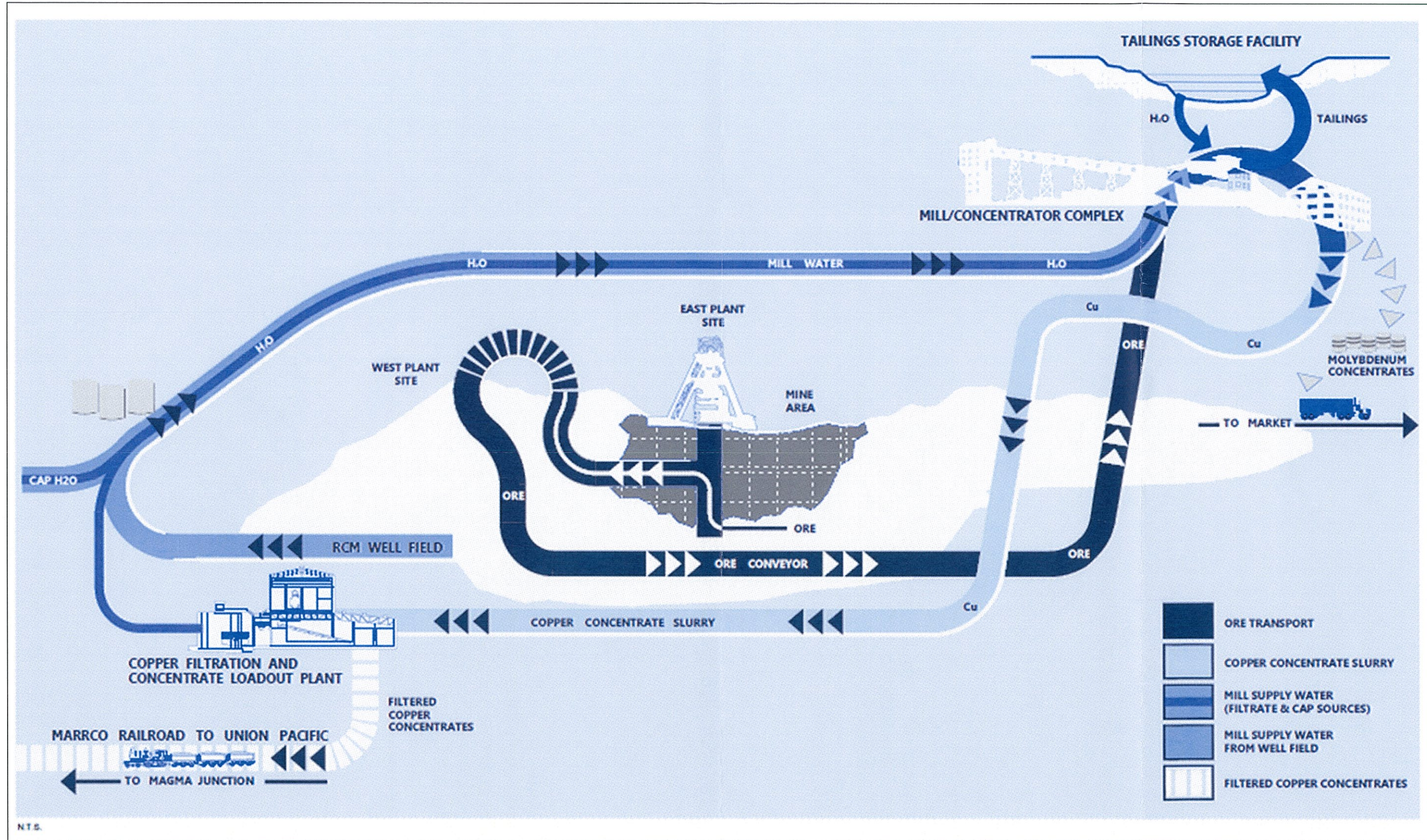


FIGURE 4.3: Resolution Copper - operations overview



Ore material will be crushed underground and then transported by conveyor to two production shafts and hoisted to an underground midway off-loading station within the two production shafts. The ore will then be conveyed to the concentrator facility at the West Plant Site. At the concentrator, ore will be processed using traditional copper sulfide processing techniques. These will consist of conventional grinding and flotation circuits resulting in the production of copper and molybdenum concentrates. Tailings material, the non-economic ground rock with sand-like consistency that remains after copper and molybdenum have been recovered, will be piped to the tailings facility. Copper concentrates will be transported to a filtration plant near Magma Junction for final filtering and then routed to a train load-out facility for shipment to domestic and/or global markets for additional processing.

***Water Management Overview***

Figure 4.4 illustrates schematically how water will be used and shared between the different facilities of the mine operation. In this figure, the fresh water streams are shown in blue, industrial grade recycled water in green, and water used for solids transport in brown. As indicated earlier, the water demand of the mine varies with a number of factors, the most significant of which is ore production.

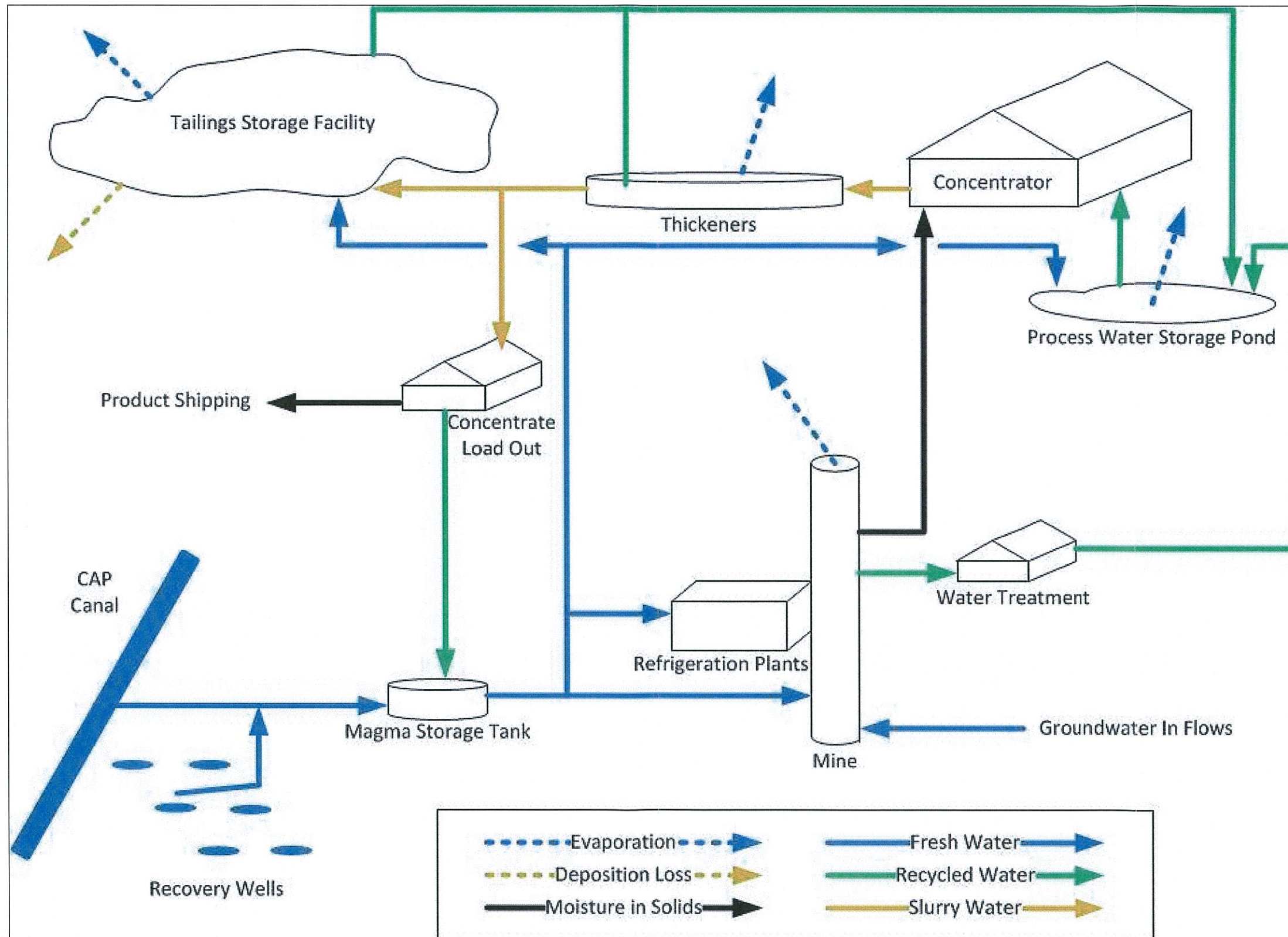


FIGURE 4.4: Resolution Copper – water usage diagram



**5. WATER SUPPLY AND DEMAND IMBALANCE**

**Renewable Water Supplies**

Resolution Copper’s water management plan is based on the use of renewable water supplies as first priority. In keeping with this plan, Resolution Copper began banking excess CAP water in 2006 and was the largest industrial purchaser of excess CAP water in the state for the years 2006-2011. Table 5.1 shows the current portfolio of Long Term Storage Credits (LTSCs) owned by Resolution Copper and their location.

**TABLE 5.1  
LONG-TERM STORAGE CREDITS BANKED AS OF DECEMBER 31, 2012**

USF/GSF Facility	AMA	Credits Banked (AF)
New Magma Irrigation District	Phoenix	187,575
Roosevelt Conservation GSF	Phoenix	13,300
Tonopah Desert Recharge Project	Phoenix	18,544
Hohokam Irrigation District	Pinal	56,780

**Type II Groundwater Rights**

Resolution Copper is also the owner of the Type II rights that were transferred from the original Magma Copper operation as shown in Table 5.2

**TABLE 5.2  
RESOLUTION COPPER – TYPE II GROUNDWATER RIGHTS**

Right Number	Amount (AF)	Location of Wells	2012 Well Production Quantity (AF)
58-117402.0001	1490	No. 8 Shaft Collar in Superior No. 9 Shaft Sump	53
58-130703.0001	315	Along MARRCO Corridor near Florence Junction	0

Water is recovered under Right Number 117402.0001 as a part of repairing the No. 9 Shaft and in the construction of No. 10 Shaft. This water supplements the current main water supply purchased from Arizona Water Company.

**Municipal Provider**

Arizona Water Company currently serves the Town of Superior and provides most of Resolution Copper’s current water supply for activities at the present time. In 2012, Resolution Copper purchased 147 AF from Arizona Water Company. The wells producing this water, along with the delivery pipeline alongside the MARRCO corridor, belonged originally to Magma Copper.

***Future Acquisitions***

In the coming years as Resolution Copper develops the mine and prepares for production, additional water supplies will be acquired. Because the bulk of Resolution Copper's water demands are in the future, the plan for acquisition focuses primarily on the accumulation of CAP water as LTSCs, thus providing the project with the flexibility it needs on the actual timing of water usage.

Resolution Copper will continue to purchase excess CAP water as it becomes available but recognizes that this source is expected to decline in the coming years. Hence, future water acquisitions will likely be based on both long term and near term opportunity purchases from other water users throughout the state.

***Water Supply and Demand Projections***

The annual fresh water demand for the mine, based on the current planned production schedule, is shown in Figure 5.3.



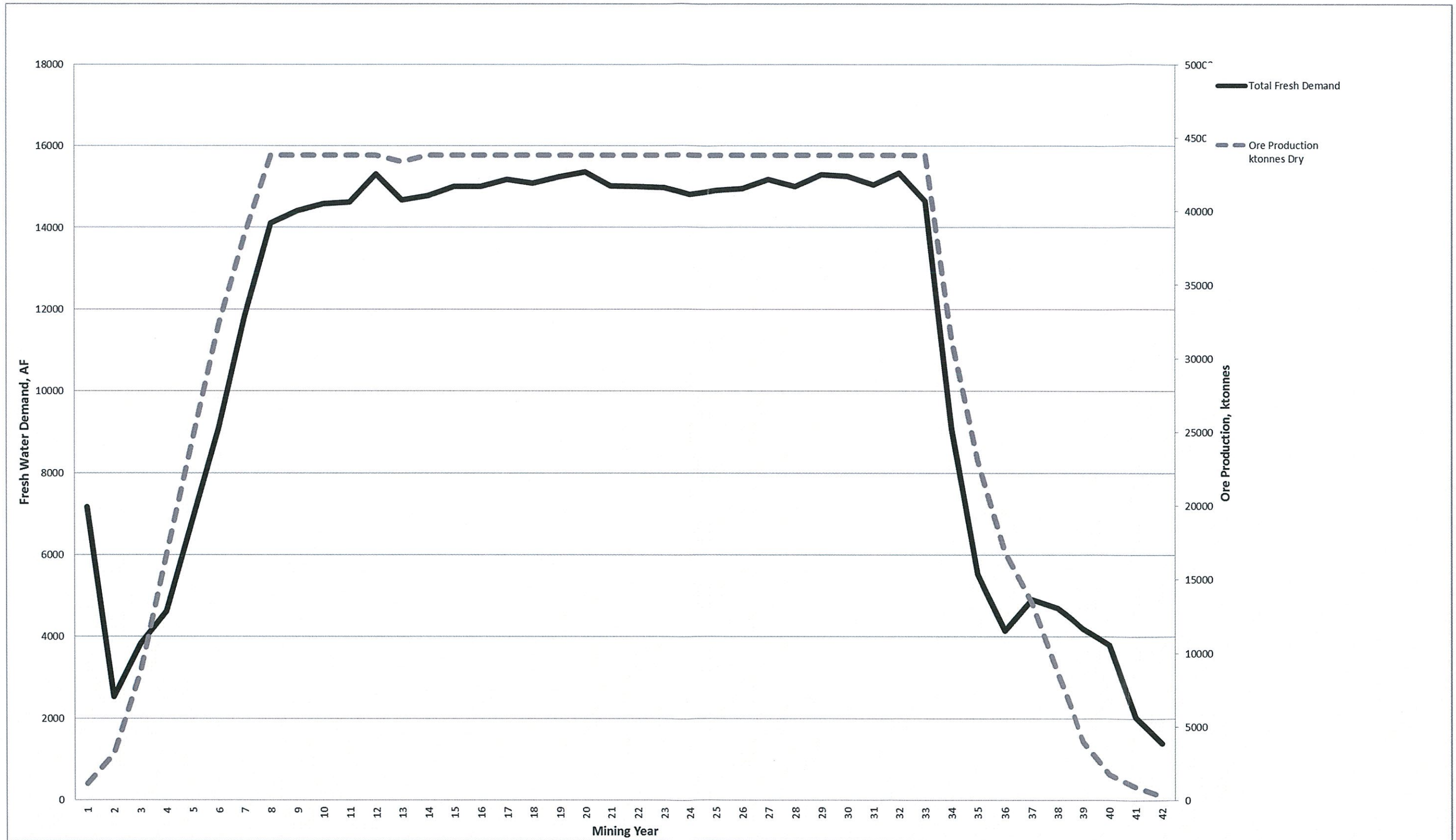


FIGURE 5.3: Resolution Copper – Water Supply and Demand Projections

Note that annual usage is expected to ramp up from early production years to a more steady requirement of approximately 15,000 AF per year. The average annual demand over the 42 year mine life is roughly 11,300 AF per year.

Once production has commenced, fresh water acquisition at the mine will be in accordance with the following basic priorities provided in Table 5.4.

**TABLE 5.4**  
**PRIORITY ALLOCATION OF FRESH WATER**

Priority	Supply
1	Available NIA Water Direct from CAP Canal
2	Recovery of CAP water banked as LTSCs
3	Groundwater Pumping via Type II Rights
4	Groundwater Pumping via Mineral Extraction Permit

The priorities listed are aligned with the groundwater management goals of the Phoenix Active Management Area.

Resolution Copper’s water demands for the initial years will be met by the recovery of CAP water banked as LTSCs. In the absence of additional renewable supplies such as NIA water and as a last resort, this would be followed by groundwater pumping during the later years under the Type II rights and a Mineral Extraction Permit. This scenario is demonstrated in Figure 5.4 on the following page.

The blue bars represent the recovered LTSCs, and the orange represents the pumped ground water.



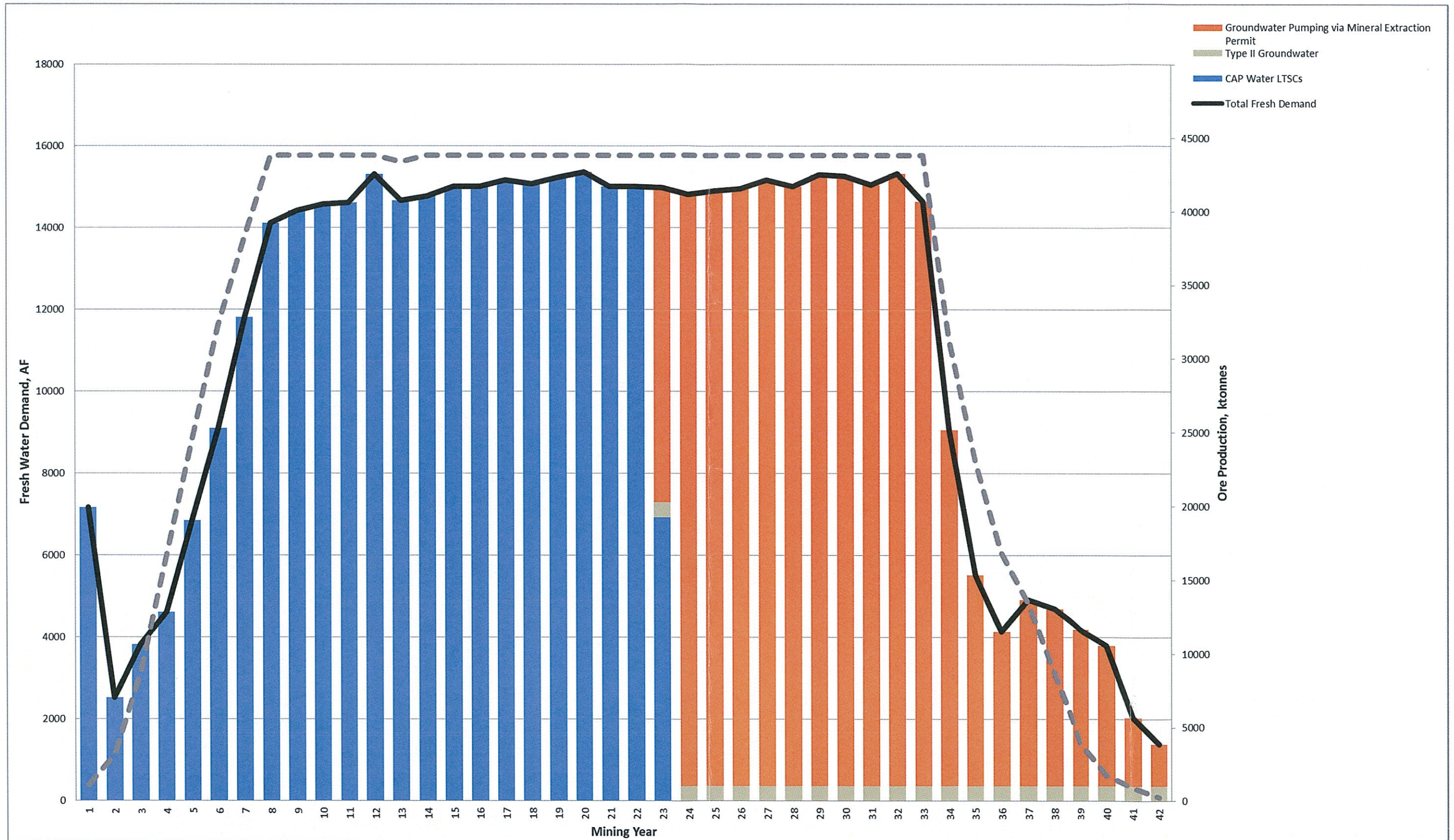


Figure 5.4: Supply and demand imbalance without NIA water allocation



This chart demonstrates the basic supply/demand imbalance principle called for in the Criteria, where the imbalance is calculated by subtracting Resolution Copper's currently acquired renewable supplies from the projected demand. Instead of a demand year, Resolution Copper is using the total life of mine's demand volume. This representation provides a more complete illustration of Resolution Copper's need for the NIA water, where the orange area on the graph is the amount of the imbalance.

It needs to be noted here that the scenario depicted in Figure 5.4 in no way represents Resolution Copper's actual plan for water sourcing. As additional renewable supplies are acquired during the pre-mining years, including NIA water and other supplies that become available, the orange area in the graph is expected to be reduced substantially; Resolution Copper's goal is to completely eliminate it. Hence, all references to groundwater pumping in this application are included for illustration purposes only so that the supply/demand imbalance can be properly demonstrated in accordance with the application Criteria.

The NIA allocation given to Resolution Copper will reduce the amount of groundwater pumped in two ways:

- The NIA water will be stored as LTSCs during the pre-production years. In Figure 5.4, this means that more blue area is available to fill in the demand curve.
- When available, NIA water will be drawn off the canal directly as first priority use during the production years.

The effect of the NIA allocation on potential groundwater pumping is demonstrated for three cases below in Figures 5.5a through 5.5c, showing allocation amounts of 1,000, 3,000, and 6,350 Acre Feet respectively. The allocation amount has also been factored for availability in accordance with the Criteria. The amounts given in the Criteria are 66% availability through the year 2030 and 60% thereafter.

The 6,350 AF case is the one in which zero groundwater is pumped, meaning that the supply/demand imbalance described in the Criteria and shown in Figure 5.4 has been satisfied 100% with NIA Water.



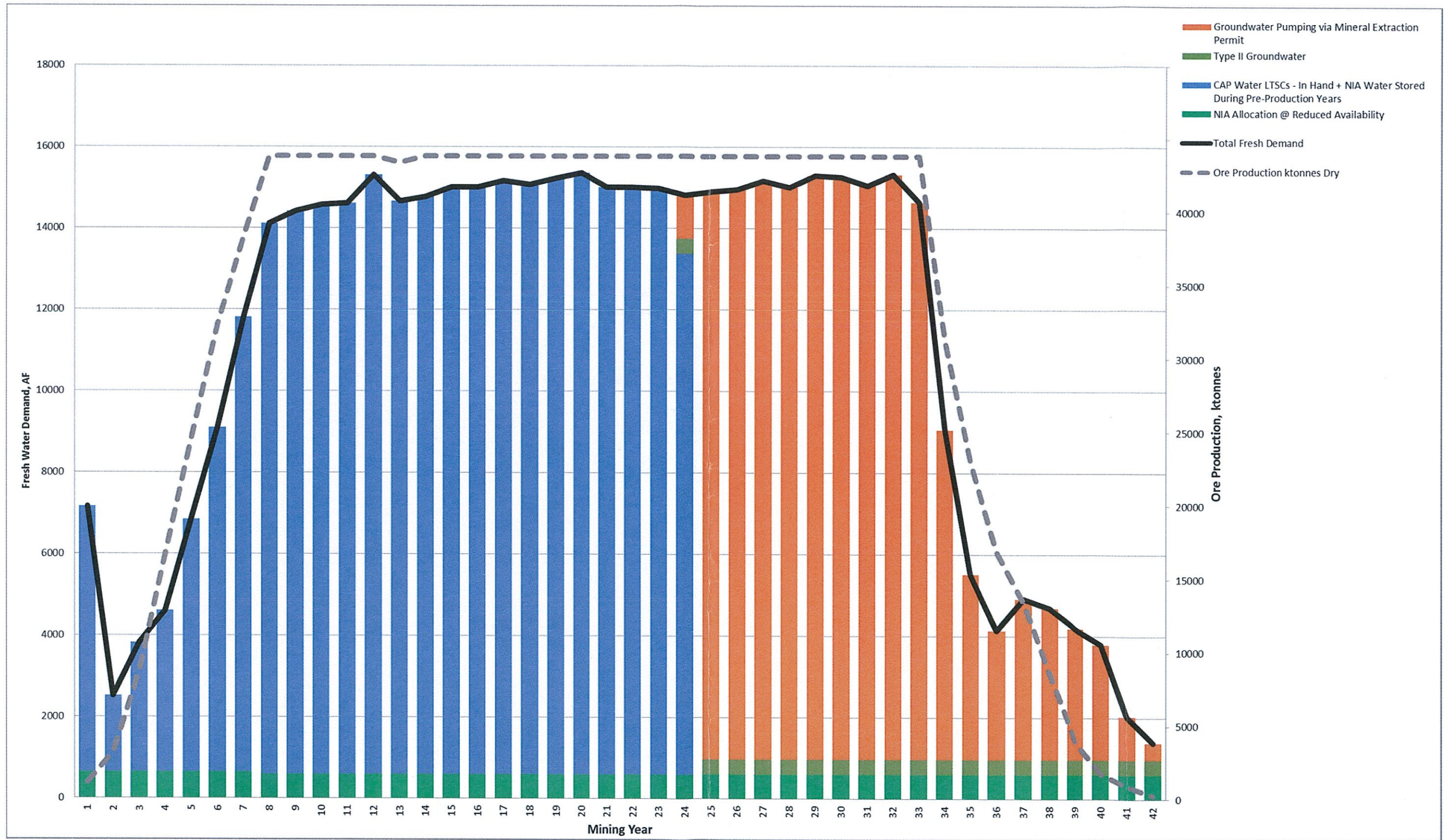


Figure 5.5a: Water sources used over mine life with 1,000 AF NIA water allocation



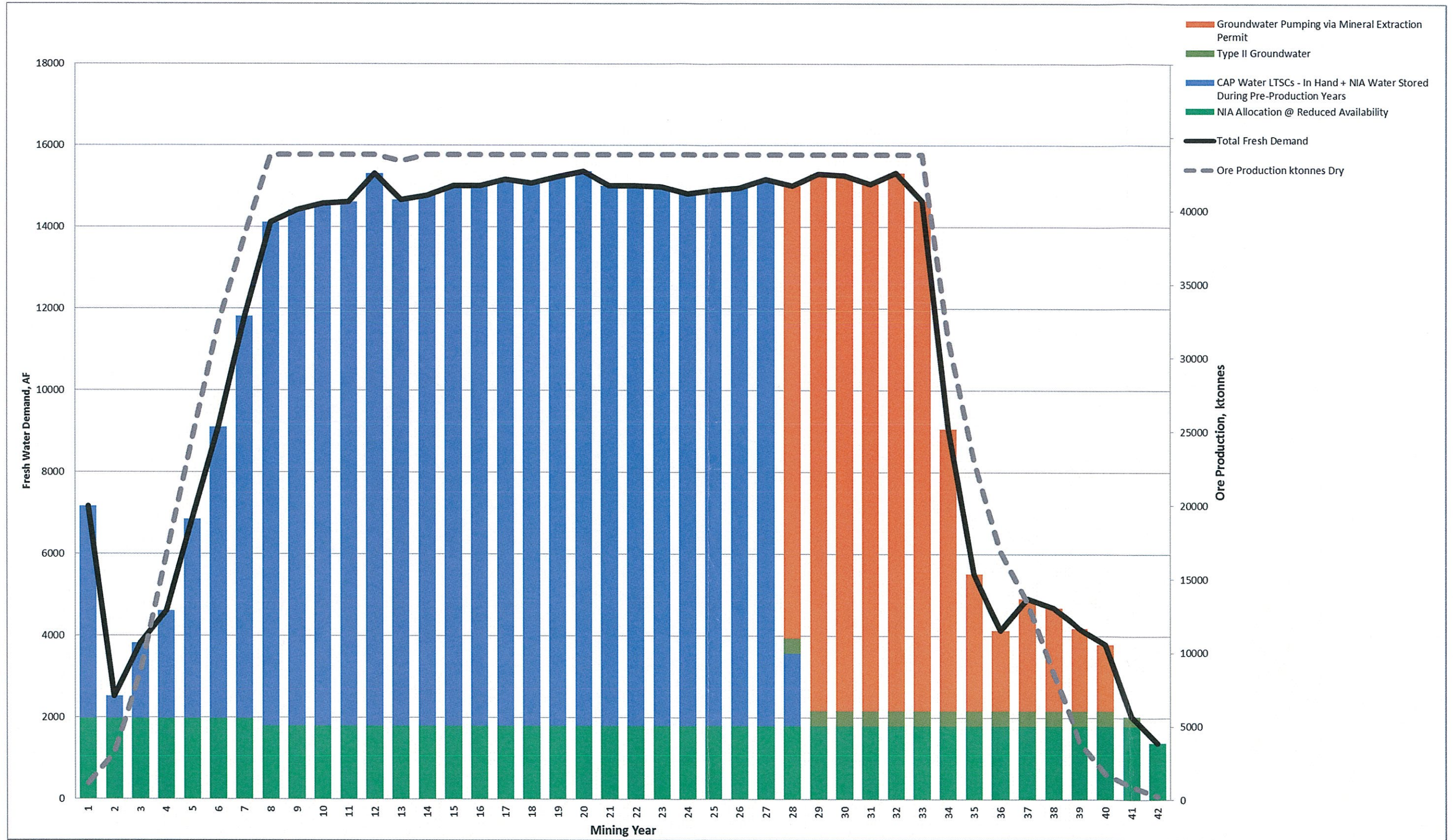


Figure 5.5b: Water sources used over mine life with 3,000 AF NIA water allocation



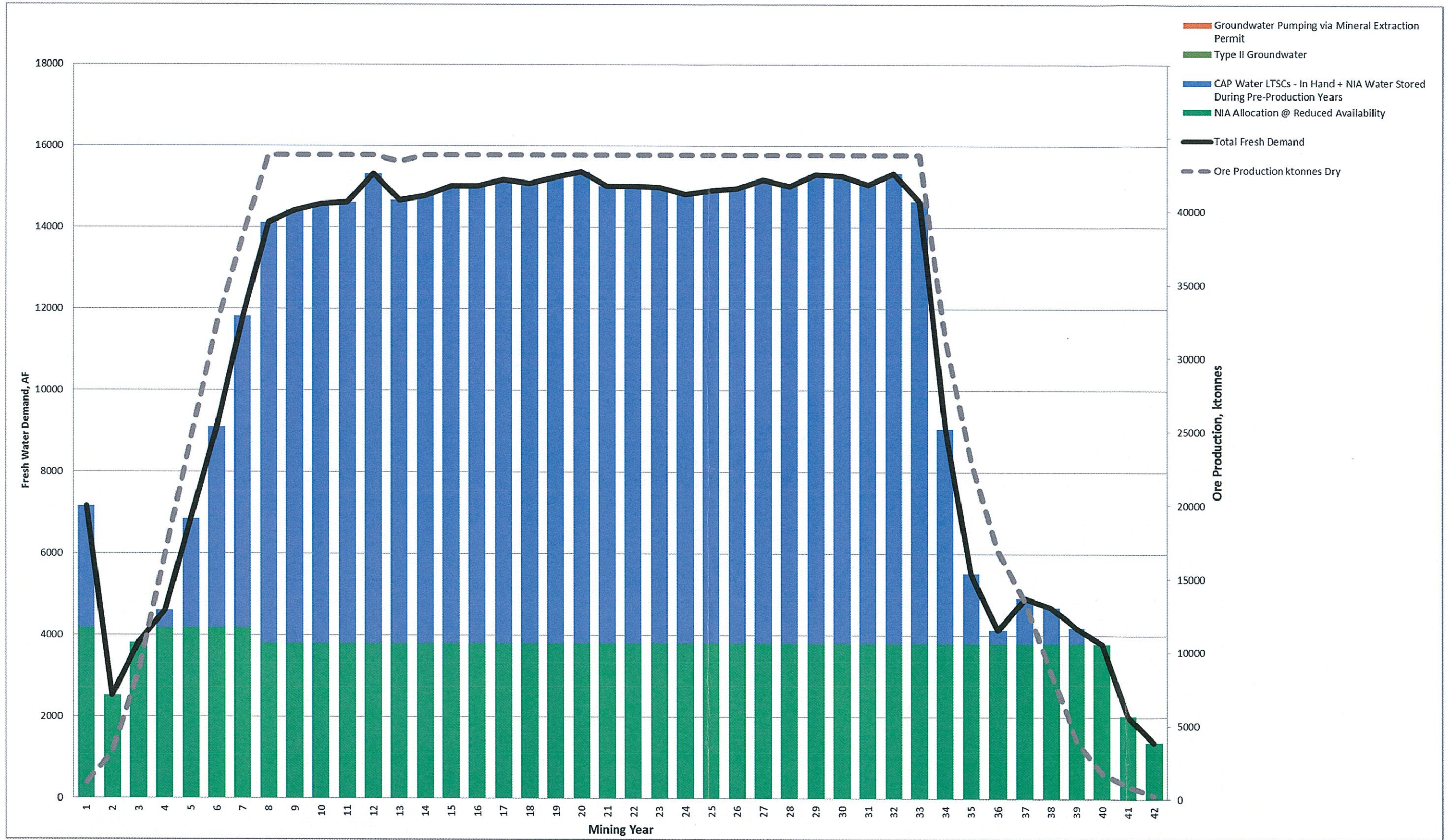


Figure 5.5c: Water sources used over mine life with 6,350 AF water allocation



## 6. WATER DELIVERY INFRASTRUCTURE

The delivery system planned for the NIA water allocation is the same that has already been planned for the delivery of Resolution Copper's LTSCs. Therefore, in receiving an NIA water allocation, Resolution Copper will not incur any infrastructure costs that are not already in the project business plan.

A significant portion of Resolution Copper's current supply of LTSCs have been banked at NMIDD and the Roosevelt Water Conservation District, both of which are situated in the south eastern portion of East Salt River Valley sub-basin. According to ADWR data compiled for the Phoenix AMA, ground water levels in this region of the sub-basin have been rising in recent decades. The planned recovery well field will be within a few miles of this area of rising groundwater, so as to be situated adjacent to not only the areas where most of the water has been banked, but also near the Concentrate Load Out facility where a well delivery storage tank will be located and the MARRCO corridor which will be used for the delivery pipeline.

The location and configuration of the recovery well field will be determined during the Feasibility stage of the Resolution Copper project over the next 2-3 years. Additional hydrological studies will be conducted and Resolution will engage ADWR, NMIDD, and other key local stakeholders as needed in making this determination. One possibility would be to locate them on the north side of the MARRCO corridor as is indicated in Figures 6.1a through 6.1c. For its Pre-Feasibility study work, Resolution Copper has estimated that approximately 30 wells will be needed, with an average production of 400 gpm each. The wells will pump to a common above ground well collector pipeline that will feed into the Magma Storage Tank located at the Concentrate Load Out Facility. As noted previously, this well field will be the primary source of water for Resolution Copper regardless of whether the water pumped is classified as CAP water, Type II groundwater, or groundwater under a Mineral Extraction Permit.

The backbone of the infrastructure is the pipeline that runs the length of the MARRCO right-of-way from the CAP canal to Resolution Copper property, where it branches to feed each of the mine and concentrator locations. The arrangement of this system is represented in Figures 6.1a through 6.1h, which are included in the Appendix.

The first portion of the supply pipeline will be within an alignment that follows the rail line in the existing MARRCO right-of-way from the CAP canal to the Magma Storage Tank, located at the Concentrate Load Out Plant. NIA water will be pumped directly from the canal via a pump station (Figure 6.1a). The pipeline will consist of approximately 4.2 miles of steel pipe, located above ground on the south side of the MARRCO alignment within the existing right-of-way (Figure 6.1b).

The Magma Storage tank will also receive filtrate from the Concentrate Load Out Plant, thus closing an important recycle loop – one of several in Resolution Copper's water management plan.

Additional pump stations will be required to lift the supply water from the Magma Storage Tank to the Mill site. All pump stations will be designed to convey 12,000 gpm with three 6,000 gpm



booster pumps (one standby). The pipeline will be on the order of a 36-inch steel pipe throughout the alignment. The wall thickness of the pipe will be adjusted in accordance with the working pressure of the pipeline along the various sections of the alignment.

The Magma Storage Tank and Pump Station will be located at the southeast corner of the Concentrate Load Out Plant. The discharge pipeline will be approximately 9.9 miles 36-inch steel pipe. From the Concentrate Load Out Pump Station, the pipeline will be above ground on the south side of the MARRCO alignment to SR 79, where the pipeline will cross to the north side of the rail alignment. The pipeline will have expansion loops spaced approximately every 1,000 ft within the MARRCO right-of-way to allow for movement due to temperature and pressure fluctuations. The mill supply water pipeline will continue to follow the MARRCO corridor to the Queen Valley Pump Station (Figure 6.1d).

The Queen Valley Pump Station will be located on the north side of the MARRCO corridor between US 60 and Hewitt Station. The discharge pipeline will be approximately 12.0 miles of 36-inch steel pipe located on the north side of the MARRCO alignment (except for a small portion through private land where the pipeline will be on the south side of the alignment), with expansion loops spaced approximately every 1,000 ft. The pipeline will follow the MARRCO corridor from the Queen Valley Water Pump Station into the West Plant at Superior. Once the MARRCO corridor enters the West Plant, the pipeline will diverge from the rail alignment and will run northeast to the mill fresh water supply tank. From this tank, water will be distributed to each of the major plant operating areas (East Plant Site, West Plant Site, and Tailings).

Resolution Copper's estimated cost to install the water delivery infrastructure has been estimated at \$102 Million by M3 Engineering. This represents roughly 2 percent of the overall capital budget for the project, a small yet critical portion. A detailed breakdown of this estimate can be found in Figure 6.2.

Resolution Copper operates as an investment venture for its partners Rio Tinto and BHP. Rio Tinto, BHP, and other large mining corporations typically manage and provide investment capital to multiple projects at a time. The funding received by a particular project such as the Resolution Copper Project is allocated by the parent companies in accordance with carefully designed stages of project progression, and in accordance with overall market conditions. Resolution Copper's budget for the water infrastructure will most likely be allocated when the time comes for construction of the mill, which is near the end of the 10 year construction period.

## **7. SUMMARY AND REQUEST FOR NIA ALLOCATION**

In accordance with the Supply/Demand imbalance demonstrated in Section 5, Resolution Copper hereby requests an allocation of 6,350 Acre Feet of NIA water for its use in the coming years. In making such a recommendation to the Bureau of Reclamation, ADWR will be fulfilling the objectives of the allocation process stated in the Criteria as follows:

- 1) *Reduce Groundwater Overdraft*  
This allocation will essentially eliminate the amount of groundwater pumped by Resolution Copper as demonstrated in Section 5.
- 2) *Provide an additional source of water to areas with limited physical availability of groundwater*  
The area of the Resolution Copper Project in area of the Town of Superior qualifies as an area with limited physical availability of groundwater, as underscored by the fact that the Town of Superior receives its water from the Desert Well fields roughly 20 miles to the west. This allocation will deliver renewable water supplies to this region. While the initial use would be for mining purposes, it is not inconceivable that in post mining years both the water and the infrastructure may provide benefits not only to the region of Superior, but to future communities such as Superstition Vistas.
- 3) *Meet the near-term demands for existing municipal water providers and industrial users of groundwater or excess CAP water that have permanent demands*  
As one of the largest industrial buyers of excess CAP water in recent years, Resolution Copper has demonstrated its full intent to act in a manner consistent with the long-term water vision of the state and ADWR's objectives for sound water management.

Resolution Copper wishes to thank the Arizona Department of Water Resources for its consideration in this application.

**8. STATEMENT OF VALIDITY**

The information contained in this application to receive an allocation in the 2013 phase of the NIA Priority CAP Reallocation is true and correct to the best of my knowledge.



Date 6-14-13

David Stanley

Acting Manager of Infrastructure

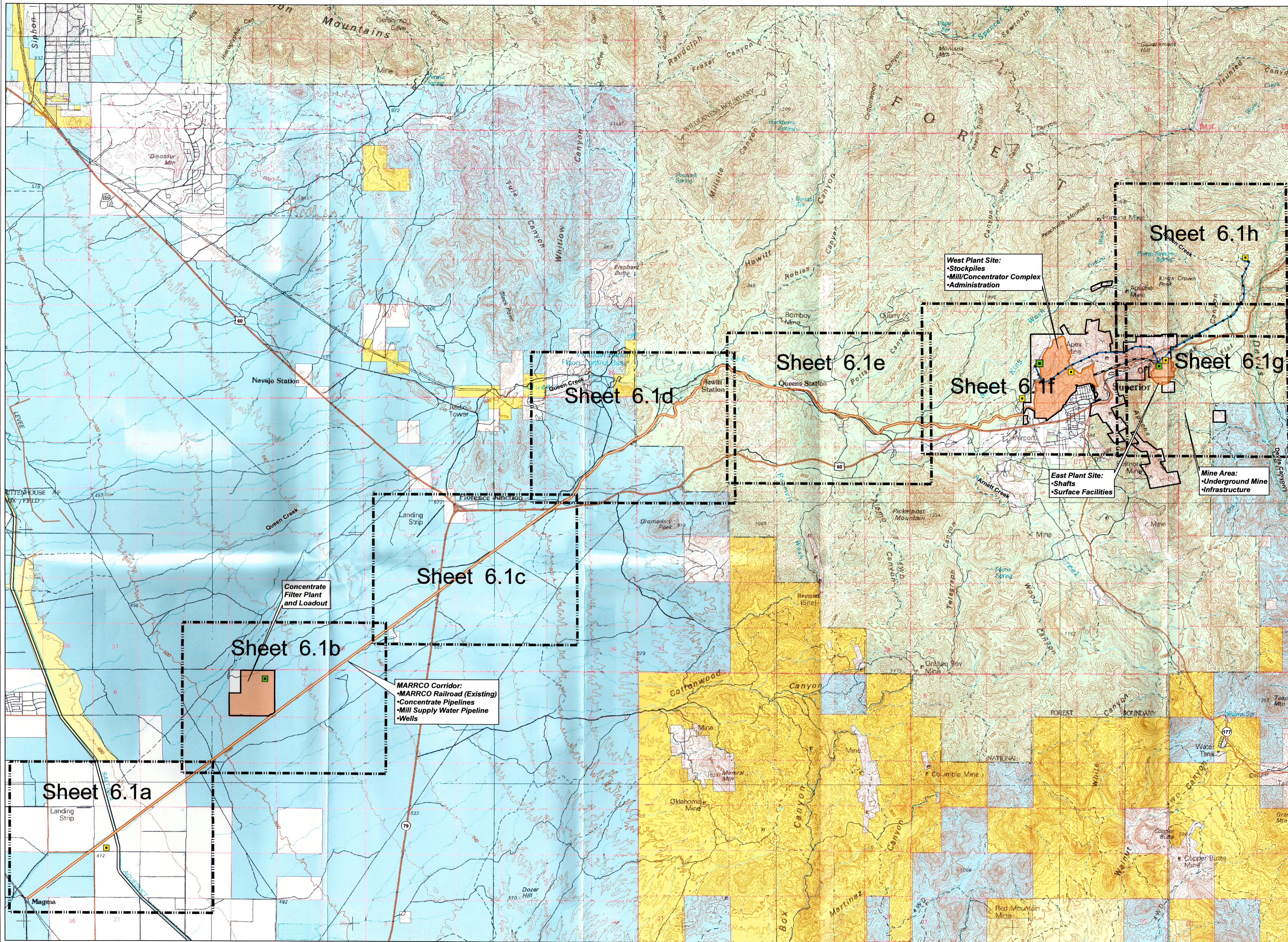
520-689-3219 phone

[David.Stanley@riotinto.com](mailto:David.Stanley@riotinto.com)

9. LIST OF FIGURES

*Figure 6.1: General Arrangement Overview*

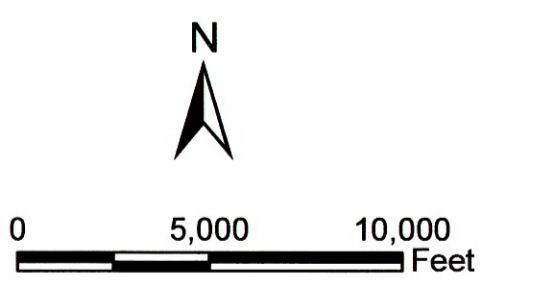




- Legend**
- Private Holdings
  - Approximate Project Area
  - Substation
  - Existing Substation
  - Power Line
  - Existing Power Line
  - Never Sweat Tunnel
  - Dewatering Line
  - Mill Supply Water Pipeline
  - Concentrate Pipelines
  - Storage Tank
  - Booster Pump
  - Proposed Well

- Surface Management (Source: BLM 2011)**
- Bureau of Land Management (BLM)
  - Bureau of Reclamation
  - Private Land (No Color)
  - State Trust Land
  - US Forest Service (USFS)

Image Source: Mesa 1:100,000 USGS Quadrangle



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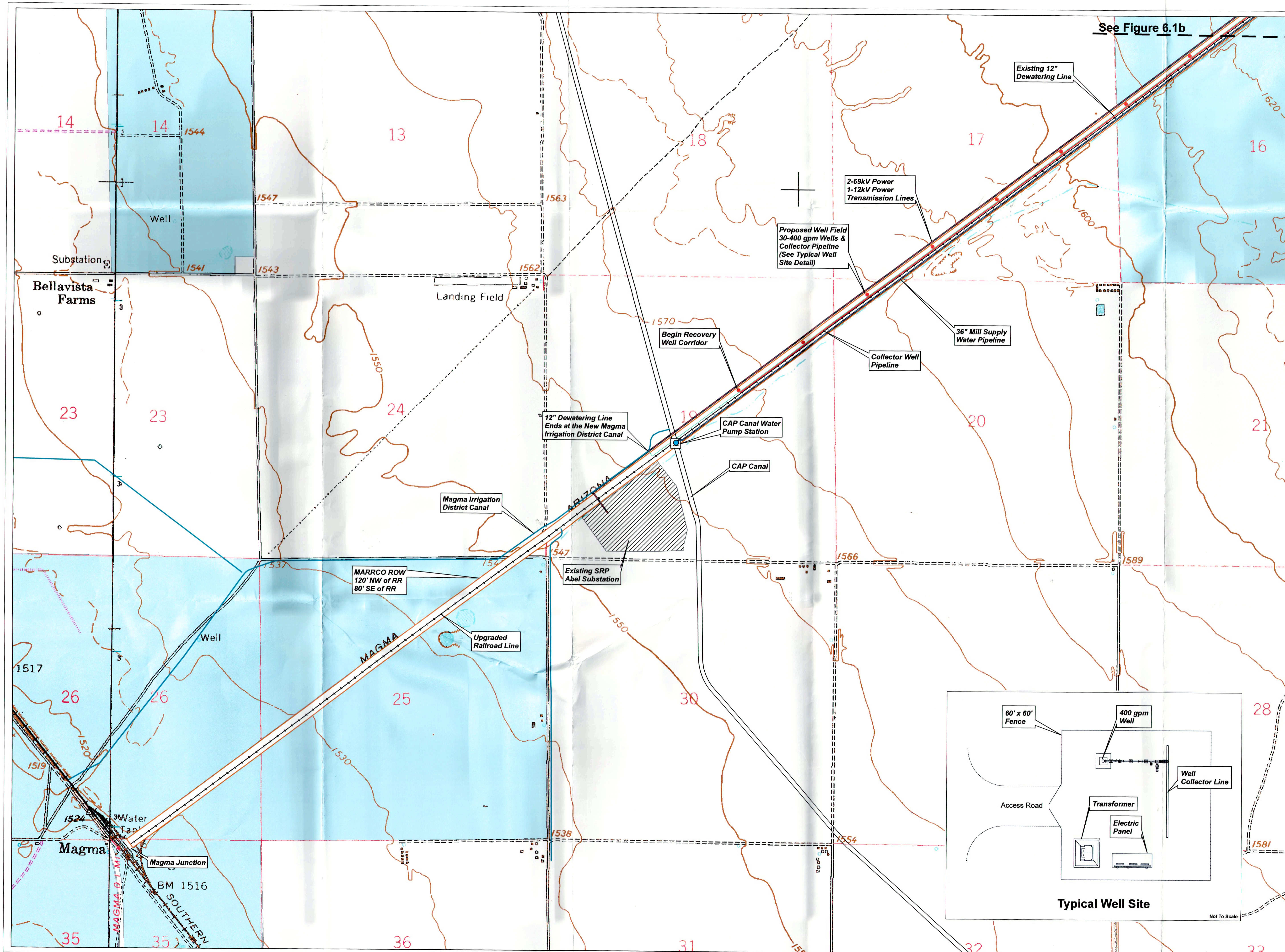
GENERAL ARRANGEMENT  
OVERVIEW

Figure 6.1



**Figure 6.1a: General Arrangement**





See Figure 6.1b

**Legend**

- Private Holdings
- Approximate Project Area
- Substation
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**Surface Management (Source: BLM 2011)**

- Bureau of Land Management (BLM)
- Bureau of Reclamation
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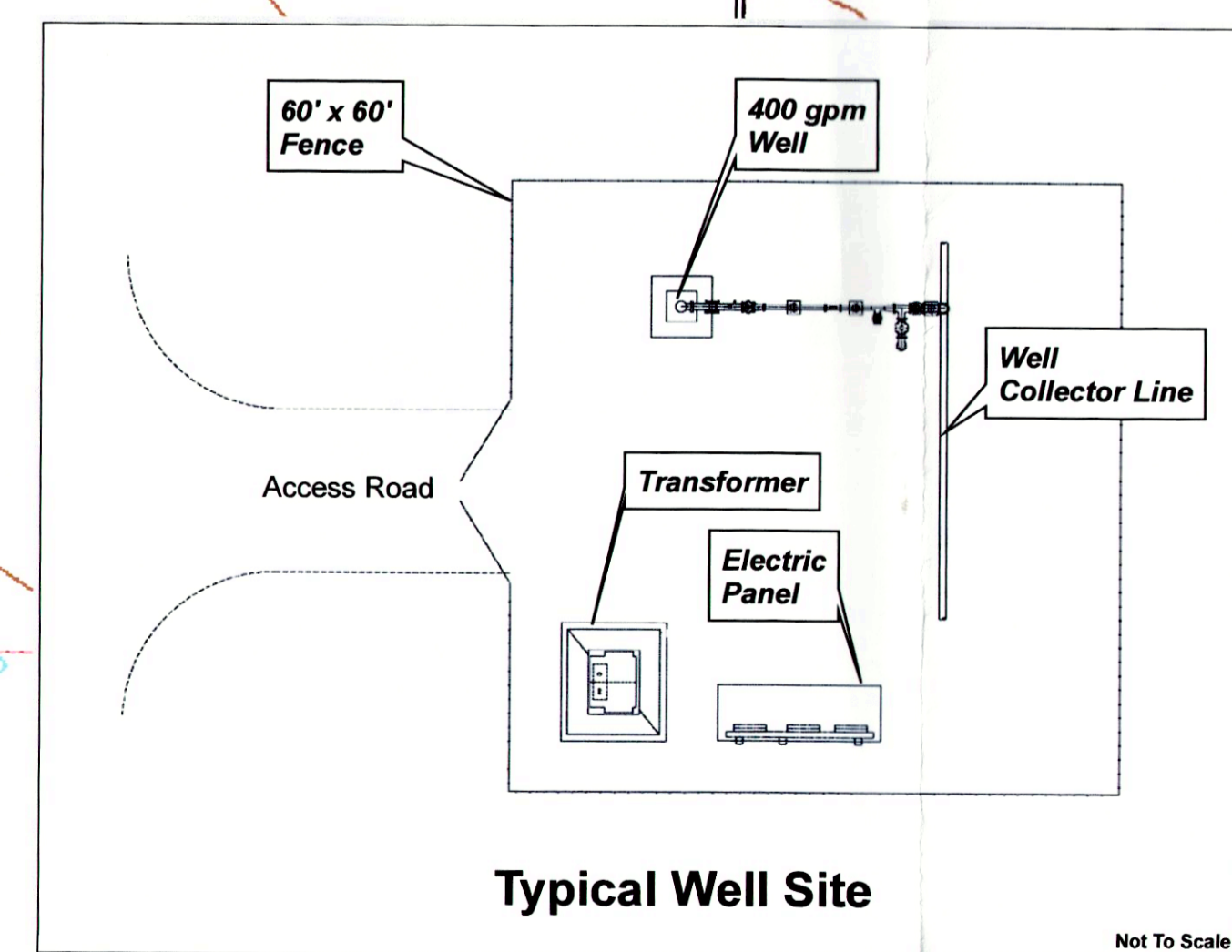
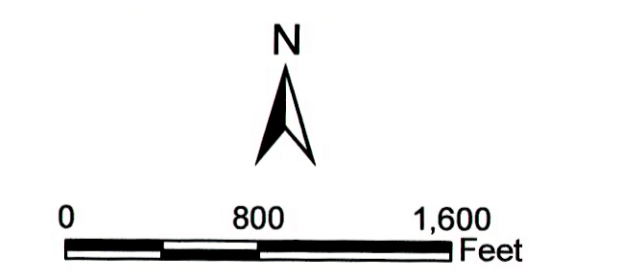


Image Source: 1:24,000 USGS Quadrangles



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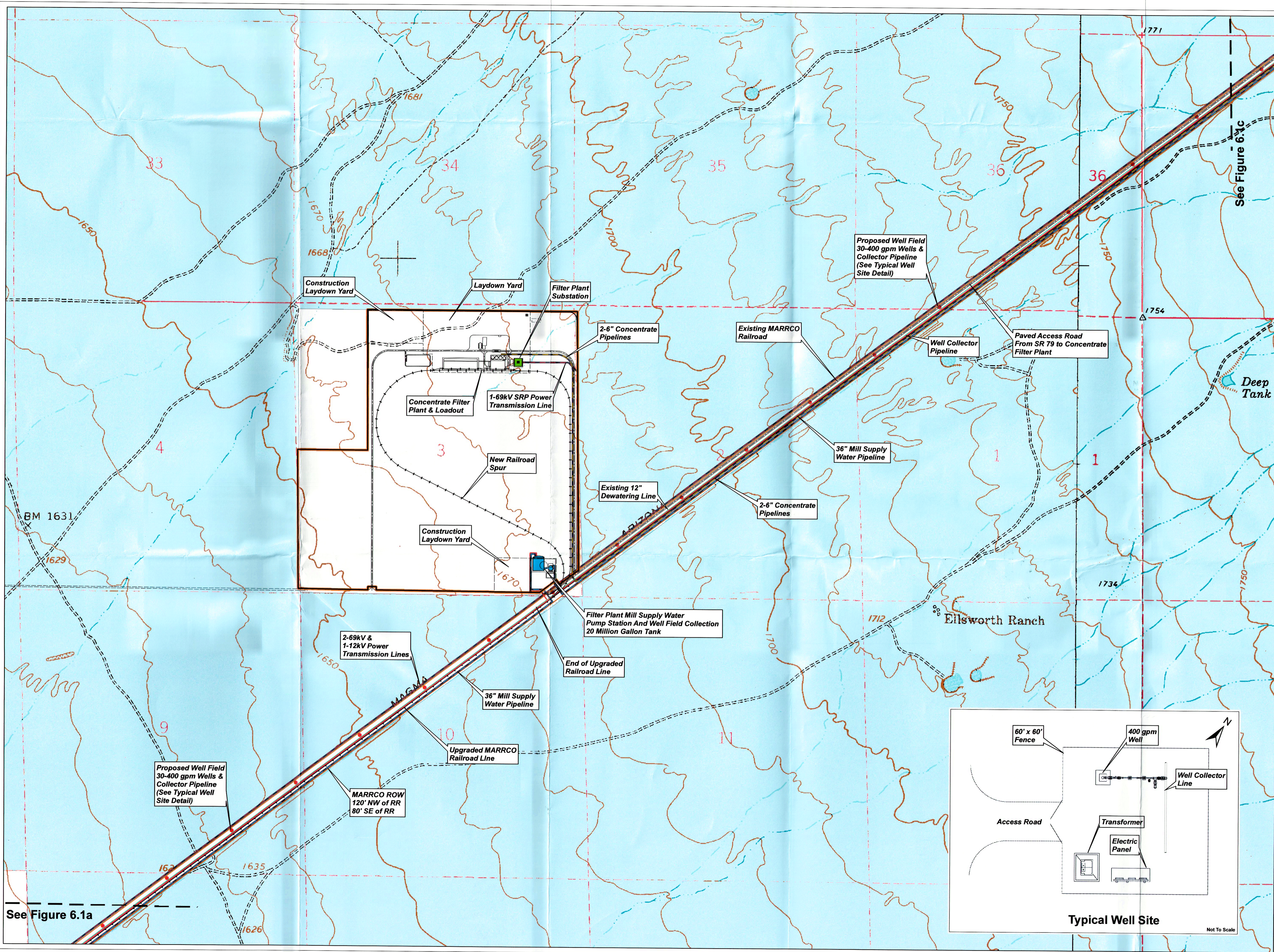
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GENERAL ARRANGEMENT  
Figure 6.1a



**Figure 6.1b: General Arrangement**





- Legend**
- Private Holdings
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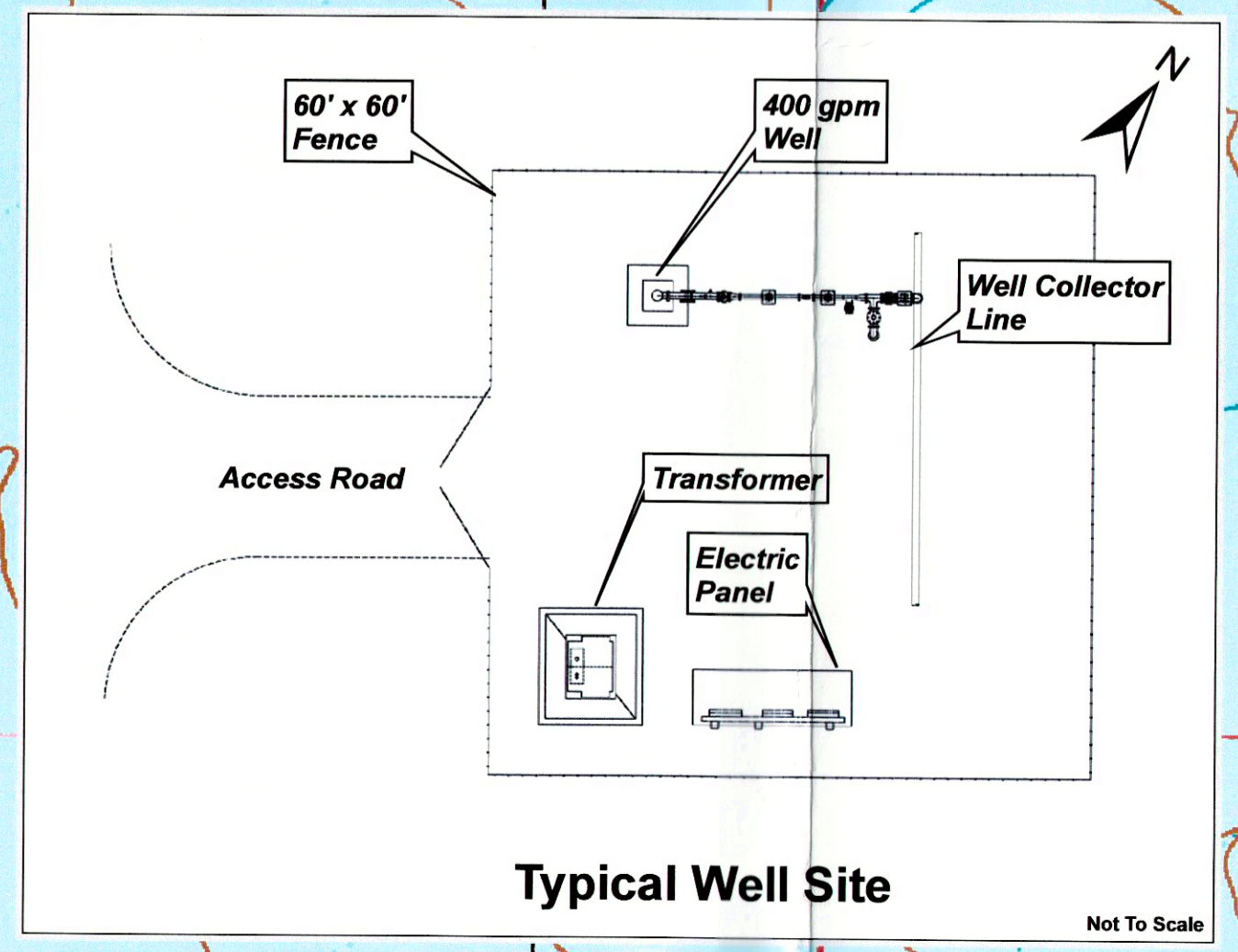
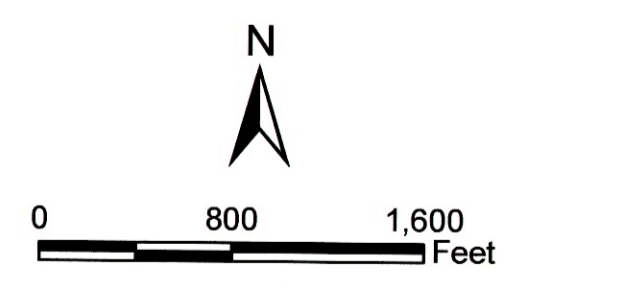


Image Source: 1:24,000 USGS Quadrangles



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GENERAL ARRANGEMENT

Figure 6.1b

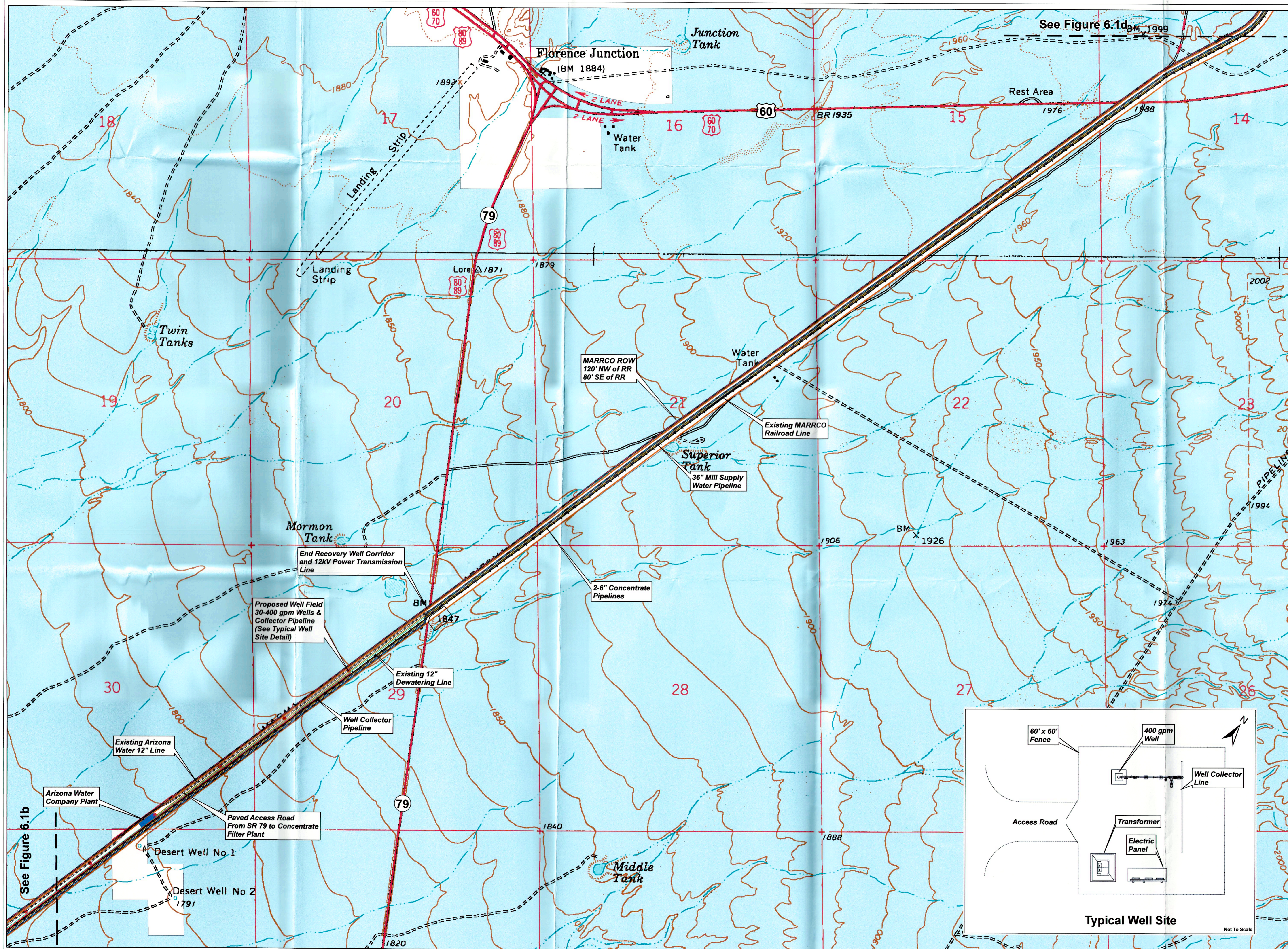
See Figure 6.1a

See Figure 6.1c



**Figure 6.1c: General Arrangement**





**Legend**

- Private Holdings
- Approximate Project Area
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**Surface Management (Source: BLM 2011)**

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- Bureau of Reclamation
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- State Trust Land
- US Forest Service (USFS)

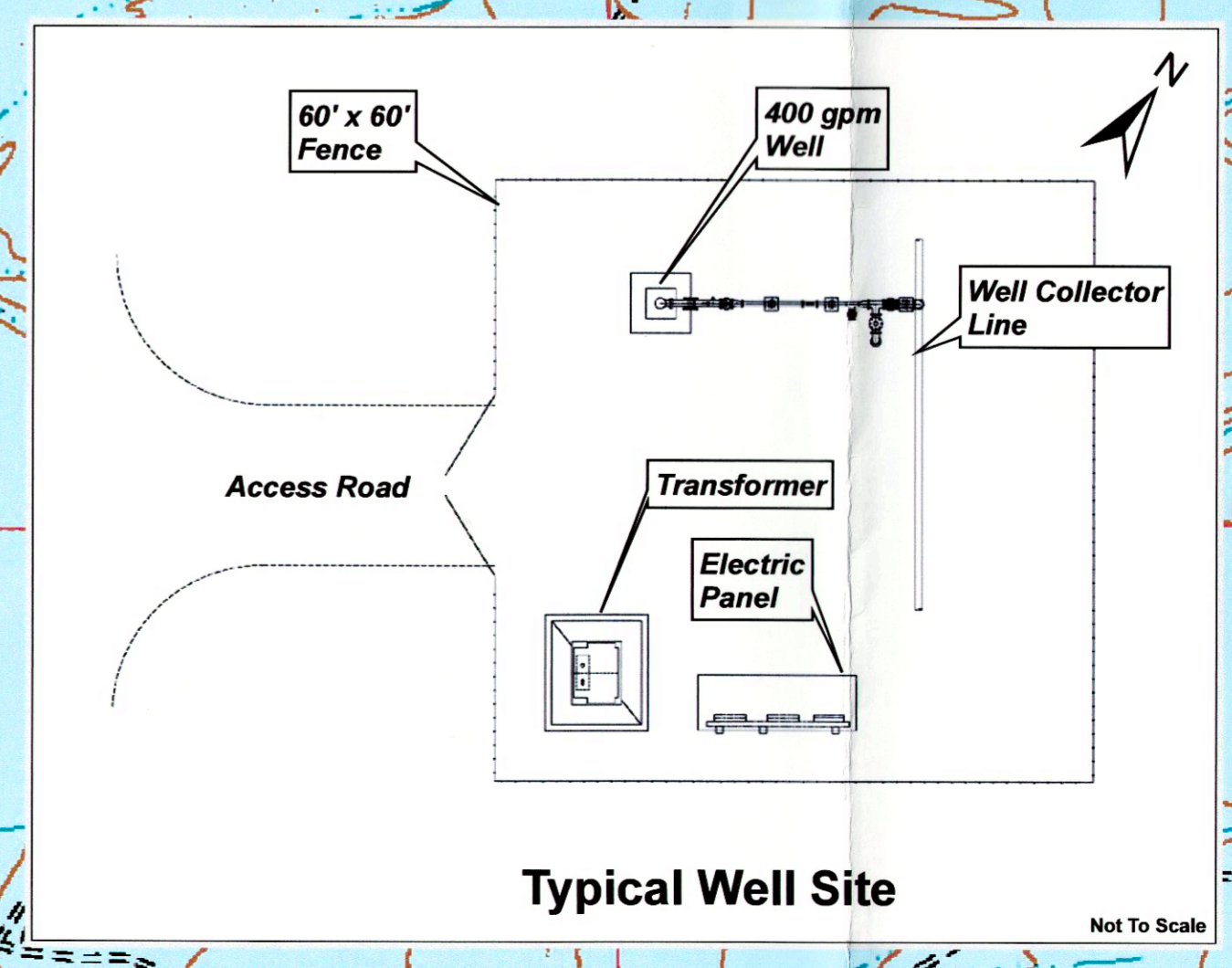
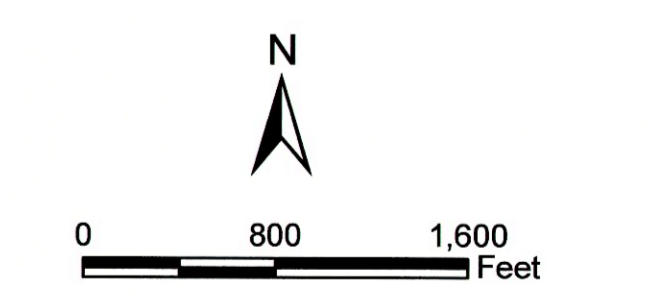


Image Source: 1:24,000 USGS Quadrangles



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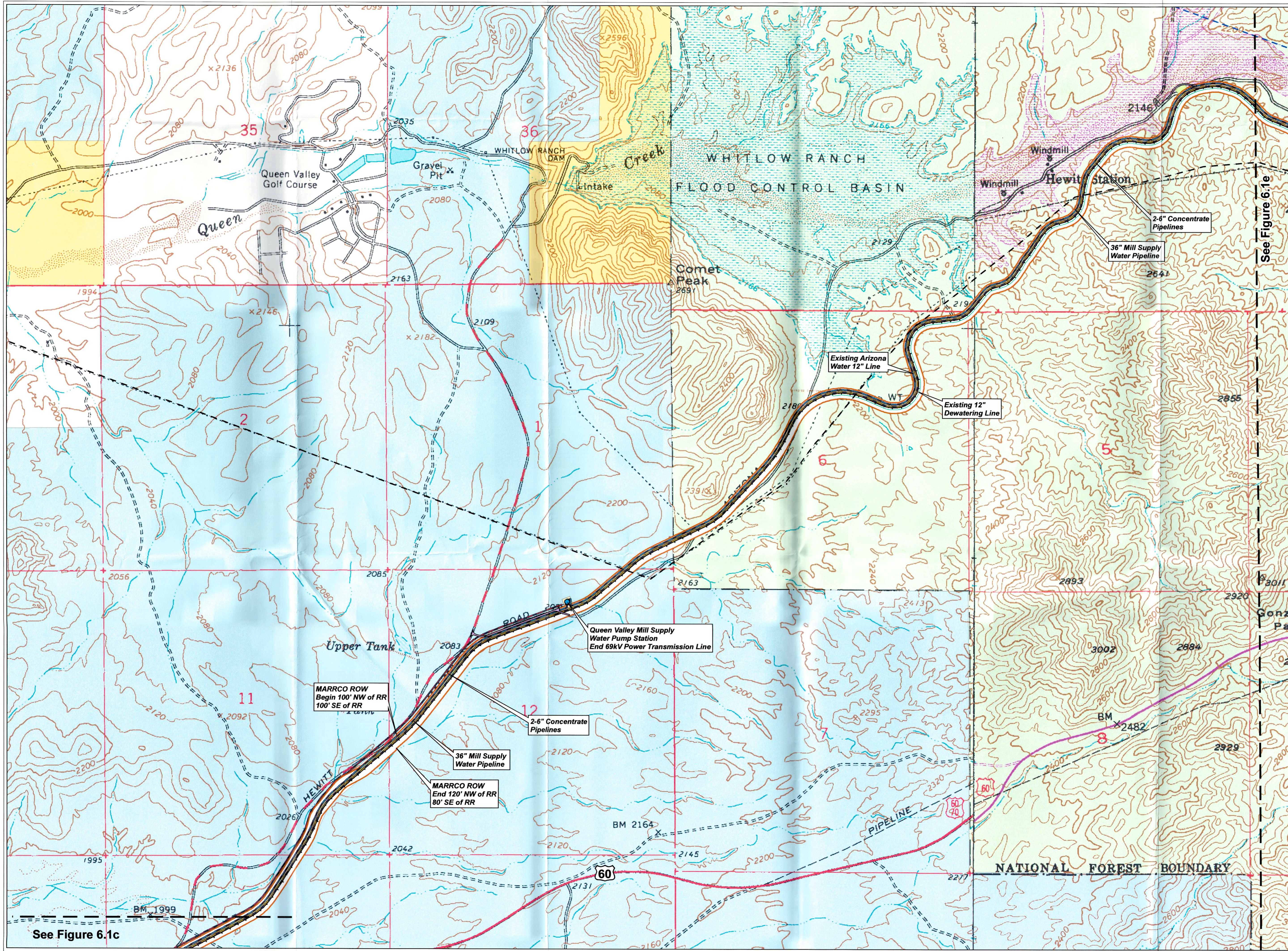
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GENERAL ARRANGEMENT  
Figure 6.1c



**Figure 6.1d: General Arrangement**





- Legend**
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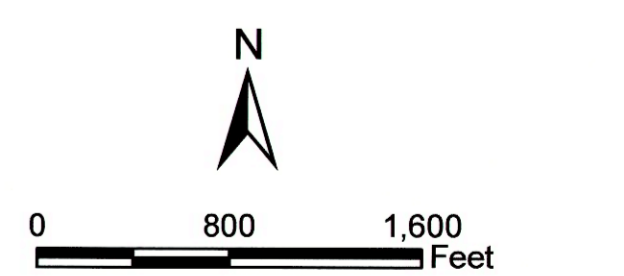
See Figure 6.1e

MARRCO ROW Begin 100' NW of RR 100' SE of RR

MARRCO ROW End 120' NW of RR 80' SE of RR

See Figure 6.1c

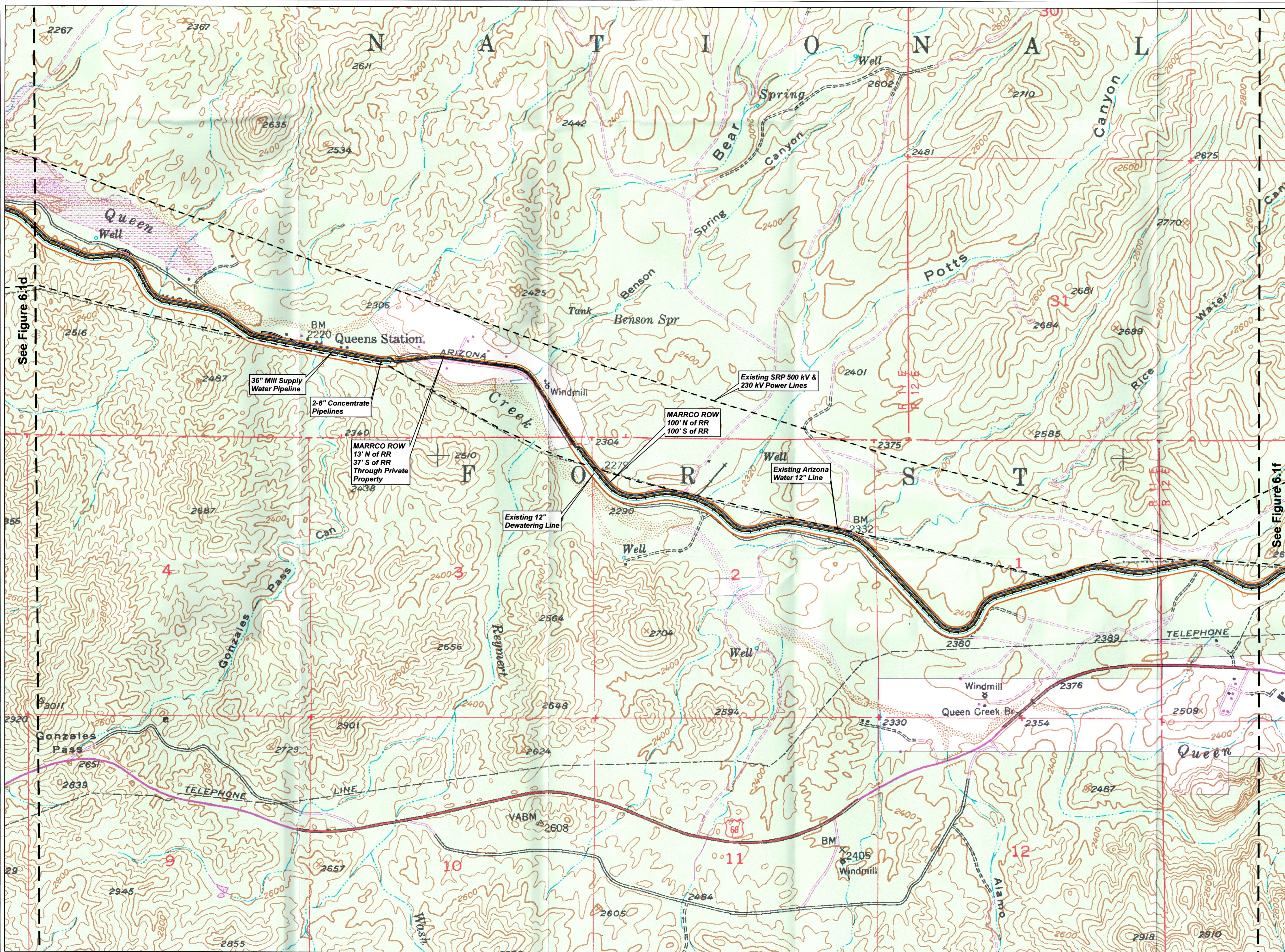
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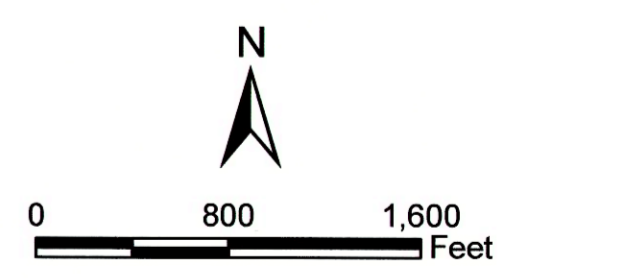
**Figure 6.1e: General Arrangement**





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Image Source: 1:24,000 USGS Quadrangles



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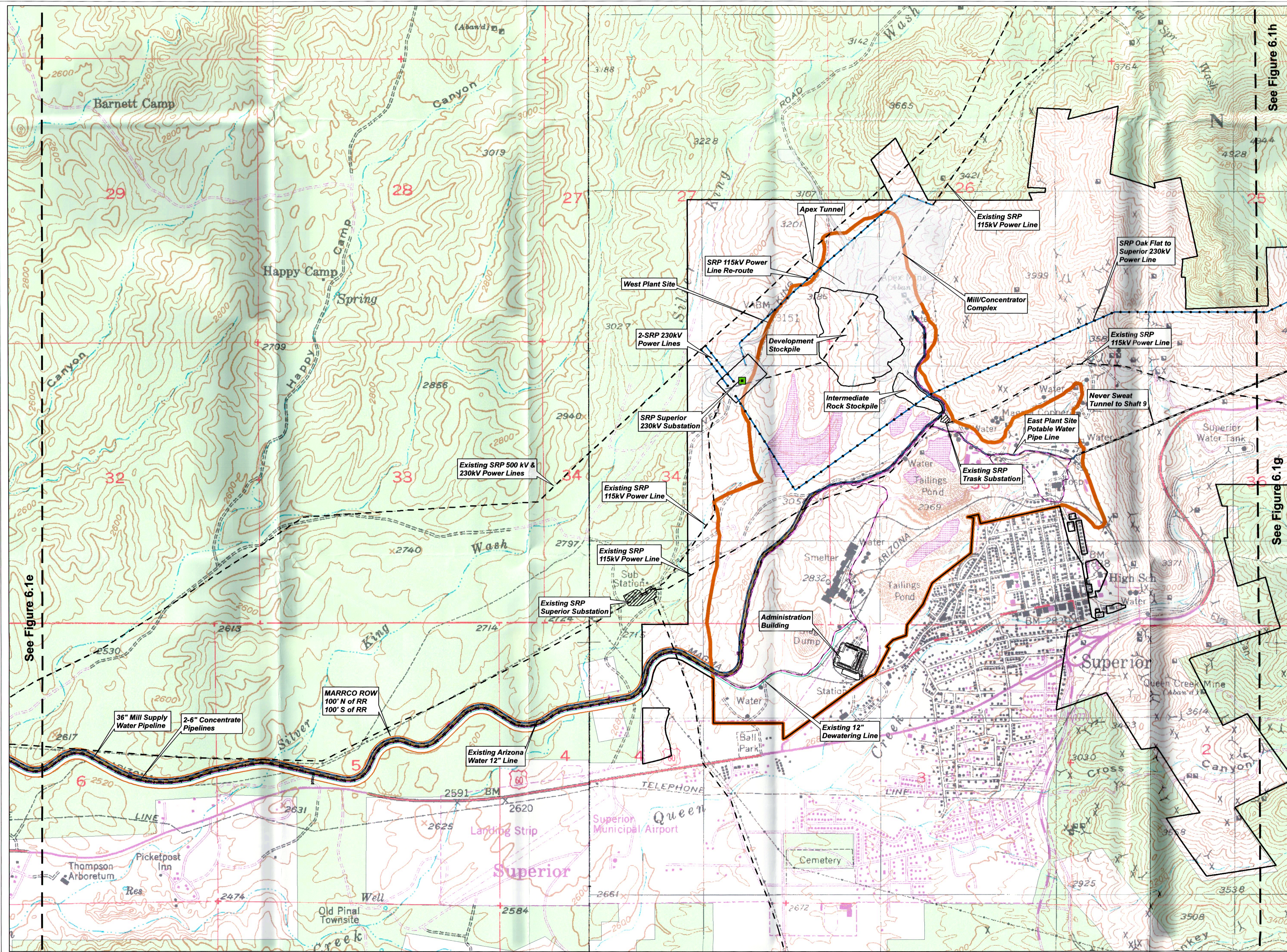
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GENERAL ARRANGEMENT  
Figure 6.1e



**Figure 6.1f: General Arrangement**





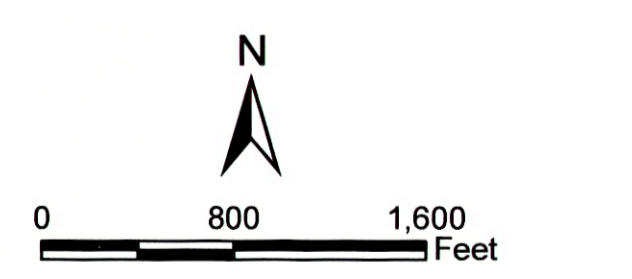
See Figure 6.1h

See Figure 6.1g

See Figure 6.1e

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Image Source: 1:24,000 USGS Quadrangles



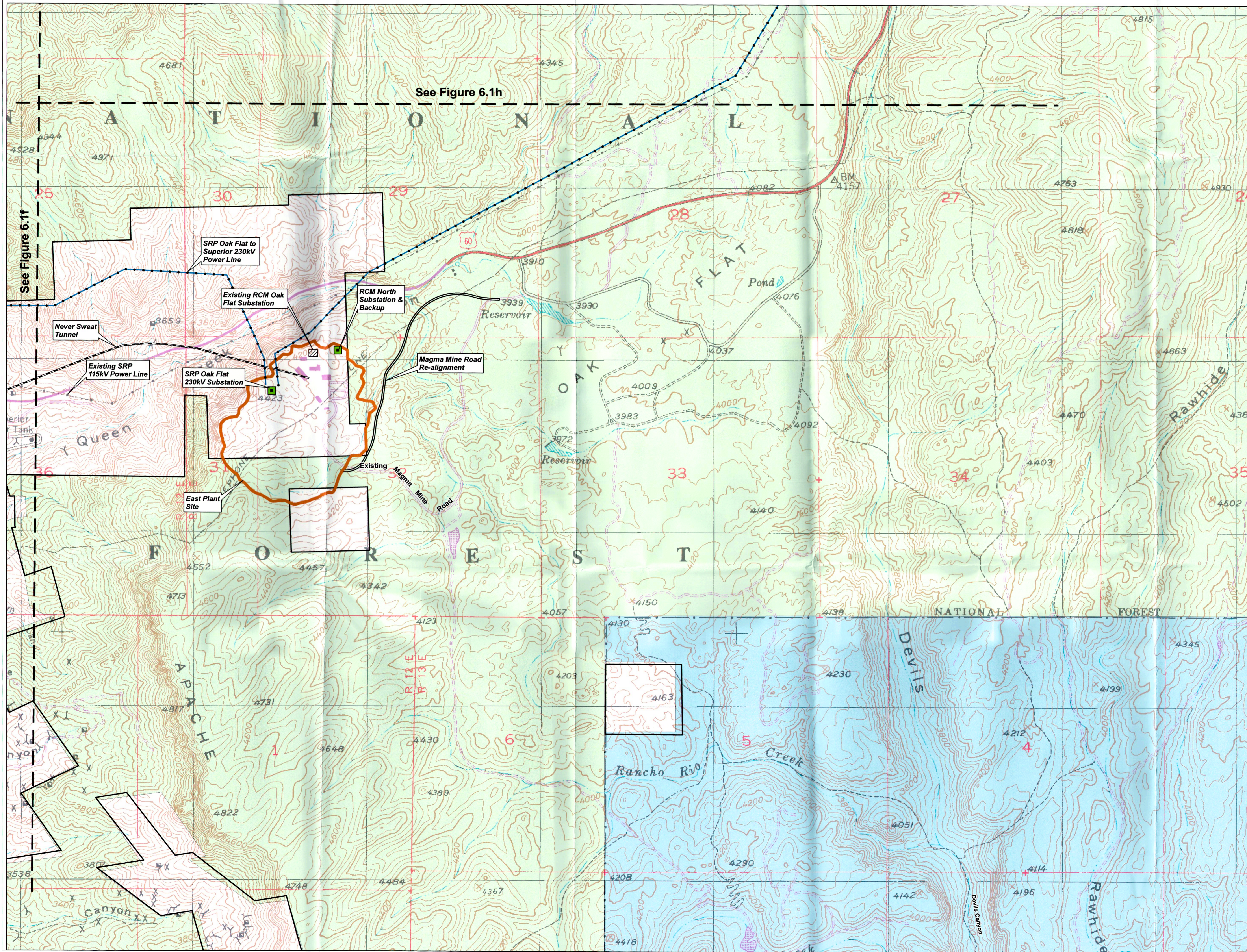
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GENERAL ARRANGEMENT  
 Figure 6.1f



**Figure 6.1g: General Arrangement**





- Legend**
- Private Holdings
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Image Source: 1:24,000 USGS Quadrangles

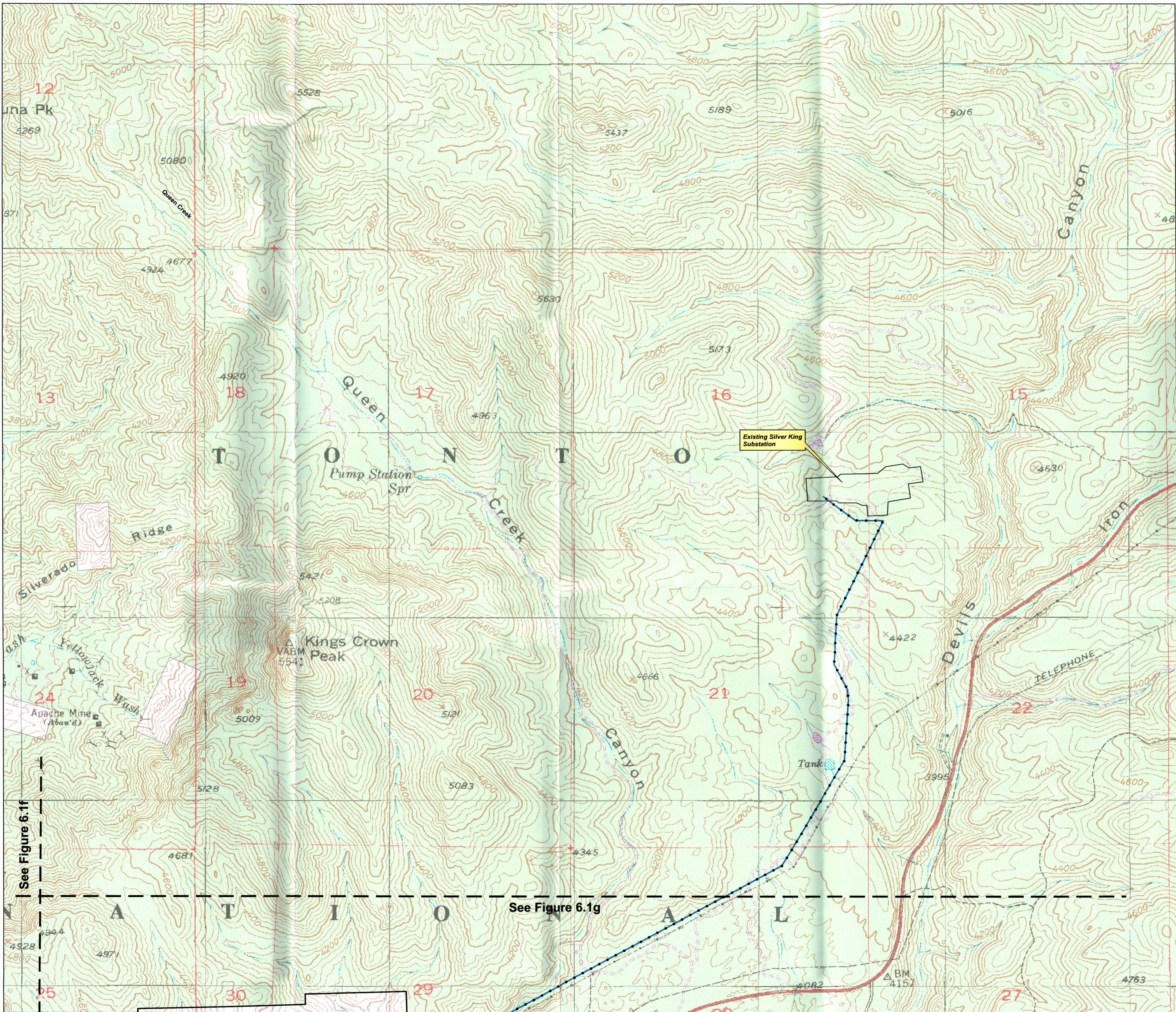


  
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**Application for NIA Water**  
 GENERAL ARRANGEMENT  
 Figure 6.1g



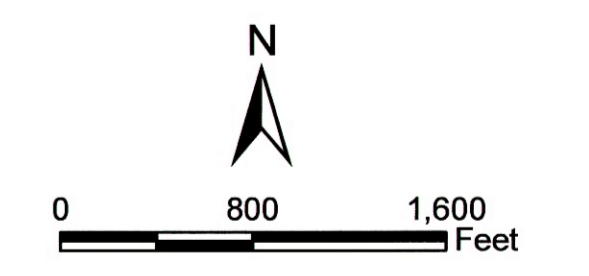
**Figure 6.1h: General Arrangement**





- Legend**
- Private Holdings
  - Approximate Project Area
  - Substation
  - Existing Substation
  - Power Line
  - Existing Power Line
  - Never Sweat Tunnel
  - Dewatering Line
  - Mill Supply Water Pipeline
  - Concentrate Pipelines
  - Storage Tank
  - Booster Pump
  - Proposed Well
- Surface Management (Source: BLM 2011)**
- Bureau of Land Management (BLM)
  - Bureau of Reclamation
  - Private Land (No Color)
  - State Trust Land
  - US Forest Service (USFS)

Image Source: 1:24,000 USGS Quadrangles





***Figure 6.2: Off-Site Infrastructure – Water Storage & Supply  
Capital Cost Estimate***





70320 Off-Site Infrastructure - Water Storage & Supply

Cost Code	DESCRIPTION	Quantity	Labor MH/Unit	MH	Unit Rate	Unit Matl	Unit Sub	Labor Cost	Material Cost	Permanent Equipment Cost	Sub Contract Cost	Const Equip Cost	Total Cost
	Pump Building	4 ea	360	1440	53.09	120000		\$76,452	\$480,000		\$0		\$556,452
	Growth Allowance	20 %		288		4800		\$15,290	\$96,000		\$0	\$0	\$111,290
	<b>Total</b>			<b>1728</b>				<b>\$91,743</b>	<b>\$576,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$667,743</b>

5000 Plant Equipment

7032A-BG-001	Water Booster Station Building 001, Fresh Water Booster Station Building 001; 12 m x 24 m x 7.5 m H	1 ea		0	68.55			\$0	\$0	\$0	\$0		\$0
7032A-BG-002	Water Booster Station Electrical Room, 22 m x 5 m x 7.5 m H	1 ea		0	68.55			\$0	\$0	\$0	\$0		\$0
7032A-BG-003	Water Booster Station Building 002, Fresh Water Booster Station Building 002; 15 m x 40 m x 7.5 m H	1 ea		0	68.55			\$0	\$0	\$0	\$0		\$0
7032A-BG-004	Water Booster Station Electrical Room, 15 m x 5 m x 7.5 m H	1 ea		0	68.55			\$0	\$0	\$0	\$0		\$0
7032A-PP-301	Magma Junction Pump, MAGMA Junction CAP	1 ea	120	120	68.55			\$8,227	\$0	\$175,000	\$0		\$183,227
7032A-PP-302	Magma Junction Pump, MAGMA Junction CAP	1 ea	120	120	68.55			\$8,227	\$0	\$175,000	\$0		\$183,227
7032A-PP-303	Magma Junction Pump, MAGMA Junction CAP (Standby)	1 ea	120	120	68.55			\$8,227	\$0	\$175,000	\$0		\$183,227
7032A-PP-311	Queen Valley Pump, Queen Valley CAP Pump	1 ea	240	240	68.55			\$16,453	\$0	\$200,000	\$0		\$216,453
7032A-PP-312	Queen Valley Pump, Queen Valley CAP Pump	1 ea	240	240	68.55			\$16,453	\$0	\$200,000	\$0		\$216,453
7032A-PP-313	Queen Valley Pump, Queen Valley CAP Pump (Standby)	1 ea	240	240	68.55			\$16,453	\$0	\$200,000	\$0		\$216,453
7032A-PP-321	Superior Booster Station Pump, Superior Booster	1 ea	480	480	68.55			\$32,906	\$0	\$1,210,000	\$0		\$1,242,906
7032A-PP-322	Superior Booster Station Pump, Superior Booster	1 ea	480	480	68.55			\$32,906	\$0	\$1,210,000	\$0		\$1,242,906
7032A-PP-323	Superior Booster Station Pump, Superior Booster (Standby)	1 ea	480	480	68.55			\$32,906	\$0	\$1,210,000	\$0		\$1,242,906
7032A-PP-331	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0		\$21,581
7032A-PP-332	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0		\$21,581
7032A-PP-333	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0		\$21,581
7032A-PP-334	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0		\$21,581
7032A-PP-335	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0		\$21,581

70320 Off-Site Infrastructure - Water Storage & Supply		Labor		Unit		Unit		Permanent		Sub		Const		Total	
Cost Code	DESCRIPTION	Quantity	MH/ Unit	MH	Rate	Matl	Sub	Labor Cost	Material Cost	Equipment Cost	Contract Cost	Equip Cost	Cost	Cost	Cost
7032A-PP-336	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-337	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-338	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-339	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-340	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-341	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-342	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-343	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-344	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-345	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-346	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-347	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-348	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-349	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-350	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-351	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-352	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-353	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-354	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-355	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-356	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-357	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-358	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-359	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-360	Cap Well Field Water Pump,	1 ea	96	96	68.55			\$6,581	\$0	\$15,000	\$0				\$21,581
7032A-PP-370	Cap Canal Water Pump, CAP	1 ea	120	120	68.55			\$8,227	\$0	\$150,000	\$0				\$158,227
7032A-PP-371	Cap Canal Water Pump, CAP	1 ea	120	120	68.55			\$8,227	\$0	\$150,000	\$0				\$158,227
7032A-PP-372	Cap Canal Water Pump, CAP	1 ea	120	120	68.55			\$8,227	\$0	\$150,000	\$0				\$158,227
	Magma Junction Water Tank,														
	Magma Junction Water Tank; 45														
7032A-TK-301	m Ø x 8 m H, 11,130 m3 capacity	1 ea		0	68.55			\$0	\$0	\$1,250,000	\$0				\$1,250,000
	20 ton Crane	4 ea	160	640	68.55			\$43,875	\$0	\$600,000	\$0				\$643,875
	Growth Allowance	5 %		320		0		\$21,937	\$0	\$375,250	\$0	\$4,751			\$401,939
				0	68.55			\$0	\$0	\$0	\$0				\$0
	Construction Equipment	67.2 day						\$0	\$0	\$0	\$0	\$95,026			\$95,026
	<b>Total Mine Equipment</b>			<b>6720</b>				<b>\$460,685</b>	<b>\$0</b>	<b>\$7,880,250</b>	<b>\$0</b>	<b>\$99,777</b>			<b>\$8,440,712</b>
6000 Piping															
	Pipe Spec CSI														
	1" Pipe	800 m	0.23	184	71.52	17.07		\$13,140	\$13,655		\$0				\$26,796

70320 Off-Site Infrastructure - Water Storage & Supply

Cost Code	DESCRIPTION	Quantity	Labor MH/ Unit	MH	Unit Rate	Unit Matl	Unit Sub	Labor Cost	Material Cost	Permanent Equipment Cost	Sub Contract Cost	Const Equip Cost	Total Cost
	2" Pipe	4060	m	0.39	1599	71.52	19.11	\$114,321	\$77,598		\$0		\$191,919
	3" Pipe	1400	m	0.36	505	71.52	16.57	\$36,136	\$23,204		\$0		\$59,340
	4" Pipe	120	m	0.39	47	71.52	23.62	\$3,379	\$2,834		\$0		\$6,213
	6" Pipe	3150	m	0.49	1550	71.52	41.52	\$110,872	\$130,799		\$0		\$241,670
	8" Pipe	330	m	0.66	217	71.52	62.49	\$15,487	\$20,623		\$0		\$36,109
	10" Pipe	540	m	0.82	443	71.52	89.06	\$31,678	\$48,090		\$0		\$79,768
	12" Pipe	2700	m	0.98	2658	71.52	109.04	\$190,066	\$294,399		\$0		\$484,464
	20" Pipe	88	m	1.64	144	71.52	174.19	\$10,325	\$15,328		\$0		\$25,653
	32" Pipe	1430	m	2.62	3753	71.52	439.56	\$268,439	\$628,571		\$0		\$897,010
	36" Pipe	440	m	2.95	1299	71.52	495.07	\$92,921	\$217,831		\$0		\$310,752
	42" Pipe	1100	m	3.45	3790	71.52	578.33	\$271,020	\$636,166		\$0		\$907,185
	60" Pipe	1100	m	4.92	5414	71.52	770.18	\$387,171	\$847,203		\$0		\$1,234,374
	1" 90 Deg Elbow	90	ea	1.40	126	71.52	4.08	\$9,011	\$367		\$0		\$9,378
	2" 90 Deg Elbow	76	ea	2.80	213	71.52	13.39	\$15,219	\$1,018		\$0		\$16,237
	3" 90 Deg Elbow	40	ea	4.08	163	71.52	5.44	\$11,672	\$218		\$0		\$11,889
	4" 90 Deg Elbow	18	ea	5.44	98	71.52	14.11	\$7,003	\$254		\$0		\$7,257
	6" 90 Deg Elbow	30	ea	8.16	245	71.52	30.63	\$17,508	\$919		\$0		\$18,427
	8" 90 Deg Elbow	30	ea	10.88	326	71.52	58.74	\$23,343	\$1,762		\$0		\$25,106
	10" 90 Deg Elbow	24	ea	13.60	326	71.52	77.40	\$23,343	\$1,858		\$0		\$25,201
	12" 90 Deg Elbow	30	ea	16.32	490	71.52	110.02	\$35,015	\$3,301		\$0		\$38,316
	20" 90 Deg Elbow	9	ea	27.20	245	71.52	396.29	\$17,508	\$3,567		\$0		\$21,074
	32" 90 Deg Elbow	3	ea	43.52	130.6	71.52	513.00	\$9,337	\$1,539		\$0		\$10,876
	36" 90 Deg Elbow	4	ea	48.96	195.8	71.52	1200	\$14,006	\$4,800		\$0		\$18,806
	6" Tee	21	ea	12.06	253	71.52	51.69	\$18,113	\$1,085		\$0		\$19,198
	8" Tee	13	ea	16.08	209	71.52	90.18	\$14,950	\$1,172		\$0		\$16,122
	60" Tee	5	ea	120.80	604	71.52	4475	\$43,197	\$22,375		\$0		\$65,572
	2" Flange, 150#	60	ea	2.10	126	71.52	13.94	\$9,011	\$836		\$0		\$9,848
	3" Flange, 150#	320	ea	3.15	1008	71.52	17.31	\$72,090	\$5,539		\$0		\$77,629
	4" Flange, 150#	18	ea	4.20	76	71.52	35.41	\$5,407	\$637		\$0		\$6,044
	6" Flange, 150#	72	ea	6.30	454	71.52	59.34	\$32,440	\$4,272		\$0		\$36,713
	8" Flange, 150#	30	ea	8.40	252	71.52	57.46	\$18,022	\$1,724		\$0		\$19,746
	10" Flange, 150#	18	ea	10.50	189	71.52	84.93	\$13,517	\$1,529		\$0		\$15,046
	12" Flange, 150#	6	ea	12.60	76	71.52	116.53	\$5,407	\$699		\$0		\$6,106
	20" Flange, 150#	14	ea	21.00	294	71.52	362.60	\$21,026	\$5,076		\$0		\$26,103
	32" Flange, 150#	22	ea	33.60	739.2	71.52	1065	\$52,866	\$23,430		\$0		\$76,296
	36" Flange, 150#	7	ea	37.80	264.6	71.52	1405	\$18,924	\$9,836		\$0		\$28,760
	60" Flange, 150#	2	ea	63.00	126	71.52	2927	\$9,011	\$5,854		\$0		\$14,865
	4"x 3" Reducer	6	ea	4.77	29	71.52	11.68	\$2,047	\$70		\$0		\$2,117
	6"x 4" Reducer	6	ea	7.48	45	71.52	24.84	\$3,210	\$149		\$0		\$3,359
	8"x 6" Reducer	6	ea	9.54	57	71.52	32.12	\$4,094	\$193		\$0		\$4,286
	10"x 8" Reducer	6	ea	12.25	74	71.52	40.46	\$5,257	\$243		\$0		\$5,499
	20"x 16" Reducer	5	ea	24.60	123	71.52	1319	\$8,797	\$6,597		\$0		\$15,394



70320 Off-Site Infrastructure - Water Storage & Supply

Cost Code	DESCRIPTION	Quantity	Labor MH/Unit	MH	Unit Rate	Unit Matl	Unit Sub	Labor Cost	Material Cost	Permanent Equipment Cost	Sub Contract Cost	Const Equip Cost	Total Cost	
	36"x 32" Reducer	3 ea	45.06	135	71.52	3000		\$9,668	\$9,000		\$0		\$18,668	
	60"x 32" Reducer	5 ea	50.60	253	71.52	7001		\$18,094	\$35,003		\$0		\$53,097	
	Coat & Wrap 6" pipe	2000 m		0	71.52	11		\$0	\$21,195		\$0		\$21,195	
	Coat & Wrap 12" pipe	2700 m		0	71.52	21		\$0	\$56,253		\$0		\$56,253	
	Coat & Wrap 32" pipe	200 m		0	71.52	53		\$0	\$10,674		\$0		\$10,674	
	Coat & Wrap 36" pipe	1000 m		0	71.52	60		\$0	\$60,042		\$0		\$60,042	
	Coat & Wrap 42" pipe	1000 m		0	71.52	70		\$0	\$70,049		\$0		\$70,049	
	Coat & Wrap 60" pipe	1000 m		0	71.52	100		\$0	\$100,071		\$0		\$100,071	
	Cathodic Protection	7900 m	0.059	466	71.52	16.405		\$33,320	\$129,600		\$0		\$162,919	
	36" Std Wt Steel Pipe	42900 m	2.953	126679	71.52	495.07		\$9,059,807	\$21,238,507		\$0		\$30,298,314	
	36" 1/2" Wall Steel Pipe	6100 m	3.543	21615	71.52	657.781		\$1,545,869	\$4,012,462		\$0		\$5,558,331	
	36" 5/8" Wall Steel Pipe	6800 m	4.134	28112	71.52	819.207		\$2,010,475	\$5,570,611		\$0		\$7,581,085	
	36" 3/4" Wall Steel Pipe	825 m	4.725	3898	71.52	979.559		\$278,763	\$808,136		\$0		\$1,086,899	
	36" 7/8" Wall Steel Pipe	4610 m	5.315	24503	71.52	1144.52		\$1,752,407	\$5,276,257		\$0		\$7,028,665	
	Coat & Wrap Pipe	16000 m		0	71.52	45.2778		\$0	\$724,445		\$0		\$724,445	
	Cathodic Protection	16000 m	0.059	944	71.52	16.405		\$67,483	\$262,480		\$0		\$329,963	
	Pump Station Allowance	1 lot	7880	7880	71.52	394013		\$563,577	\$394,013		\$0		\$957,589	
	Valves													
	0.5 inch AV-01	60 ea	0.65	39	71.52	200		\$2,789	\$12,000		\$0		\$14,789	
	0.5 inch BA-06	4 ea	0.65	3	71.52	38.5		\$186	\$154		\$0		\$340	
	0.5 inch BA-07	146 ea	0.65	95	71.52	16.9		\$6,787	\$2,467		\$0		\$9,254	
	2 inch BA-07	6 ea	2.6	16	71.52	97.5		\$1,116	\$585		\$0		\$1,701	
	3 inch BU-02	60 ea	3.9	234	71.52	89		\$16,735	\$5,340		\$0		\$22,075	
	6 inch BU-02L	15 ea	7.8	117	71.52	182		\$8,368	\$2,730		\$0		\$11,098	
	8 inch BU-02L	15 ea	10.4	156	71.52	279.74		\$11,157	\$4,196		\$0		\$15,353	
	16 inch BU-02L	2 ea	20.8	42	71.52	1130.0		\$2,975	\$2,260		\$0		\$5,235	
	32 inch BU-02L	4 ea	41.6	166	71.52	7714.1		\$11,901	\$30,856		\$0		\$42,757	
	2 inch CK-19	4 ea	2.6	10	71.52	105		\$744	\$420		\$0		\$1,164	
	3 inch CK-20	60 ea	3.9	234	71.52	159.5		\$16,735	\$9,570		\$0		\$26,305	
	6 inch CK-20	2 ea	7.8	16	71.52	278.3		\$1,116	\$557		\$0		\$1,672	
	8 inch CK-20	14 ea	10.4	146	71.52	422.40		\$10,413	\$5,914		\$0		\$16,327	
	32 inch CK-20	6 ea	41.6	250	71.52	9991.7		\$17,851	\$59,950		\$0		\$77,801	
	Misc Ftgs & Spts	1 lot	6129	6129	71.52	1049575		\$438,341	\$1,049,575		\$0		\$1,487,916	
	Construction Equipment	1,759 day						\$0	\$0		\$0	\$1,369,577	\$1,369,577	
	Growth Allowance	5 %		12565		430325.9		\$898,599	\$2,151,630		\$0	\$68,479	\$3,118,707	
	<b>Total</b>			<b>263859</b>				<b>\$18,870,577</b>	<b>\$45,184,220</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,438,056</b>	<b>\$65,492,853</b>	

70320 Off-Site Infrastructure - Water Storage & Supply

Cost Code	DESCRIPTION	Quantity	Labor MH/Unit	MH	Unit Rate	Unit Matl	Unit Sub	Labor Cost	Material Cost	Permanent Equipment Cost	Sub Contract Cost	Const Equip Cost	Total Cost
7000	Electrical												
	well sites (assume 30 wells)												
	13.8kV riser w/cable switch etc	30 lot	60	1800	56.15	2600		\$101,078	\$78,000		\$0		\$179,078
				0	56.15			\$0	\$0		\$0		\$0
	150 Kva transf, 13.8kv-480v	30 ea	32	960	56.15			\$53,908	\$0	\$21,000	\$0		\$74,908
	15 Kva trans	30 ea	21	630	56.15	298		\$35,377	\$8,940	\$3,180	\$0		\$47,497
				0	56.15			\$0	\$0		\$0		\$0
	480v motor control center	20 sect	11	220	56.15			\$12,354	\$0	\$16,000	\$0		\$28,354
	I/O cabinet	10 ea	22	220	56.15			\$12,354	\$0	\$7,000	\$0		\$19,354
				0	56.15			\$0	\$0		\$0		\$0
	100 hp motor	10 ea	113	1130	56.15	9761		\$63,455	\$97,610		\$0		\$161,065
				0	56.15			\$0	\$0		\$0		\$0
	Booster Station #1 at CAP			0	56.15			\$0	\$0		\$0		\$0
	Incoming 69kV structure	1 lot	240	240	56.15	2500		\$13,477	\$2,500	\$65,000	\$0		\$80,977
	Lightning arresters	3 ea	8	24	56.15	250		\$1,348	\$750	\$7,500	\$0		\$9,598
	69 Kv disconnect switches	2 ea	64	128	56.15			\$7,188	\$0	\$15,000	\$0		\$22,188
	69kV sf6 breaker	1 ea	48	48	56.15			\$2,695	\$0	\$65,000	\$0		\$67,695
	Cable and wire allowance	1 lot	240	240	56.15	15000		\$13,477	\$15,000		\$0		\$28,477
	1.0 Mva transf 69-4.16kV	1 ea	120	120	56.15			\$6,739	\$0	\$187,000	\$0		\$193,739
	5kv breakers	2 ea	24	48	56.15			\$2,695	\$0	\$90,000	\$0		\$92,695
	5kv motor starter	4 sect	16	64	56.15			\$3,594	\$0	\$80,000	\$0		\$83,594
	electrical e-house	1 ea	48	48	56.15			\$2,695	\$0	\$80,000	\$0		\$82,695
	480v motor control center	1 sect	12	12	56.15			\$674	\$0	\$5,500	\$0		\$6,174
	150 Kva transf	1 ea	54	54	56.15	5523		\$3,032	\$5,523	\$3,800	\$0		\$12,355
	5kV VFD 400HP	2 ea	48	96	56.15			\$5,391	\$0	\$240,000	\$0		\$245,391
	Motors			0	56.15			\$0	\$0		\$0		\$0
	400hp	3 ea	142	426	56.15	5409		\$23,922	\$16,227		\$0		\$40,149
	Cable and wire allowance	1 lot	240	240	56.15	15000		\$13,477	\$15,000		\$0		\$28,477
	Cable trays	100 ft	2	200	56.15	46		\$11,231	\$4,600		\$0		\$15,831
				0	56.15			\$0	\$0		\$0		\$0
	lighting	1 lot	84	84	56.15	6500		\$4,717	\$6,500		\$0		\$11,217
	Grounding	1 lot	84	84	56.15	4500		\$4,717	\$4,500		\$0		\$9,217
				0	56.15			\$0	\$0		\$0		\$0
	Booster Station #2 at Filter Plant			0	56.15			\$0	\$0		\$0		\$0
	5kv motor starter	4 sect	16	64	56.15			\$3,594	\$0	\$48,000	\$0		\$51,594
	electrical e-house	1 ea	48	48	56.15			\$2,695	\$0	\$80,000	\$0		\$82,695
	480v motor control center	1 sect	12	12	56.15			\$674	\$0	\$5,500	\$0		\$6,174
	150 Kva transf	1 ea	54	54	56.15	5523		\$3,032	\$5,523	\$3,800	\$0		\$12,355
	5kV VFD 1250HP	2 ea	48	96	56.15			\$5,391	\$0	\$750,000	\$0		\$755,391
	Motors			0	56.15			\$0	\$0		\$0		\$0

70320 Off-Site Infrastructure - Water Storage & Supply

Cost Code	DESCRIPTION	Quantity	Labor MH/Unit	MH	Unit Rate	Unit Matl	Unit Sub	Labor Cost	Material Cost	Permanent Equipment Cost	Sub Contract Cost	Const Equip Cost	Total Cost
	1500hp	3 ea	190	570	56.15	15460		\$32,008	\$46,380		\$0		\$78,388
	Cable and wire allowance	1 lot	240	240	56.15	15000		\$13,477	\$15,000		\$0		\$28,477
	Cable trays	100 ft	2	200	56.15	46		\$11,231	\$4,600		\$0		\$15,831
				0	56.15			\$0	\$0		\$0		\$0
	lighting	1 lot	84	84	56.15	6500		\$4,717	\$6,500		\$0		\$11,217
	Grounding	1 lot	84	84	56.15	4500		\$4,717	\$4,500		\$0		\$9,217
				0	56.15			\$0	\$0		\$0		\$0
	B'ster Stat'n #3 at Queen Valley			0	56.15			\$0	\$0		\$0		\$0
	Incoming 69kV structure	1 lot	240	240	56.15	2500		\$13,477	\$2,500	\$65,000	\$0		\$80,977
	Lightning arresters	3 ea	8	24	56.15	250		\$1,348	\$750	\$7,500	\$0		\$9,598
	69 Kv disconnect switches	2 ea	64	128	56.15			\$7,188	\$0	\$15,000	\$0		\$22,188
	69kV sf6 breaker	2 ea	48	96	56.15			\$5,391	\$0	\$130,000	\$0		\$135,391
	Cable and wire allowance	1 lot	240	240	56.15	15000		\$13,477	\$15,000		\$0		\$28,477
	10Mva transf 69-4.16kV	2 ea	120	240	56.15			\$13,477	\$0	\$640,000	\$0		\$653,477
				0	56.15			\$0	\$0		\$0		\$0
	5kv motor starter	4 sect	16	64	56.15			\$3,594	\$0	\$48,000	\$0		\$51,594
	electrical e-house	1 ea	48	48	56.15			\$2,695	\$0	\$80,000	\$0		\$82,695
	480v motor control center	1 sect	12	12	56.15			\$674	\$0	\$7,500	\$0		\$8,174
	150 Kva transf	1 ea	54	54	56.15	5523		\$3,032	\$5,523	\$3,800	\$0		\$12,355
	5kV VFD 2000HP	2 ea	48	96	56.15			\$5,391	\$0	\$800,000	\$0		\$805,391
	Motors			0	56.15			\$0	\$0		\$0		\$0
	2500hp	3 ea	242	726	56.15	19553		\$40,768	\$58,659		\$0		\$99,427
	Cable and wire allowance	1 lot	240	240	56.15	15000		\$13,477	\$15,000		\$0		\$28,477
	Cable trays	100 ft	2	200	56.15	46		\$11,231	\$4,600		\$0		\$15,831
				0	56.15			\$0	\$0		\$0		\$0
	lighting	1 lot	84	84	56.15	6500		\$4,717	\$6,500		\$0		\$11,217
	Grounding	1 lot	84	84	56.15	4500		\$4,717	\$4,500		\$0		\$9,217
				0	56.15			\$0	\$0		\$0		\$0
				0	56.15			\$0	\$0		\$0		\$0
				0	56.15			\$0	\$0		\$0		\$0
				0	56.15			\$0	\$0		\$0		\$0
				0	56.15			\$0	\$0		\$0		\$0
	Booster Station #4 at Superior			0	56.15			\$0	\$0		\$0		\$0
	115Kv incoming overhead line	2 km	0	0	56.15	0	350000	\$0	\$0		\$700,000		\$700,000
	Incoming PT and CT	6 ea	16	96	56.15	600		\$5,391	\$3,600	\$66,000	\$0		\$74,991
	Incoming 115kV structure	1 lot	480	480	56.15	1000		\$26,954	\$1,000	\$75,000	\$0		\$102,954
	Lightning arresters	9 ea	8	72	56.15	250		\$4,043	\$2,250	\$22,500	\$0		\$28,793
	115 Kv disconnect switches	2 ea	64	128	56.15			\$7,188	\$0	\$43,000	\$0		\$50,188
	115 sf6 breaker	2 ea	48	96	56.15			\$5,391	\$0	\$130,000	\$0		\$135,391
				0	56.15			\$0	\$0		\$0		\$0
	7.5/10Mva transf 115-4.16kV	2 ea	400	800	56.15			\$44,924	\$0	\$480,000	\$0		\$524,924
	Grounding resitors	2 ea	16	32	56.15	150		\$1,797	\$300	\$12,000	\$0		\$14,097
	42 ckt Bkr Pnl for Instr	1 ea	35	35	56.15	658		\$1,965	\$658	\$1,100	\$0		\$3,723



70320 Off-Site Infrastructure - Water Storage & Supply

Cost Code	DESCRIPTION	Quantity	Labor MH/ Unit	MH	Unit Rate	Unit Matl	Unit Sub	Labor Cost	Material Cost	Permanent Equipment Cost	Sub Contract Cost	Const Equip Cost	Total Cost
	42 ckt Bkr Pnl for lighting	2 ea	35	70	56.15	329		\$3,931	\$658	\$1,100	\$0		\$5,689
	5kV switchgear	8 ea	24	192	56.15			\$10,782	\$0	\$240,000	\$0		\$250,782
	5kv motor soft starters	3 sect	48	144	56.15	250		\$8,086	\$750	\$225,000	\$0		\$233,836
	electrical e-house	1 ea	48	48	56.15	1000		\$2,695	\$1,000	\$80,000	\$0		\$83,695
	480v motor control center	2 sect	12	24	56.15			\$1,348	\$0	\$15,000	\$0		\$16,348
	150 Kva transf	1 ea	54	54	56.15	5523		\$3,032	\$5,523	\$3,800	\$0		\$12,355
	Motors												
	5000hp	3 ea	500	1500	56.15	29550		\$84,232	\$88,650		\$0	\$1,500	\$174,382
	Cable and wire allowance	1 lot	540	540	56.15	35000		\$30,323	\$35,000		\$0		\$65,323
	Cable trays	100 ft	2	200	56.15	46		\$11,231	\$4,600		\$0		\$15,831
	Misc conduits and supports	1 lot	640	640	56.15	20000		\$35,939	\$20,000		\$0		\$55,939
				0	56.15			\$0	\$0		\$0		\$0
	lighting	1 lot	84	84	56.15	6500		\$4,717	\$6,500		\$0		\$11,217
	Grounding	1 lot	84	84	56.15	4500		\$4,717	\$4,500		\$0		\$9,217
	Growth Allowance	12 %		1976		6256.74		\$46,819	\$75,081	\$595,750	\$0	\$180	\$717,830
				0	56.15			\$0	\$0		\$0		\$0
	<b>Total</b>			<b>18439</b>				<b>\$971,292</b>	<b>\$700,755</b>	<b>\$5,560,330</b>	<b>\$700,000</b>	<b>\$1,680</b>	<b>\$7,934,056</b>
8000	<b>Instrumentation</b>												
	Allowance	1 lot	4610	4610	56.15	175189		\$258,852	\$175,189	\$1,390,082	\$0		\$1,824,123
	Expert System	1 lot	700	700	56.15	350000		\$39,308	\$350,000		\$0		\$389,308
	PLC System	1 lot	1000	1000	56.15	70000		\$56,155	\$70,000	\$450,000	\$0		\$576,155
	Growth Allowance	5 %		315		5951.887		\$17,716	\$29,759	\$92,004	\$0	\$0	\$139,479
				0	56.15			\$0	\$0		\$0		\$0
	<b>Total Instrumentation</b>			<b>6625</b>				<b>\$372,031</b>	<b>\$624,948</b>	<b>\$1,932,087</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,929,065</b>
	<b>Total Area 7032</b>			<b>528407</b>				<b>\$33,042,594</b>	<b>\$48,268,376</b>	<b>\$15,372,666</b>	<b>\$700,000</b>	<b>\$5,070,282</b>	<b>\$102,453,918</b>

## 11. REFERENCES

The following articles are available on the web, and may provide additional useful context for the reader:

Best Practices and Efficient Use of Water in the Mining Industry, Chilean Copper Commission, 2008

Sustainability Reporting and Water Resources: a Preliminary Assessment of Embodied Water and Sustainable Mining, Gavin M. Mudd, 2008

**ATTACHMENT 4**

U.S. Bureau of Reclamation 2016 Draft Environmental Assessment for Water Reallocation



# RECLAMATION

*Managing Water in the West*

**Proposed Recommendation for the Reallocation  
of Non-Indian Agricultural Water within the  
Central Arizona Project System,  
in Accordance with the Arizona Water Settlements Act of 2004**

**DRAFT ENVIRONMENTAL ASSESSMENT**



**U.S. Department of the Interior  
Bureau of Reclamation**

**June 2016**



**DRAFT ENVIRONMENTAL ASSESSMENT**

**FOR THE PROPOSED**

**ARIZONA DEPARTMENT OF WATER RESOURCES RECOMMENDATION FOR THE  
REALLOCATION OF NON-INDIAN AGRICULTURAL PRIORITY CENTRAL ARIZONA  
PROJECT WATER IN ACCORDANCE WITH THE ARIZONA WATER SETTLEMENTS  
ACT OF 2004**

**PREPARED FOR**

**U.S. BUREAU OF RECLAMATION**

**PREPARED BY**

**ERO RESOURCES CORPORATION**

**DENVER, COLORADO**

**[www.eroresources.com](http://www.eroresources.com)**

**JUNE 2016**

## Mission Statements

The **U.S. Department of the Interior** protects America's natural resources and heritage, honors our cultures and tribal communities, and supplies the energy to power our future.

~ ~ ~ ~ ~

The mission of the **Bureau of Reclamation** is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.



## Abbreviations, Acronyms, and Defined Terms

ADWR	Arizona Department of Water Resources
AFA	acre-feet annually
AGFD	Arizona Game and Fish Department
AMA	Active Management Area
Apache Junction WUCFD	Apache Junction Water Utilities Community Facilities District
ASM	Arizona State Museum
ASU	Arizona State University
AWSA	Arizona Water Settlements Act
BA	Biological Assessment
BCPA	Boulder Canyon Project Act
BIA	Bureau of Indian Affairs
BLM	Bureau of Land Management
bls	below land surface
CAGR	Central Arizona Groundwater Replenishment District
CAIDD	Central Arizona Irrigation and Drainage District
CAP	Central Arizona Project
CAWCD	Central Arizona Water Conservation District
CEQ	Council on Environmental Quality
CFR	Code of Federal Regulations
CH	Critical Habitat
Code	Groundwater Code
Corps	U.S. Army Corps of Engineers
CWA	Clean Water Act
Decree	1964 <i>Arizona v. California</i> decree
DSI	demand and supply imbalance
EA	Environmental Assessment
EO	Executive Order
EPA	U.S. Environmental Protection Agency
ESA	Endangered Species Act of 1973, as amended
ESRV	East Salt River Valley
FONSI	Finding of No Significant Impact
FR	Federal Register
FWCA	Fish and Wildlife Coordination Act
FWS	U.S. Fish and Wildlife Service
GSF	groundwater savings facilities
IDD	Irrigation and Drainage District
INA	Irrigation Non-Expansion Area
ITAs	Indian Trust Assets
Listed species	federally listed species under the ESA, as amended
LTSC	long-term storage credits
MAFA	million acre-feet annually
M&I	municipal and industrial
MDWID	Metropolitan Domestic Water Improvement District
MHI	median household income

MCL	maximum contaminant level
MSIDD	Maricopa Stanfield Irrigation and Drainage District
NEPA	National Environmental Policy Act
NHPA	National Historic Preservation Act
NIA	Non-Indian Agricultural
NPDES	National Pollutant Discharge Elimination System
NPS	National Park Service
National Register	National Register of Historic Places
P.L.	Public Law
Proposed Action	Secretary approval of Water Reallocation Recommendation
Proposed Recipients	municipal and industrial water users recommended by ADWR for water reallocations
Reclamation	Bureau of Reclamation
ROD	Record of Decision
Secretary	Secretary of the Interior
SHPO	State Historic Preservation Office
SMCL	secondary maximum contaminant level
USC	United States Code
USF	underground storage facility
USFS	U.S. Forest Service
USGS	U.S. Geological Survey
WRDC	Water Resources Development Commission
WSRV	West Salt River Valley

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**DRAFT ENVIRONMENTAL ASSESSMENT**

**FOR THE PROPOSED**

**ARIZONA DEPARTMENT OF WATER RESOURCES RECOMMENDATION FOR THE**

**REALLOCATION OF NON-INDIAN AGRICULTURAL PRIORITY CENTRAL ARIZONA**

**PROJECT WATER IN ACCORDANCE WITH THE**

**ARIZONA WATER SETTLEMENTS ACT OF 2004**

## **1.0 Purpose and Need**

### **1.1 Introduction**

The Secretary of the Interior (Secretary), through the Bureau of Reclamation (Reclamation), proposes to reallocate 46,629 acre-feet annually (AFA) per year of designated Non-Indian Agricultural (NIA) Priority Central Arizona Project (CAP) water pursuant to the Arizona Water Settlements Act (AWSA) of 2004 (Public Law (P.L.) 108-451, Section 104) and in accordance with Arizona Department of Water Resources (ADWR) recommendations.

In compliance with the AWSA, ADWR analyzed the applications for the NIA Priority CAP water and made a recommendation to the Secretary. Reclamation is tasked with completion of the environmental analysis on the recommendation so the Secretary has the necessary information on impacts on the human environment to make an informed decision on the recommendation.

The recommendation distributes NIA Priority CAP water into two pools. The first pool of 34,629 AFA is designated for Municipal Pool water providers. The other pool of 12,000 AFA is designated for Industrial Pool water users. The two pools total 46,629 AFA for use within the CAP service area. Each pool lists individual applicants and the AFA to be reallocated with the recommendation that each applicant be offered a CAP water service subcontract.

Although approval or rejection of ADWR's recommendation for reallocation is congressionally mandated and nondiscretionary, the AWSA states that, prior to making a decision to accept or reject the recommendation, Reclamation must comply with the National Environmental Policy Act of 1969, as amended (NEPA). Other laws include, but are not limited to, the Endangered Species Act of 1973 (ESA); National Historic Preservation Act of 1966, as amended (NHPA); and amendments to the Department of the Interior's regulations for implementing NEPA (43 Code of Federal Regulations (CFR) Part 46, October 15, 2008). Reclamation is the designated Lead Federal Agency as defined in 43 CFR 46.225-46.230. Cooperating Agencies include the Central Arizona Water Conservation District (CAWCD) and ADWR.

### **1.2 Background Summary**

With Arizona's location in the arid southwest, its leaders have long recognized the importance of, and need for, the dependable long-term water supply of the Colorado River. The history of the allocation and use of water sources in Arizona is complex. Since the early 20<sup>th</sup> century, Arizonans have negotiated with other users of Colorado River water to ensure that Arizona



received an allocation that could sustain economic and population growth. These negotiations have included the Upper Colorado River Basin states of Colorado, Wyoming, New Mexico, and Utah; the other Lower Colorado River Basin states of Arizona, California, and Nevada; and Mexico.

Additionally, Arizona has been on the forefront of water management, particularly with respect to the management of groundwater resources in areas with the highest volumes of water use. Internally, Arizona's agricultural sectors, industrial drivers, and urban populations have struggled over how to apportion groundwater supplies to sustain both economic activity and quality of life in one of the nation's most arid states (ADWR c n.d.).

Obtaining the authorization for construction of the CAP represents one of Arizona's hard-won victories in its efforts to address water supplies and groundwater depletions within the state. The 336-mile CAP canal allowed transportation of Colorado River water, a renewable water supply available to the state, to areas where there was significant demand for the water. The availability of CAP water reduced the reliance on groundwater. The context for this current reallocation project is situated in both water supply and demand, and in the allocation of Colorado River water and groundwater in Arizona, and how those two supplies relate to one another.

## **1.2.1 History of Water Supply and Demand for Two Water Sources within Arizona**

### **1.2.1.1 The Colorado River**

The Colorado River has an extensive drainage basin that collects water from more than 250,000 square miles of the United States' most arid lands. The river itself extends more than 1,400 miles from the headwaters in Wyoming and Colorado to the Gulf of California in Mexico. Within the United States, the river provides water to more than 40 million people and irrigates more than 3.5 million acres of land. Despite the river's expansive drainage area, considerable length, and demand for its water, the Colorado River yields only about 4 percent of a large river like the Mississippi. The combination of high demand and low yield has resulted in the Colorado River being one of the most highly managed and contentiously litigated river systems in the United States.

The management of the Colorado River is subject to the Law of the River, which is a constantly evolving compilation of interstate compacts, intrastate and interstate agreements, federal and state legislation, including a U.S. Supreme Court opinion and decree and an International Treaty that controls the distribution and management of water from the Colorado River system (Water Education Foundation 1998). The current drought across the Southwest, particularly over the last 15 years, is stressing the river system and current management policies.

In the early 1900s, the ever-increasing use of Colorado River water in California concerned other users of Colorado River water and, with congressional approval, commissioners were appointed to begin negotiating a compact to allocate the waters of the Colorado River. The result was the 1922 Colorado River Compact (Compact). The Compact divided the Colorado River Basin into an Upper Basin and a Lower Basin, identified the point of division between the basins, and allocated 7.5 million acre-feet annually (MAFA) of annual beneficial consumptive use to each basin with an additional 1.0 MAFA authorized for the Lower Basin. The Compact did not allocate a specific volume of water to each state, nor did it address the issue of tributary flows.

Consequently, the Arizona legislature refused to ratify the Compact because it did not provide the state adequate protection against California and its ability to use more of the river than Arizona and Nevada.

The next significant milestone in the development of the Law of the River was the Boulder Canyon Project Act (BCPA), which was enacted in 1928 and declared effective by presidential proclamation in 1929. The BCPA authorized construction of the Hoover Dam and power plant and California's All-American Canal. The BCPA could only be implemented, however, if the Compact was ratified by all seven states. An alternative method of ratification was provided if any six of the seven basin states, including California, approved the Compact. Under the alternative method, California was forced to permanently limit its consumptive use of Colorado River water to 4.4 MAFA (Nathanson 1980). California agreed to this restriction through the California Limitation Act in 1929. The BCPA also authorized the Secretary to enter into agreements with the Lower Basin states for the annual apportionment of the Lower Basin amount. The allocations were 4.4 MAFA plus 50 percent of surpluses to California, 2.8 MAFA plus 50 percent of surpluses to Arizona, and 300,000 AFA to Nevada in perpetuity.

Arizona responded to the BCPA by filing three cases between 1930 and 1935 with the U.S. Supreme Court. The Supreme Court denied all three cases; but Arizona was permitted to re-petition the court if it could prove it was being harmed by the BCPA's implementation. Subsequently, Arizona's position and water policy changed dramatically in 1939 because of the need for Hoover Dam power and for increased demand for water to serve growing populations. The result was that the Arizona legislature ratified the Compact in 1944.

Arizona entered into a contract with the federal government for 2.8 MAFA of water, under the provisions of the BCPA. Though California had internally limited itself to 4.4 MAFA, it never formally recognized the BCPA allocations and denied that Arizona had a right to 2.8 MAFA of water.

In 1947, Arizona introduced the first bill for authorization of the CAP (Johnson 1977). California opposed the bill because they believed Arizona did not have any legal claim to the Colorado River water that would be transported through the project (Hundley 1986). In 1951, Congress postponed all action on CAP proposals until the two states reached an agreement. In 1952, Arizona filed suit against California in the U.S. Supreme Court, contending that lack of formal allocation of Colorado River water in the Lower Basin harmed Arizona.

The 1964 *Arizona v. California* decree (Decree) endorsed the provisions of the BCPA, confirmed the Lower Basin allocations previously set forth, and excluded Arizona's tributary rivers from Colorado River accounting. The Decree incorporated all federal and Indian uses within the states in the annual allocation and established the Secretary as the water master for the Lower Basin. The entitlements granted pursuant to the BCPA were determined to be permanent and could not be lost for lack of use.

Despite the provisions of the Decree, California continued successfully to lobby against congressional approval of the CAP. Ultimately, Arizona was forced to compromise. In exchange for California withholding its opposition to a CAP bill, Arizona agreed that in times of shortage on the Colorado River, CAP diversions would not affect California's receipt of its full

4.4 MAFA allocation. Arizona was able to obtain authorization and move Colorado River water to the parts of the state experiencing groundwater level declines. The junior priority status of the CAP significantly impacts Arizona, particularly if there is a shortage on the Colorado River, and is now one of the major components of future water management planning in the state (Pontius 1997).

### **1.2.1.2 Groundwater**

Historically, Arizona has relied heavily on groundwater to meet demand. The result was overdraft of groundwater supplies, particularly in the central and southern parts of the state. Groundwater depletion is a serious issue with numerous ramifications including, but not limited to, subsidence (sinking) and earth fissuring (cracking), aquifer compaction (collapsing) leading to decreased aquifer storage space, economic impacts caused by increased pumping costs and costs associated with deepening wells, and water quality problems.

From the early to mid-20th century, Arizonans became increasingly aware of the groundwater depletions and the impact on Arizona's already scarce water resources and recognized that action was necessary to address the issue. In 1976, a 25-member committee was formed to address the groundwater conflicts after the Arizona Supreme Court ruled in favor of agricultural water users to limit the amount of groundwater that municipalities and industry are permitted to pump. The committee proposed the Groundwater Management Act, and became law in 1980. It is implemented as the Groundwater Code (Code) (ADWR c n.d.).

### **1.2.1.3 The Groundwater Code**

The Code established the basis for how groundwater resources are managed for municipal, industrial, and agricultural use sectors. It set limits on who may pump groundwater and how much can be pumped, and established the purposes for which groundwater may be pumped. The Code also outlines provisions for controlling overdraft in certain areas, allocating groundwater resources effectively while responding to changing needs, and augmenting groundwater supplies through renewable sources.

The Code included provisions to: 1) determine who gets permits for what types of activities; 2) regulate the expansion of agriculture and development in areas where overdraft is severe; and 3) monitor the use of groundwater (ADWR d n.d.). To implement the requirements of the Code, ADWR was created by the State and given broad regulatory authority over the management of groundwater resources. The Code requires that ADWR track groundwater withdrawals to manage sources over the long term and during drought (ADWR d n.d.). Since enacted, the Code has been lauded as one of the most innovative water management programs among local and state governments.

The Code established three levels of groundwater management based on the potential for overdraft:

1. Active Management Areas (AMAs) are the most heavily managed and were established in areas where high demand and/or significant overdraft were occurring, or have potential to occur (ADWR a n.d.);



2. Irrigation Non-Expansion Areas (INAs) were established in areas that had insufficient groundwater to meet irrigation demands over the long term, but did not warrant the intensive regulation of an AMA; and
3. Outside of AMAs and INAs, groundwater must be put to beneficial use and all wells must comply with state statutes for drilling and constructing wells.

#### **1.2.1.4 Active Management Areas (AMAs)**

Four initial AMAs were established where overdraft was the most severe: Phoenix, Tucson, Pinal, and Prescott. A fifth AMA, the Santa Cruz, was added in 1994, from the southern part of the Tucson AMA. The five AMAs are regulated according to management plans with clearly defined objectives for municipal, industrial, and agricultural water use and groundwater conservation and recharge. AMA geographies are based on watersheds and basins, not political boundaries (ADWR a n.d.). AMA water resource issues include drought planning over the long and short term, identifying conservation opportunities and renewable water sources, locating and accessing groundwater augmentation sources, and managing the increased costs of water due to shortages and the need to transport water from other locations.

The guiding principle or goal of management for most of the AMAs includes achieving or maintaining safe yield. Safe yield means balancing groundwater use with recharge and the use of renewable water sources, such as surface water and reclaimed water, to reduce or eliminate overdraft of groundwater. Colorado River water delivered through the CAP plays an important role in achieving and maintaining safe yield in the Phoenix, Tucson, and Pinal AMAs by reducing groundwater use and provides a renewable source of water for groundwater recharge.

Phoenix and Tucson are Arizona's most populated areas, and the Pinal AMA is currently dominated by an agricultural economy. The primary management goal for the Phoenix and Tucson AMAs is to achieve safe yield of groundwater by 2025. The primary management goal for the Pinal AMA is to allow development of non-irrigation uses of water, preserve the agricultural economy, and conserve water for future non-irrigation use. Both Phoenix and Tucson continue to experience annual overdraft of groundwater supplies despite the use of renewable supplies, including water allocated from CAP and other offsets to groundwater pumping (ADWR a, c n.d.).

Within the Phoenix AMA, the current distribution of water use is 47 percent by municipalities, 33 percent by agriculture, 12 percent by Native American tribes, and 8 percent by industry. Within the Tucson AMA, municipalities account for 53 percent of water use, while agriculture uses 24 percent, industry uses 18 percent, and Native American tribes use 5 percent. Within the Pinal AMA, 80 percent of water use is by agriculture, 14 percent by Native American tribes, 4 percent by municipalities, and 2 percent by industry (ADWR b n.d.).

The Phoenix AMA will likely have an overdraft of groundwater resources of about 150,000 AFA by 2025. The Tucson AMA can likely reduce groundwater overdraft and achieve safe yield by 2025 if it maximizes reclaimed water supplies. The Pinal AMA is likely to experience a reduction in groundwater use over time as agriculture decreases (ADWR b n.d.). Despite the positive impact of the CAP in Arizona, the Phoenix, Pinal, and Tucson AMAs continue to face overconsumption of groundwater resources due to the imbalance between the locations of the state's population centers and the locations where groundwater is more abundant.

## 1.2.2 Central Arizona Project

Congress introduced the first bill for authorization of the CAP in 1947, and the CAP was eventually authorized under the 1968 Colorado River Basin Project Act. Construction of the CAP began in 1973 and completed in 1993. The CAP canal is 336 miles long beginning at Lake Havasu on Arizona's western border at the Colorado River and terminating just south of Tucson. The CAP delivers about 1.5 MAFA of Colorado River water to Arizona agricultural users, municipalities, industries, and Native American tribes and communities (CAP a n.d.). CAP was federally funded with Arizona obligated to repay the federal government about \$1.5 billion of the \$4 billion cost of the project over 50 years. CAP is operated by the CAWCD, and governed by an elected board of directors from Maricopa, Pima, and Pinal Counties (CAP b n.d.).

### 1.2.2.1 Past, Current, and Future Allocations of CAP Water

Following authorization of the CAP in 1968, the Secretary requested the assistance of the predecessor agency to ADWR in planning for the distribution of CAP water among the uses and potential recipients of CAP allocations. ADWR and its predecessor agency provided recommendations to the Secretary for allocation of CAP water to non-Indian water users in Arizona for municipal and industrial (M&I) and NIA uses. Determinations of appropriate allocation of CAP water for Native American tribes and communities were undertaken by the Secretary (DOI 2010).

Secretary Thomas S. Kleppe provided initial allocations of CAP water for Indian use in the *Federal Register* (41 FR 45883) in 1976 and Arizona provided recommendations for M&I allocations in 1977 and for NIA allocations in 1979. Several modifications were proposed over the years; and in 1983, Secretary James Watt signed a Record of Decision (ROD) published in the *Federal Register* (48 FR 12446) that identified specific amounts or percentages of CAP water to be allocated to Indian, M&I, and NIA uses (ADWR 1983). The 1983 ROD also identified the method by which priorities would be applied to these water use sectors during years of water supply shortage and, based on this, CAP water identified for each of these sectors is referred to by its priority (DOI 2010).

The 1983 ROD outlined that 309,828 AFA are allocated to Indian communities, 638,823 AFA are allocated to non-Indian M&I, and the remaining water is distributed to NIA users by proportion. Water from Indian, M&I, and NIA pools that was not delivered in any given year is available to be sold as excess CAP water to other users. This excess water is only available during years when there is undelivered Indian, M&I, and NIA water. During years of water supply shortfall, M&I and Indian CAP users have first priority on CAP water supplies, and NIA water uses are reduced pro rata until exhausted.

After the initial 1983 allocation recommendations, a total of 65,647 AFA of M&I water and 29.3 percent of NIA water was not contracted and was left available for reallocation at a later time. In addition, the NIA priority users had a "take-or-pay" provision in their subcontract to pay for their annual allocation whether or not it was delivered. Due to this and other factors, certain NIA subcontractors experienced financial difficulties. Litigation ensued and was resolved through the 2004 AWSA. The AWSA established a final allocation of CAP water, with additional

allocations of Indian priority water, a reallocation of the 65,647 AFA of the previously uncontracted M&I priority water to 20 specific M&I entities<sup>1</sup>, and the reallocation of certain NIA Priority CAP water (Appendix A). The AWSA directed the Secretary to allocate to ADWR up to 96,295 AFA of NIA Priority CAP water, to be held in trust for future reallocation (71 FR 165, August 25, 2006). At this time, because this 96,295 AFA of NIA Priority CAP water has not been through the reallocation process, it is ordered and used by excess water customers of the CAP. If reallocated through this process, this water would be able to be ordered and used by NIA Priority CAP customers.

### **1.2.3 ADWR's Reallocation Recommendation Process**

#### **1.2.3.1 Summary of Recommendation**

Applications were received for approximately three times the volumes of water available for reallocation in the municipal water provider and industrial water user categories, not including the municipal water provider category within the Central Arizona Irrigation and Drainage District (CAIDD) and Maricopa Stanfield Irrigation and Drainage District (MSIDD) areas. Within the municipal water provider category, 17 applications were received for a total requested amount of 93,879 AFA. A recommendation was made to allocate the full amount identified for this category of 34,629 AFA to 13 applicants (later changed to 12 applicants due to the purchase of H2O Water Company by the Town of Queen Creek). Within the industrial water user category, six applications were received for a total requested amount of 41,248 AFA. A recommendation was made to also allocate the full amount identified for this category of 12,000 AFA to the six applicants. The applications from M&I water users recommended by ADWR for water reallocations (Proposed Recipients) are shown in Appendix B. ADWR's recommendation was submitted to the Secretary on January 16, 2014, and the process for selecting the Proposed Recipients is in Appendix C.

#### **1.2.3.2 Reallocation Recommendation Process**

In 2012, ADWR began the public process to make a recommendation to the Secretary for reallocation. The process to provide recommendations for the reallocation of 96,295 AFA of NIA Priority CAP water to M&I users began with a public meeting on October 2, 2012. The public meeting provided information on the process and gave the public an opportunity to comment on the proposed reallocation process. The public comment period ended on November 9, 2012.

ADWR received comments that were considered and addressed, and a Final Process and Evaluation Criteria released in February 2013 outlining the structure of the reallocation process and the criteria that would be used to evaluate submitted applications. The reallocation process stated a recommendation would be made to the Secretary for allocation of 55,255 AFA during

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<sup>1</sup> Specific entities that received portions of the 65,647 AF allocated by the 2004 AWSA include the Town of Superior, Cave Creek Water Company, Chaparral Water Company, Town of El Mirage, City of Goodyear, H2O Water Company, City of Mesa, City of Peoria, City of Scottsdale, Avra Water Cooperative, City of Chandler, Del Lago (Vail) Water Company, City of Glendale, Community Water Company of Green Valley, Metropolitan Domestic Water Improvement District, Town of Oro Valley, City of Phoenix, City of Surprise, City of Tucson, and Valley Utilities Water Company.



one of two proposed phases of reallocation, which was scheduled to begin in 2013. Of the 55,255 AFA, municipal providers inside the CAP service area could apply for 34,629 AFA of water and 12,000 AFA would be made available to industrial water users inside the CAP service area. A total of 8,626 AFA (4,313 AFA each) would be made available to the CAIDD area and the MSIDD area as required by the AWSA.

As identified in the AWSA, the remaining 6,374 AFA of water for the CAIDD and MSIDD areas would be made available to applicants within the CAIDD and MSIDD areas, together with the 8,626 AFA that was not allocated in the first phase. Because no applicants were from the CAIDD or MSIDD areas in the first phase of this reallocation, the full 15,000 AFA would be available for any municipal water providers within those two specified areas in the second phase, expected to begin in 2021. The criteria for reallocations in the second phase have not yet been determined. Pursuant to the AWSA, for the water identified for the CAIDD and MSIDD areas, any remaining uncontracted water by 2030 would be offered to the Pinal County Water Augmentation Authority (ADWR e n.d.).

The remaining 41,040 AFA would be recommended for allocation in 2021 in a second phase as follows: 17,333 AFA will be made available to municipal water providers inside the CAP service area and 17,333 AFA will be made available outside of the CAP service area.

During the current phase, another public meeting held on March 12, 2013, describing the application process to interested parties and stakeholders to help them make their requests for NIA priority water. The application requirements were reviewed and the deadline for the applications was established, indicating all applications should be completed by June 14, 2013. ADWR offered, and encouraged, pre-application meetings between potential applicants and ADWR prior to the application deadline. Specific application evaluation criteria were developed and evaluated equally among the different user pools.

### **1.2.3.3 Evaluation Criteria**

ADWR developed the evaluation criteria for the applications to support the goals identified by ADWR and the public for the first phase of the reallocation, which were to:

- Reduce groundwater overdraft;
- Provide an additional source of water to areas with limited physical availability of groundwater; and
- Meet near-term demands for existing municipal water providers and industrial users that have permanent demands and are currently using groundwater, have groundwater rights, or are purchasing excess CAP water.

As identified above, there were three different applicant categories in this process: municipal water providers, industrial water users, and municipal water providers within the CAIDD and MSIDD areas. While some specific criteria were identified for each of these categories, some criteria applied to all applicants.

#### *1.2.3.3.1 Criteria Applicable to All Applicants*

In order to be eligible for recommendation of available water, all applicants had to demonstrate the following:

- An existing entity that serves water or operates within the CAP service area;
- The ability to use, store, and recover water or to replenish water in accordance with AMA goals;
- The ability to pay for and deliver the reallocated water;
- A plan showing how to use the allocated water and how to manage the future shortages associated with this allocated water; and
- A projected Demand and Supply Imbalance (DSI) for 2020 and presentation of the data to support a DSI. Recommendations for allocations will not exceed the DSI projections.

#### *1.2.3.3.2 Criteria Applicable to Industrial Applicants*

Additional specific criteria for industrial applicants were to:

- Hold groundwater rights in the area;
- Demonstrate a DSI greater than 400 AFA;
- Identify a specific use in a specified location; and
- Industrial applicants who use municipal water could not apply for a water allocation if the municipality where they are located also applied (ADWR e n.d.).

#### *1.2.3.3.3 Criteria Applicable to Municipal Applicants*

Municipal water providers were evaluated under specific criteria, as described below.

##### **Municipal Water Providers**

The Central Arizona Groundwater Replenishment District (CAGRD) was considered within the municipal water provider category. The CAGRD is a groundwater replenishment authority operated by the CAWCD. The purpose of the CAGRD is to provide a means for landowners and water providers that must rely on groundwater to demonstrate sufficient water availability consistent with the water management goals of the particular AMA. If a development does not have CAP water or other supplies that are consistent with the management goal, it must enroll in the CAGRD.<sup>2</sup>

The 2020 DSI for the CAGRD was calculated based on an AMA's projected actual groundwater replenishment obligations for 2020, but not its replenishment reserve requirements. In addition, if a CAGRD member service area or a water provider serving a member's land received a

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<sup>2</sup> The CAGRD must replenish (or recharge) in each AMA the amount of groundwater pumped by or delivered to its members in that AMA that exceeds the pumping limitations imposed by the State's Assured Water Supply Rules. This category of water is referred to as "excess groundwater." The replenishment may be accomplished through the operation of underground storage facilities or groundwater savings facilities. Water used for replenishment may be CAP water or water from any other lawfully available source, except groundwater withdrawn from within an AMA.

each area). The CAGR was not eligible to apply for this pool of water. In addition, CAIDD and MSIDD applicants could request more than their allotted pool. The remaining DSI would be considered in the municipal water provider category.

#### **1.2.3.4 ADWR Application Evaluation Process**

ADWR reviewed the applications based on the criteria identified and verified the projected DSIs using available water management data. When the applications were reviewed, several decisions and adjustments were needed. Some applicants were not able to show a DSI by 2020 and, therefore, were not qualified to be included in the recommendation. In the evaluation, all treated effluent that was physically and legally available to an applicant was considered as an available supply.

The total amount of long-term storage credits for an applicant was divided by 100 (based on proof of 100-year water supply) and considered the annual amount of water available. Surface water supplies were considered a renewable water supply. Excess CAP water was not considered a long-term renewable water supply and some lease and exchange water was prohibited from consideration pursuant to Indian water rights settlements. Annual leases were not considered long-term renewable water supplies.

Additionally, some municipal pool applicants had a DSI of less than 400 AFA and ADWR determined that fulfilling the request would best achieve the water management goals of this reallocation. For other applicants, ADWR determined their DSI was greater than the requested amount. For these applicants, the recommendation was limited to the requested amount. The remaining amount available for reallocation was redistributed on a pro rata basis based on each applicant's ADWR-verified DSI (ADWR e n.d.).

### **1.3 Purpose and Need**

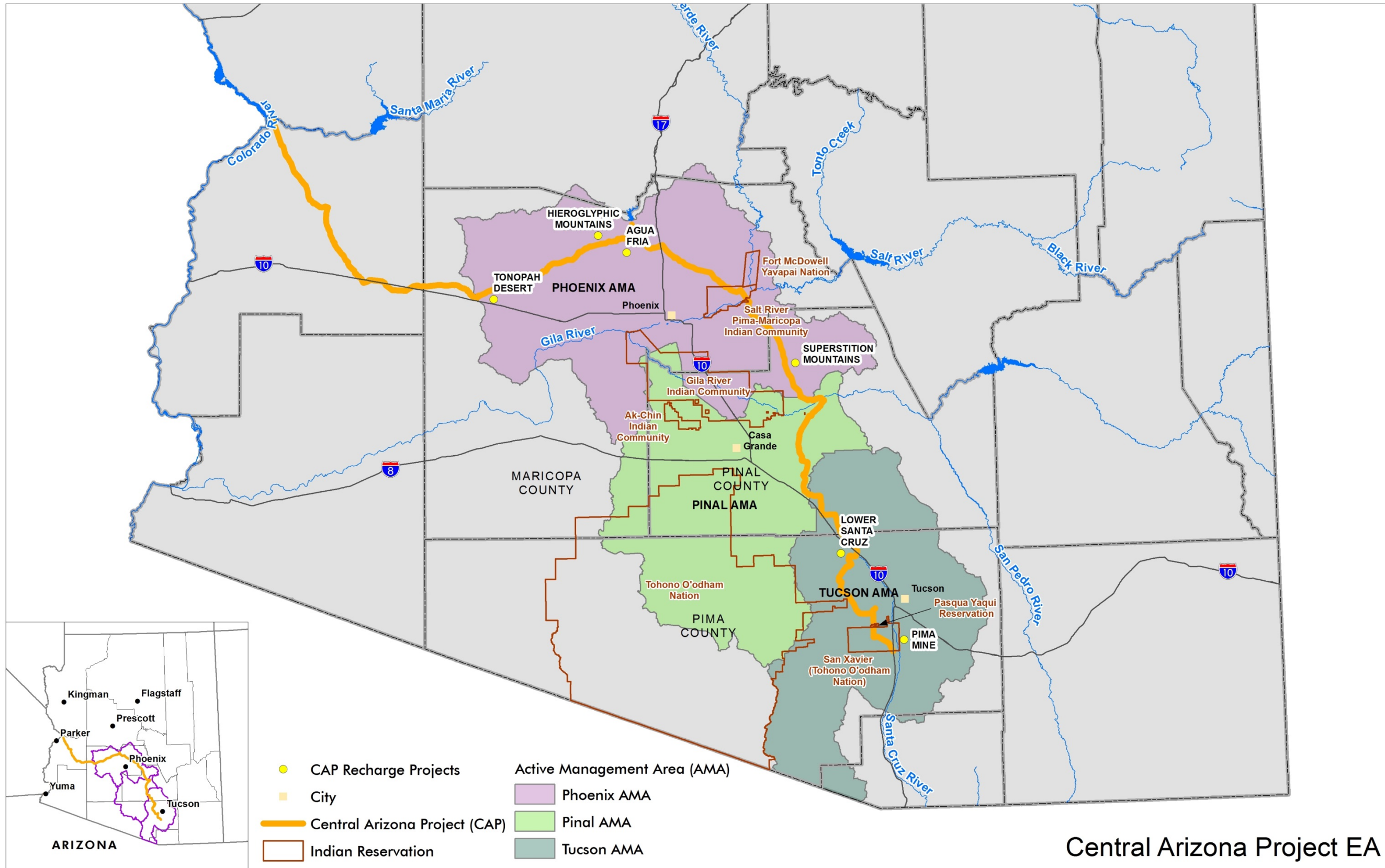
#### **1.3.1 Purpose of the Project**

The AWSA obligates the Secretary to approve or reject ADWR's recommendation for reallocation. The purpose of this EA is to provide all relevant information to the Secretary in a single, clear, and concise way to make an informed decision to accept or reject the recommendation to reallocate the NIA Priority CAP water. The purpose of the project is to reallocate NIA Priority CAP water for M&I use pursuant to the AWSA and according to ADWR's recommendation.

Based on ADWR's recommendation, the project would allow the reallocation of 46,629 AFA of NIA Priority CAP water to M&I users within the Phoenix, Pinal, and Tucson AMAs (Figure 1).



Figure 1. Project Area Map



### 1.3.2 Need for the Project

The need for the water reallocation is to address the continuing imbalance of water supply and demand in certain local and service areas of central Arizona by providing renewable water supplies to entities currently using overdrawn groundwater supplies. Although water use has declined or remained constant in recent decades, continued population growth in the state will eventually result in an overall water supply shortfall. The projected statewide water demand will increase to between 8.1 and 8.6 MAFA by 2035 and to between 8.6 and 9.1 MAFA by 2060 (Water Resources Development Commission (WRDC) (2011)).

In 2014, municipal water demand was 1.4 MAFA, which was 21 percent of all state water demand. The WRDC (2011) estimated that municipal demand will increase to roughly 2.7 MAFA by 2035 and 3.4 MAFA by 2060. In 2014, industrial uses accounted for approximately 6 percent of Arizona's water demand (about 400,000 AFA). Industrial use is expected to increase over time to sustain economic growth. While these projections are based on high estimates of population growth, Arizona's urban populations are anticipated to grow even if economic growth is slower than expected. According to the WRDC, between 0.9 and 3.2 MAFA of water will need to be developed in Arizona over the next 20 years to sustain population growth and meet consumption demands for municipal, industrial, agricultural, and other water uses combined.

If the recommendation is accepted, some water users within the Phoenix, Pinal, and Tucson AMAs would receive the reallocated NIA Priority CAP water. The Phoenix and Tucson metropolitan areas account for about 80 percent of Arizona's population and are expected to continue to be the major population centers, while Pinal County is currently dominated by an agricultural economy, and change of that land use is unknown (ADWR 2014a).

Both Phoenix and Tucson AMAs continue to experience annual overdraft of groundwater supplies even when renewable supplies are considered, such as current CAP subcontracts and offsets to groundwater pumping. The approval of the recommendation would contribute to the ADWR goal of reducing groundwater overdraft by increasing the Proposed Recipients' renewable surface water supplies.

## 1.4 Public Involvement and Scoping

Scoping is an open process held early in the analysis to determine the breadth of issues and alternatives that need to be analyzed in a NEPA document, so the decision maker can make an informed decision. Agency and public scoping for this EA began when Reclamation's scoping newsletter was sent on November 19, 2015. The mailing list for the scoping newsletter is in Appendix D.

The scoping newsletter was also posted on Reclamation's website on November 30, 2015. The scoping period was defined as November 19, 2015 to December 18, 2015. The scoping period expired and was later reinitiated at the request of stakeholders and was issued again through a Reclamation press release from January 5 to January 18, 2016. The scoping newsletter and press release are in Appendix D.

The Proposed Recipients of the NIA Priority CAP Water recommendation were invited to an informational meeting on December 7, 2015. Reclamation presented information on the NEPA

EA process and the upcoming public scoping meetings to the Proposed Recipients. There were 29 attendees at the meeting. The Proposed Recipient meeting invitation and meeting agenda are in Appendix E.

The following dates and locations indicate where and when public scoping meetings took place:

- Tuesday, December 8, 2015, in Phoenix, Arizona
- Wednesday, December 9, 2015, in Casa Grande, Arizona
- Thursday, December 10, 2015, in Tucson, Arizona

There were four meeting attendees on December 8, no attendees on December 9, and seven attendees on December 10.

Reclamation received two public responses during the scoping period. The first comment came from Save the Scenic Santa Ritas Association, and stated that Reclamation provided insufficient notice of the scoping process and requested an extension of the comment period. Reclamation honored this request and the comment period was extended by press release to January 18, 2016. The letter also stated that the Rosemont Mine should be analyzed as a connected action to the proposed water reallocation.

The second response came from the Pima County Regional Wastewater Reclamation Department. Pima County requested that the EA address impacts of the additional use of proposed NIA Priority CAP water by M&I recipients on other water users in the Tucson AMA and also address impacts on the natural environment. No tribal or other agency comments were received during the scoping period.

## **2.0 Description of Alternatives**

### **2.1 Project Area**

#### **2.1.1 Active Management Areas (AMAs)**

The project is located within the CAP service area in the Phoenix, Pinal, and Tucson AMAs (as described in Section 1.2, Background Summary). Figure 1 shows the overall project area and Figures 3 through 5 show the individual AMAs and Proposed Recipient service areas within each AMA.

### **2.2 Formulation and Evaluation of Alternatives**

For the purposes of this NEPA analysis, only two alternatives were considered – the Proposed Action, approval of the ADWR recommendation, and the No Action, or rejection of the ADWR recommendation.

#### **2.3 No Action (Rejection of the ADWR Recommendation)**

Reclamation is required to analyze a no action alternative under NEPA. No action by the Secretary (i.e., not accept or reject ADWR's water reallocation recommendation) would result in a violation of the AWSA. Although the potential rejection of the reallocation recommendation could be an action taken by the Secretary, for the purposes of this NEPA analysis, the No Action



alternative is defined as a rejection by the Secretary of the reallocation recommendation made by ADWR. Defining the No Action alternative as the rejection of ADWR's reallocation recommendation allows the inclusion of a no action alternative in accordance with 40 CFR 1502.14 and provides a basis with which to compare the Proposed Action.

In accordance with the AWSA, if ADWR's reallocation recommendation were rejected, ADWR would then be required to revise its recommendation and submit it to the Secretary. A new recommendation could potentially require a new reallocation determination process and NEPA analysis. It is not possible to assume what a different recommendation would be since the basis for the Secretary's potential rejection is unknown. Therefore, the No Action alternative reflects an uncertain delay in the reallocation process. The NIA Priority CAP water would continue to be sold as excess CAP water.

## 2.4 Proposed Action (Approval of Proposed Reallocation Recommendation)

The Proposed Action (or Proposed Reallocation) is the Secretary's approval of ADWR's recommendation for reallocation of 46,629 AFA of NIA Priority CAP water. In compliance with the AWSA, ADWR analyzed the applications for the NIA Priority CAP water and made a recommendation to the Secretary to distribute NIA Priority CAP water into two pools: 34,629 AFA for Municipal Pool water providers and 12,000 AFA for Industrial Pool water users, totaling 46,629 AFA for use within the CAP service area. Although the water would be assigned for M&I purposes, the reallocated water would retain the NIA priority. During periods of shortages on the Colorado River, the Proposed Recipients may not receive all or part of the NIA Priority CAP water due to the low priority of the water within the CAWCD pool structure. The list of Proposed Recipients and the AFA proposed by ADWR for reallocation to each recipient are shown in Table 1.

**Table 1. List of Proposed Recipients and Their Recommended Allocation.**

Recipient	Pool	Volume (AFA)
Apache Junction Water Utilities Community Facilities District (WUCFD)	Municipal	817
Carefree Water Company	Municipal	112
Central Arizona Groundwater Replenishment District	Municipal	18,185
City of Buckeye	Municipal	2,786
City of El Mirage	Municipal	1,318
EPCOR- Sun City West	Municipal	1,000
Freeport-McMoRan-Sierrita Inc.	Industrial	5,678
Johnson Utilities	Municipal	3,217
Metropolitan Domestic Water Improvement Creek	Municipal	299
New Harquahala Generating Company	Industrial	400
Resolution Copper Mining	Industrial	2,238
Rosemont Copper Co.	Industrial	1,124
Salt River Project	Industrial	2,160
Town of Cave Creek	Municipal	386
Town of Gilbert	Municipal	1,832
Town of Marana	Municipal	515
Town of Queen Creek*	Municipal	4,162
Viewpoint RV and Golf Resort	Industrial	400
Total Volume (AFA)		46,629

\*H2O Water Company was acquired by the Town of Queen Creek in November 2013. Therefore, their proposed reallocations have been combined under the Town of Queen Creek (1,000 AFA for H2O plus 3,162 AFA for Town of Queen Creek).

Under the Proposed Action, the Secretary would accept ADWR's recommendation for NIA Priority CAP Water reallocation and the Proposed Recipients would enter into a subcontract with the CAWCD and the United States (through Reclamation). The NIA Priority CAP water would be available based on established CAP water priority standards. Most Proposed Recipients would use existing infrastructure to receive the new allocation. For Proposed Recipients who would need to construct infrastructure to receive the NIA Priority CAP Water reallocation, all environmental compliance, including NEPA, would have to be completed prior to the Proposed Recipient's ability to have the water delivered. This environmental compliance clause is part of all CAP subcontracts.

### 3.0 Affected Environment and Environmental Consequences

This section describes the affected environment of the Proposed Action (referred to as the “analysis area,” which varies by resource). It evaluates likely environmental consequences for each resource from the Proposed Action.

The consequences of the No Action alternative are described for each of the resources to provide a baseline for the Proposed Action to be analyzed. For each resource, the cumulative effects of the Proposed Action are analyzed. Section 3.8—Resources Considered But Not Affected summarizes the resources considered for analysis, but were determined not likely to be affected by the project.

The 18 Proposed Recipients recommended by ADWR for the Proposed Reallocation include 12 municipal and 6 industrial users. The affected environment and environmental consequences of the Proposed Action includes a regional analysis based on the locations of the Proposed Recipients. The potential direct, indirect, and cumulative impacts to understand broad impacts resulting from accepting the Proposed Reallocation are analyzed with respect to individual Proposed Recipients and their locations.

For Proposed Recipients who have proposed construction of infrastructure for additional water storage and conveyance (see Table 6 in Section 3.6.2), any attempt to quantify potential impacts from additional development is speculative at this time as the need for new facilities, their number, location, design details, and the resulting land disturbance have not been identified. Environmental clearance would be necessary prior to any ground-disturbing activities and is not covered in this analysis.

#### 3.1 Potential Connected Actions

A comment received during the public scoping period indicated that because the Proposed Action would be to allocate CAP water to the proposed Rosemont Mine, the Proposed Action is connected to the mine and that, as a connected project, the reallocation project requires an environmental impact statement and the significant impacts of the mine need to be evaluated in the context of the Proposed Action (see Section 1.4—Public Involvement and Scoping). This section addresses the Proposed Action and its connection to the proposed Rosemont Mine as well as the other proposed Resolution Mine and active Sierrita Mine.

NEPA regulations (40 CFR 1508.25) indicate an action is considered a connected action if: (1) the proposed action automatically triggers other actions that may require environmental impact statements; (2) cannot or will not proceed unless other actions are taken previously or simultaneously; or (3) are interdependent parts of a larger action and depend on the larger action for their justification.

To evaluate whether the Proposed Action and the proposed Rosemont and Resolution Mines and the active Sierrita Mine are connected, Reclamation applied the three criteria in the NEPA regulations regarding connected actions:

1. Secretary approval of ADWR’s recommendation for the proposed mines to receive NIA Priority CAP water does not automatically trigger development of the proposed mines



and would not alter the active mine's operations. The approval of the allocations is not contingent upon the regulatory approval of the mines, or the operation of the mines themselves. Conversely, the approval of the proposed mines and any conditions that might be required, are not contingent on the Proposed Action. In the absence of the Proposed Action, all of the mines would be more reliant on groundwater pumping to meet their future needs.

Both the Rosemont and Sierrita Mines have groundwater pumping rights that are sufficient to meet their water needs, but are seeking to supplement their water supplies with NIA Priority CAP water to reduce groundwater pumping. As of June 2013, the proposed Rosemont Mine had accrued 42,593 AFA of long-term storage credit in the Tucson AMA. Rosemont Mine's estimated average water demand is 5,000 AFA. Sierrita Mine has an average water demand of 23,098 AFA, which is supplied by their existing groundwater rights and withdrawal permits.

Resolution Mine's water management plan consists of using CAP water directly, long-term storage credits, and groundwater pumping via existing Type II groundwater rights and a mineral extraction permit. As part of its plan to use renewable water supplies, it will continue to purchase excess CAP water as available and plans to acquire additional water from both long- and near-term opportunity purchases from other water uses throughout Arizona (Resolution 2013). Average demand over the 42-year mine life is estimated to be 11,300 AFA. Rosemont Mine has been actively purchasing excess CAP water and has already accrued 275,000 AFA of long-term storage credit as of June 2013 (Rosemont 2013). Rosemont Mine estimates that their current long-term storage credits will supply the water they need to get through Mine Year 22. In the absence of any additional CAP water storage credits, groundwater pumping from the existing Type II groundwater rights and a mineral extraction permit would provide the necessary additional water needed to finish mining through Mine Year 42. However, Resolution Mine's goal is to continue to acquire renewable water supplies to eliminate their need to pump groundwater.

2. The Proposed Action can proceed even if the proposed mines are not permitted prior to or simultaneously with the Secretary's approval. If approved, both proposed mines intend to store their allotment during pre-production to offset future withdrawals during production. If not approved, the allotments recommended for the proposed mines would be reverted to the pool for the next reallocation process. Regardless of when the mines are permitted and mineral extraction initiated, the proposed mines' ability to receive and store CAP water as part of the Proposed Action is independent of their mining action. For the Sierrita Mine, mining operations would continue to proceed regardless of the Proposed Action.
3. Because each proposed mine's receipt of CAP water is not contingent on mine approval, the Proposed Action does not depend upon the proposed mines. None of the proposed or active mines depend upon receipt of CAP water to proceed with their mining actions. Therefore, Reclamation believes these actions are not interdependent parts of a larger action, nor do they depend on a larger action for their justification.

Reclamation has determined the Proposed Action and the approval of the mines are not connected actions under NEPA. Reclamation's decision on the Proposed Action would not

remove or restrict discretion to approve or disapprove the proposed mines, or to establish conditions or require mitigation for the proposed mines' Plans of Operation.

### **3.2 Background for Cumulative Effects**

Potential effects of the Proposed Reallocation could occur in the context of other actions that are likely to occur in the analysis area. Cumulative effects result from incremental effects of the approval of the Proposed Reallocation when combined with effects of other past, present, and reasonably foreseeable future actions. These impacts are analyzed regardless of who undertakes the actions (40 CFR 1508.7). Cumulative effects can result from individually minor, but collectively significant, actions taking place over time.

#### **3.2.1 Past, Present, and Reasonably Foreseeable Future Actions**

Past and present actions are actions that have occurred or are ongoing in the analysis area. "Reasonably foreseeable future actions" are defined as actions that are not speculative—they have been approved, are included in planning and budget documents prepared by the individual(s), or are likely to occur given trends (Environmental Protection Agency (EPA) 1999).

Past, present, and potential future actions were identified through public and agency scoping and available information on known projects under consideration. Actions that meet all of the following criteria are considered reasonably foreseeable and are included in the cumulative impacts analysis:

- The potential impacts of the future action would occur within the same geographic area (analysis area) and during the same time as the potential impacts of the Proposed Action.
- The future action may affect the same environmental resources as the Proposed Action.
- There is a reasonable expectation the future action would occur; the future action is not speculative.
- There is sufficient information available to define the future action and assess potential cumulative impacts (EPA 1999; Council on Environmental Quality (CEQ) 1997a).

##### **3.2.1.1 CAP Water Projects**

Because of the nature of the Proposed Action and the extensive analysis area, only select municipal planning projects or other site-specific actions are included in the cumulative effects analysis. These projects are within the Phoenix, Tucson, and Pinal AMAs, and are associated with CAP.

###### *3.2.1.1.1 Harquahala Water Supply Project Scottsdale Wheeling Agreement with CAP*

This project involves use of the CAP canal to deliver water from groundwater pumping to recipients in the Scottsdale vicinity using a wheeling agreement. A wheeling agreement involves transporting water through the CAP canal that is not CAP water. The groundwater pumping would take place on City of Scottsdale property, within the Phoenix AMA, and would be delivered to multiple golf courses and the City of Scottsdale as a supplemental water supply.

The intended outcome of the project would be to reduce the amount of potable water used to irrigate the golf courses. The project would transport an estimated 3,000 AFA of groundwater within the Phoenix AMA (City of Scottsdale 2015).

#### *3.2.1.1.2 Community Water Company of Green Valley (CWC) Pipeline and Recharge Project*

The CWC serves the Santa Cruz AMA, but could affect the Tucson AMA as they are adjacent. The proposed project would involve construction of an underground storage facility (USF) and a pipeline to transport CAP water to the USF. CWC is one of the only CAP water entitlement holders in the Tucson area, with 2,858 AFA. In 2010, the Secretary approved the EA for Project Renewals, authorizing CWC to transport and deliver the CAP entitlement. A pipeline would transport CAP water from the CAP terminus at Pima Mine Road and I-19 to a recharge facility at Old Nogales Highway. The pipeline capacity would surpass the current CAP entitlement in anticipation of future CAP water that may be contracted by CWC. The recharge station would be located on a 72-acre State Trust Land parcel near the Town of Sahuarita. The initial phase would recharge 3,000 AFA at this site. The EA completed for the project found no significant negative impacts, and some beneficial impacts on groundwater recharge. Wildlife habitat is expected to be created and enhanced by the presence of the recharge facility ponds. The project would be funded by Augusta Resources, the parent company of Rosemont Mine. The USF would likely be used to store Rosemont's reallocation of NIA CAP water considered under this proposal. The project is expected to be completed in late 2017 (CWC 2015).

#### *3.2.1.1.3 Farmers' Investment Company (FICO) Pipeline*

FICO is the world's largest grower and processor of pecans, and is located in the Santa Cruz valley within the Tucson AMA. FICO proposes to construct a pipeline to deliver CAP water to its groves. The pipeline would parallel the CWC pipeline discussed above, and CAP water transported through it would be used to recharge groundwater. FICO has been designated a groundwater savings facility (GSF) by ADWR. FICO has drafted a plan to develop its land as a sustainable community with a 50-year timeframe, which was adopted by the Santa Cruz town council in 2015. FICO plans to operate the pecan farm for the foreseeable future, and CAP water delivered by the pipeline would be used for agriculture. FICO uses about 25,000 AFA, all of which has come from groundwater. FICO would be able to access about 3,900 AFA from CAP, which would reduce the need for groundwater. Additionally, the pipeline, if approved, would enable FICO to accept and store CAP water from other parties who have CAP water allocations. The Sierrita Mine, which would receive part of the reallocation analyzed in this EA, proposed to store its reallocated CAP water at FICO (Sahuarita Farms 2016).

#### *3.2.1.1.4 Pima County Trails Project*

The CAP Canal Trail was conceived during the initial construction plan for the CAP canal. Pima County has proposed to construct a 60-mile trail along the CAP canal in Pima County. The CAP Canal Trail segment through the Town of Marana is proposed for construction. The 7-mile stretch would either be on the berm above the canal or on the western side of the canal. The CAP Canal Trail has been listed on the National Register of Historic Places (National Register). The Marana trail segment is currently being analyzed in a Draft EA (Reclamation 2016b).



### 3.2.1.2 Water Demands, Population Growth, and Land Use

Water demands in the Tucson and Phoenix AMAs have increased over time and are expected to continue to increase by about 6 percent and 19 percent by 2040, respectively. Water demand in the Pinal AMA is expected to decrease by about 11 percent during the same period due to the reduction of the agricultural sector and increase in residential development, and in part due to the increasing cost of water in the county (Pinal Comprehensive Plan 2016). The agricultural sectors in all three AMAs are declining, and water use for agriculture is expected to decrease over the next 25 years. By 2040, the population in the AMAs is expected to increase by 57 percent in the Phoenix AMA, 171 percent in the Pinal AMA, and 38 percent in the Tucson AMA (ADWR 2016).

### 3.2.1.3 Climate Change

The potential effects of climate change are being considered as a component of cumulative impacts. Changes in climate cause changes in vegetation, land use, species distribution, water availability and demand, and frequencies of environmental disturbance; these changes, in turn, influence one another. The following sections provide a brief background on climate change and climate projections for the Southwest, including Arizona. However, the cumulative effects of climate change for each resource are described in the following resource sections.

#### 3.2.1.3.1 Background

The best available scientific information indicates that global climate change is occurring, as evidenced by increased air and ocean temperatures, widespread melting of snow and ice, and rising global average sea levels (Intergovernmental Panel on Climate Change (IPCC) 2014). Reconstructions of the Earth's climate over the past 2,000 years have shown that while temperature fluctuations have varied, each of the last three decades has been successively warmer at the Earth's surface than any preceding decade since 1850. The period from 1983 to 2012 was likely the warmest 30-year period of the last 1,400 years in the Northern Hemisphere (IPCC 2014). General effects of climate change include rising sea levels, increased temperatures, and changes in precipitation patterns. These changes, however, are not uniform, and there are regional variations. Precipitation changes may mean more precipitation in some regions and less in others, a trend toward more rain and less snow, earlier and shorter runoff periods, and changes to the seasonal patterns and extremes of precipitation (Brekke et al. 2009).

#### 3.2.1.3.2 Climate Projections in the Southwest

Climate models predict that the arid regions of the southwestern United States will become increasingly dry and that a transition to a more arid climate is already underway (Lenart et al. 2007; Loehman 2010). Temperatures have increased by almost 2°F in the last century, with the 2001-2010 decade being the warmest since records began 110 years ago. Average annual temperatures are projected to rise an additional 3.5°F to 9.5°F by the end of this century, with the greatest temperature increases expected in the summer and fall. Drought conditions are already common in the Southwest and drought periods are expected to become more frequent, intense, and longer. Drought will affect important water sources, including the Colorado River Basin. Combined with expected population growth, climate change will exacerbate existing stresses (Garfin et al. 2014). Colorado River flows, which supply water to the CAP, are likely to decrease 5 to 20 percent by 2050 due to climate change (Reclamation 2012).

Projected changes to the climate in the desert Southwest include the following:

- Continued increases in temperature, but at a rate faster than observed in recent decades (Loehman 2010);
- Periods of extreme temperatures (heat waves) may increase in frequency, intensity, and duration over the next century (Diffenbaugh et al. 2005), and may be combined with periods of warm-season drying (Diffenbaugh and Ashfaq 2010); and
- Some precipitation events (e.g., intense rain and associated flooding) are expected to be more extreme, and severe events may occur roughly twice as often as they historically have (Kharin et al. 2007).

Arid ecosystems are particularly sensitive to climate change because the organisms in these regions are already adapted to live near their physiological limits for water and temperature stress. Slight changes in temperature and precipitation patterns in arid ecosystems can significantly alter the composition, abundance, and distribution of species (Loehman 2010). Temperature-related changes to ecosystems are likely to lead to an upward elevational shift of some woodland and montane communities, an expansion of desert scrub communities, and a northward migration of southwestern deserts.

In summary, changing climate conditions in the Southwest, including increased temperatures, reduced precipitation, lower snowpack, and increased evapotranspiration, are likely to result in significant changes to the hydrologic cycle and water sources for both human use and ecosystem function. The combined effect of cyclical drought and a changing climate are expected to result in a continued warming and drying trend for Arizona. With Arizona's reliance on CAP water to supply a significant quantity of renewable water supplies to the state and Arizona's junior water right for Colorado River water, the projected climate changes have the potential to decrease the state's Colorado River water supply while simultaneously increasing water demand.

### **3.3 Land Use**

#### **3.3.1 Analysis Area**

The analysis area for evaluation of land use impacts is the Phoenix, Pinal, and Tucson AMAs, and, where appropriate to provide a better picture of land use, Maricopa, Pima, and Pinal Counties were included in the analysis. Yavapai County overlaps only a small portion of the Phoenix AMA and is not included in the analysis as none of the Proposed Recipients are located within that county. All of the Proposed Recipients fall within the three AMAs and three counties listed above. Land ownership within the AMAs includes private, federal, state trust, tribal, county, and municipal. State trust lands are owned by the state of Arizona and are managed to maximize profit for the benefit of the public school system. State law authorizes state trust lands to be sold for private development under specific circumstances. The current land ownership in each of the AMAs includes land managed by Reclamation and related to the CAP, including associated infrastructure and recharge stations.

### 3.3.2 Affected Environment

#### 3.3.2.1 Phoenix AMA Land Ownership and Use

The Phoenix AMA includes portions of Maricopa County and Pinal County, and a small portion of southern Yavapai County. This AMA is 5,646 square miles (3.61 million acres) and is dominated by private land under residential, commercial, and agricultural uses. Table 2 outlines the land ownership and uses in the Phoenix AMA.

**Table 2. Land Ownership and Uses in the Phoenix AMA.**

Ownership	Managing Entity	Percent of Ownership	Uses
Private	Various	43.7	Includes residential, industrial, and agricultural lands.
State	State Trust Lands	16.0	Includes lands used for grazing and agriculture.
Federal	BLM	18.3	Includes portions of the Big Horn, Hummingbird Springs, Signal Mountain, Sierra Estrella, and North and South Maricopa Mountains Wildernesses; and a portion of the Sonoran Desert National Monument. Land uses include recreation, grazing, and resource conservation.
	U.S. Forest Service (USFS)-Tonto National Forest	10.2	Includes a portion of the Superstition Wilderness. Land uses include recreation, grazing, and resource conservation.
	U.S. Military	0.2	Includes Luke Air Force Base. Land uses include military activity.
	National Park Service (NPS)	0.1	Includes the Hohokam National Monument. Land uses include resource conservation and recreation.
Tribal	BIA and Tribes	8.0	Includes portions of the Fort McDowell Yavapai Reservation, Salt River Pima-Maricopa Indian Community, and GRIC. Land uses include domestic, commercial, and agriculture.
Other	Reclamation	3.6	Includes land managed for the CAP and its associated facilities, and CAWCD-operated groundwater recharge facilities. Other land uses include resource conservation and recreation.
	Local and County		Includes local and regional parks, including White Tank Mountain Regional Park (30,000 acres), South Mountain Park (16,000 acres), Estrella Mountain Park (19,840 acres), and McDowell Mountain Regional Park (21,099 acres). Land use includes recreation.

Source: ADWR 2010.

#### 3.3.2.2 Pinal AMA Land Ownership and Use

The Pinal AMA includes portions of Pima, Pinal, and Maricopa Counties. This AMA is 4,100 square miles (2.62 million acres). The Pinal AMA is dominated by tribal lands under agricultural, grazing, residential, and commercial uses. Table 3 outlines the land ownership and uses in the Pinal AMA.



**Table 3. Land Ownership and Uses in the Pinal AMA.**

Ownership	Managing Entity	Percent of Ownership	Uses
Private	Various	22.5	Includes residential, industrial, mining, and agricultural lands.
State	State Trust Lands	13.0	Includes portions of the Ironwood and Sonoran Desert National Monuments. Land uses include agriculture, grazing, and recreation.
Federal	BLM	10.5	Includes portions of the Coyote Mountain and Sierra Estrella Wildernesses and a portion of the Sonoran Desert and Ironwood National Monuments. Land uses include recreation, grazing, and resource conservation.
	U.S. Military	1.9	Includes Barry Goldwater Air Force Base, part of which is within the Sonoran Desert National Monument. Land use includes military activity.
Tribal	BIA and Tribes	51.4	Includes portions of the Tohono O'odham Reservation, Ak-Chin Indian Reservation, and GRIC. Land uses include domestic, commercial, agriculture, and grazing.
Other	Reclamation	0.7	Includes land managed for the CAP and its associated facilities, and CAWCD-operated groundwater recharge facilities. Other land uses include resource conservation and recreation.
	Local and County		Includes local and county parks. Land use includes recreation.

Source: ADWR 2010.

### 3.3.2.3 Tucson AMA Land Ownership and Use

The Tucson AMA includes portions of Pima and Pinal Counties. This AMA is 3,869 square miles (2.48 million acres). The Tucson AMA has a relatively large proportion of land held in state trust, which is used primarily for grazing. Table 4 outlines the land ownership and uses in the Tucson AMA.

**Table 4. Land Ownership and Uses in the Tucson AMA.**

Ownership	Managing Entity	Percent of Ownership	Uses
Private	Various	31.2	Includes residential, industrial, mining, and agricultural lands.
State	State Trust Lands	37.8	Primary land use is grazing.
Federal	BLM	6.2	Includes portions of the Baboquivari Peak and Coyote Mountain Wildernesses and a portion of the Ironwood National Monument. Land uses include recreation, grazing, and resource conservation.
	USFS-Coronado National Forest	11.6	Includes portions of the Pajarita, Pusch Ridge, Rincon Mountain, and Mt. Wrightson Wildernesses. Land uses include recreation, mining, grazing, and resource conservation.
	FWS	4.6	Includes the Buenos Aires National Wildlife Refuge. Land uses include resource conservation and recreation.
	U.S. Military	0.4	Includes Davis Monthan Air Force Base. Land use includes military activity.
	NPS	3.0	Includes Saguaro National Park and Saguaro Wilderness. Land uses include resource conservation and recreation.
Tribal	BIA and Tribes	4.4	Includes portions of the Tohono O'odham Reservation and Pascua Yaqui Indian Reservation. Land uses include agriculture, grazing, domestic, and commercial.
Other	Reclamation	0.8	Includes land managed for the CAP and its associated facilities, and CAWCD-operated groundwater recharge facilities. Other land uses include resource conservation and recreation.
	Local and County		Includes local and county parks. Land use includes recreation.

Source: ADWR 2010.

### 3.3.2.4 County Level Land Use

Arizona's counties are required by state law to complete comprehensive plans, which outline land use and economic strategies to accommodate projected population growth. Maricopa, Pima, and Pinal Counties have all completed, or updated, comprehensive plans in the past three years. The plans outline the current land use patterns and provide concrete goals to adapt to the demands of growing populations and changing economic sectors. The comprehensive plans outline that development within the counties should happen in areas where services and infrastructure, including access to water, are currently or readily available to meet the needs of residents and businesses. Maricopa, Pima, and Pinal Counties have distinct land use patterns, with zoning for residential, industrial, and commercial uses within incorporated places.

Maricopa County, which falls largely within the Phoenix AMA, is the most densely populated county in the state. It has experienced rapid changes in land use patterns in recent history, transforming from a rural low-density county to an urban county with numerous master-planned communities and increasing population. Maricopa County's comprehensive plan identifies areas where urban growth should be concentrated based on the availability of infrastructure, including water. About 30 percent of the county is private land and 11 percent is state trust land (Maricopa County Comprehensive Plan 2016).

Pima County is characterized by a mix of rapidly growing urban areas and rural less densely populated areas. Pima County identifies in-fill of urban areas that will result in relatively high-density population in urban centers as a land use strategy for the coming decade to accommodate growing population demands without encroaching on open space and wildlife habitat. About 31.2 percent of the land in the county is privately owned and 13 percent is state trust land (Pima County Comprehensive Plan 2015).

Pinal County is characterized by rural low-density land use patterns, with much of the land under tribal ownership. Much of the development in Pinal County over the last decade has taken place in unincorporated areas, where the rural character of the county is preserved. The Pinal County comprehensive plan identifies a relatively large proportion of land to be designated as open space and trails to preserve the county's rural character. Pinal County has seen a decrease in agricultural land use and production, while experiencing residential development. About 27 percent of the land in the county is privately owned and 36 percent of the county is state trust land (Pinal County Comprehensive Plan Update 2014).

### 3.3.2.5 Industrial Land Use

Industrial development within the AMAs takes place on private, state trust, and federal lands. Industrial development on private land is subject to zoning laws within municipalities and counties, as outlined in the comprehensive plans. Industrial development on federal lands requires a permit and compliance with NEPA. The industrial Proposed Recipients are located on private and federal lands within the Phoenix and Tucson AMAs and are within Maricopa, Pima, and Pinal Counties.

### **3.3.3 Environmental Consequences**

#### **3.3.3.1 No Action Alternative**

Under the No Action alternative, the Secretary would reject the allocation recommendation (i.e., the Proposed Action). In accordance with the AWSA, ADWR would then be required to revise and provide to Reclamation another NIA Priority CAP water reallocation recommendation that potentially could require a new reallocation determination process and NEPA analysis. It is not possible to assume what the new recommendation would be since the basis for the Secretary's potential rejection is not known. Therefore, the No Action alternative for this NEPA analysis reflects an indeterminate delay in the allocation process and, until a future reallocation is approved by the Secretary, no reallocation would occur.

Under the No Action alternative, the land ownership and use, including residential, commercial, and industrial uses, within the Phoenix, Pinal, and Tucson AMAs may continue under the current patterns. Private land would continue to be developed following state, county, and municipal guidelines and zoning restrictions. Land use patterns would likely change as population growth occurs, and the economies in the AMAs and counties would continue to shift from rural to urban centers. Before development of subdivisions in the AMAs can take place, developers must demonstrate an assured water supply, which verifies the subdivision has available water for the next 100 years (ADWR 2011). It is expected in all of the AMAs that population growth would lead to land use change patterns, including more dense population centers and conversion of private agricultural land and state trust land to private residential and commercial land. There would be no changes to land ownership and use of federal or tribal lands or to the lands managed by Reclamation for the CAP canal or associated infrastructure as a result of the No Action alternative.

#### **3.3.3.2 Proposed Action**

Under the Proposed Action, there would be no direct impacts on land ownership within the Phoenix, Pinal, and Tucson AMAs. The Proposed Recipients would receive their allocations of water from the CAP, which could result in some minor changes to land use within the areas managed by Reclamation for the CAP and associated infrastructure. The City of Buckeye and the three mines are proposing to construct infrastructure for delivery and storage of CAP water from the reallocation. These projects would be covered under a separate environmental compliance process, as stated in the terms of their contracts; however, there may be indirect effects that result in minimal land use changes associated with construction of pipelines and USFs. There would likely be no impacts on land ownership. All other Proposed Recipients have existing infrastructure in place to receive the reallocated CAP water under the current land use patterns. Development of private land for residential and commercial use would continue, although if developers were unable to demonstrate an assured water supply, the rate of development of residential areas could be affected.

### **3.3.4 Cumulative Effects**

#### **3.3.4.1 CAP Water Projects, Water Demand, Population Growth, and Land Use**

As discussed in Section 3.2.1.2, the demands for water across the AMAs are changing from agricultural uses to residential, commercial, and industrial uses. The Proposed Action, taken together with increased population demanding more water, would have a cumulative impact on



land use patterns. Agricultural water demand is decreasing across the AMAs, while residential and commercial water demand has been increasing in past years and will continue to increase. The Proposed Action and CAP water projects described in Section 3.2.1.1 would provide water that would be used either directly for consumption or to reduce the dependence on groundwater for municipal, residential, commercial, and industrial development. A secure source of renewable water would accommodate economic development, which would likely result in changes to land use patterns and changes to land ownership within the AMAs. Agricultural lands may be converted to municipal, commercial, and industrial lands. State trust lands may be converted to private ownership for development under specific circumstances.

### **3.3.4.2 Climate Change**

As discussed in Section 3.2.1.3, climate models predict that the arid regions of the southwestern United States will become increasingly dry and that a transition to a more arid climate is already underway. Land use patterns may be impacted by the Proposed Action, taken together with climate change, in that the rate at which land is developed could be dependent upon water availability. In an increasingly dry region, development of land with water availability would likely happen before lands with a more tenuous water situation. Areas where water is not available may not be developed unless water sources can be developed. The result may be uneven development of land across the AMAs, where populations and economic growth are concentrated around areas where a secure water supply is available.

During periods of shortages on the Colorado River, the Proposed Recipients may not receive all or part of the NIA Priority CAP water due to the low priority of the water within the CAWCD pool structure. This could result in impacts on where and how land is used for development and could affect the types of development and changes in land use patterns. Projected future conditions as a result of climate change would require increased implementation of water conservation measures and increased use of water recycling/reuse programs, which would impact the rate and extent of land use changes and development.

## **3.4 Biological Resources**

### **3.4.1 Analysis Area**

The analysis area for impacts on biological resources includes the three AMAs where the Proposed Recipients are located: Phoenix, Pinal, and Tucson. The AMAs overlap large portions of Maricopa, Pima, and Pinal Counties.

### **3.4.2 Affected Environment**

#### **3.4.2.1 Vegetation/Wetlands**

The analysis area contains seven biotic communities—Lower Colorado River Valley Sonoran Desertscrub, Arizona Upland Sonoran Desertscrub, Interior Chaparral, Semidesert Grassland, Madrean Evergreen Woodland, Petran Montane Conifer Forest, and Great Basin Conifer Woodland (Hendricks 1985; Brown 1994; Brown and Brennan 2007; Northern Arizona University 2016). In addition, there are extensive disturbed areas, which are areas that were altered by human activity (such as areas cleared of native vegetation for development or agricultural purposes). Although not a biotic community shown on the Brown (1994) biotic

community map (Figure 2), Riparian Deciduous Forests are important because they provide valuable wildlife habitat.

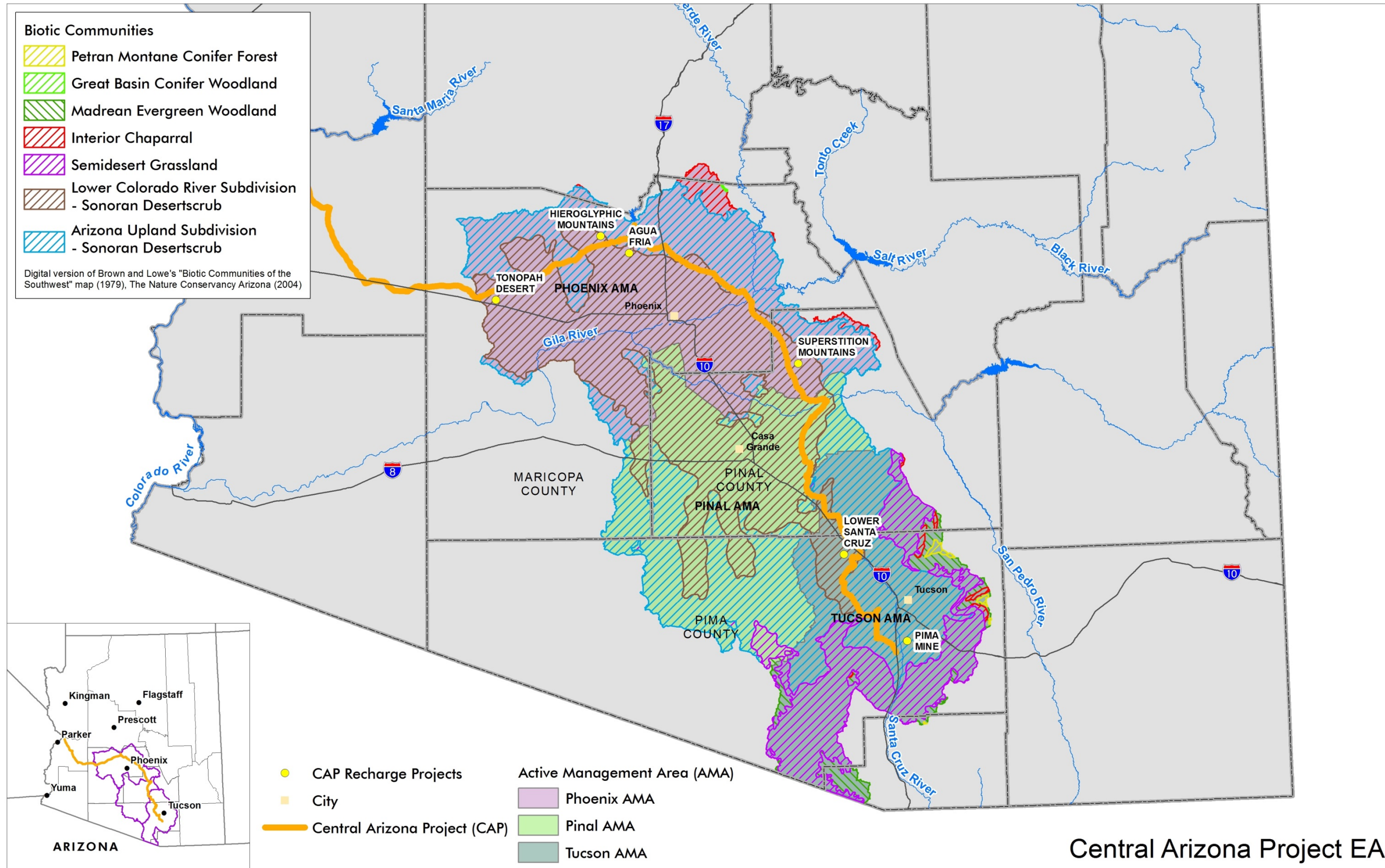
**Lower Colorado River Valley Sonoran Desertscrub.** Lower Colorado River Valley Sonoran Desertscrub, along with Arizona Upland Sonoran Desertscrub, is the most widespread biotic community in the analysis area. The dominant vegetation community consists of the creosote-cacti association, which is common in sandy or gravelly soils (desert pavement) at lower elevations. Common vegetation species include creosote bush (*Larrea tridentata*), burrobrush (*Ambrosia dumosa*), various chollas (*Cylindropuntia* ssp.), saguaro (*Carnegiea gigantea*), barrel cactus (*Ferocactus acanthodes*), prickly pear (*Opuntia* ssp.), cattle saltbrush (*Atriplex polycarpa*), and ironwood (*Olneya tesota*).

**Arizona Upland Sonoran Desertscrub.** Arizona Upland Sonoran Desertscrub occurs in higher uplands and foothills. This biotic community generally occurs around the northern, eastern, and southern periphery of the Lower Colorado River Valley Sonoran Desertscrub biotic community. Trees and shrubs tend to occur at a higher frequency in these higher elevations. Common species include yellow paloverde (*Parkinsonia microphylla*), fairy duster (*Calliandra eriophylla*), catclaw acacia (*Senegalia greggii*), ocotillo (*Fouquieria splendens*), and honey mesquite (*Prosopis glandulosa*). Several different cacti occur in this biotic community including saguaro, teddybear cholla (*Cylindropuntia bigelovii*), buckhorn cholla (*C. acanthocarpa*), jumping cholla (*C. fulgida*), various barrel cacti (*Ferocactus* ssp.), and a variety of prickly pears.

**Interior Chaparral.** Interior Chaparral is a dense shrubland community forming the transition zone between Arizona Upland Sonoran Desertscrub and the coniferous Mogollon Rim north and east of Phoenix. Common species in this region include Sonoran scrub oak (*Quercus turbinella*), pointleaf manzanita (*Arctostaphylos pungens*), buckthorn (*Rhamnus crocea*), alligator juniper (*Juniperis deppeana*), sugar sumac (*Rhus ovata*), and Arizona cypress (*Hesperocyparis arizonica*).

**Semidesert Grassland.** The Semidesert Grassland biotic community is most prominent in the southern and eastern sections of the Tucson AMA. This biotic community is a transition area between the Sonoran and Chihuahuan Deserts. Drought-tolerant grasses include sideoats grama (*Bouteloua curtipendula*), black grama (*B. eriopoda*), tobosagrass (*Pleuraphis mutica*), woollygrass (*Dasyochloa pulchella*), and threeawn (*Aristida* ssp). Common shrubs and cacti include creosote bush, mesquite, catclaw mimosa (*Mimosa aculeaticarpa*), graythorn (*Ziziphus obtusifolia*), sotols (*Dasyilirion* spp.), and several prickly pear variations.

Figure 2. Biotic Community Map





**Madrean Evergreen Woodland.** With its origins in the Sierra Madre mountain range of Mexico, the Madrean Evergreen Woodland biotic community occurs in the southeastern portion of the state in the mountain areas of the Tucson AMA. The elevation of this community ranges between 4,000 and 7,000 feet above sea level (Hendricks 1985). A mixture of evergreen oak including Mexican blue-oak (*Quercus oblongifolia*) and Emory oak (*Q. emoryi*) occur at the lower elevations of this biotic community, whereas various pines including Mexican pinyon (*Pinus cembroides*), Apache pine (*P. engelmannii*), and Chihuahua pine (*P. leiophylla*) become more common in higher elevations. Other common tree and shrub species include Arizona white oak (*Quercus arizonica*), mountain mahogany (*Cerocarpus montanus*), Arizona madrone (*Arbutus arizonica*), Mexican cliffrose (*Purshia mexicana*), and skunkbrush (*Rhus trilobata*). Other common plants include prickly pear, Parry's agave (*Agave parryi*), little bluestem (*Schizachyrium scoparium*), blue grama (*Bouteloua gracilis*), and sideoats grama.

**Petran Montane Conifer Forest and Great Basin Conifer Forest.** These two biotic communities are very limited within the AMAs – the former occurs on the eastern edge of the Tucson AMA and the latter on the northeastern edge of the Phoenix AMA (Figure 2). Petran Montane Conifer Forests are mixed conifer and ponderosa pine (*Pinus ponderosa*) forests, and Great Basin Conifer Forests consist of pinyon pine (*Pinus edulis*) and juniper (*Juniperus* spp.) trees.

**Riparian Deciduous Forests.** In the analysis area, vegetation along the rivers, including the Santa Cruz, Verde, and Salt (which form the Gila River), and their floodplains would be classified as Riparian Deciduous Forests. Dominant species in the riparian woodland community type include Fremont cottonwood (*Populus fremontii*), Goodding's willow (*Salix gooddingii*), velvet ash (*Fraxinus velutina*), velvet mesquite (*Prosopis velutina*), salt cedar (*Tamarix ramosissima*), and seepwillow (*Baccharis salicifolia*). Dominant wetland plant species include cattail (*Typha* spp.), horsetail (*Equisetum* spp.), bulrush (*Schoenoplectus* spp.), rush (*Juncus* spp.), spikerush (*Eleocharis* spp.), and sedge (*Carex* spp.).

**Disturbed Areas.** Disturbed lands include areas that have been cleared of native vegetation as a result of human activity. Developed areas containing roads; commercial, industrial, and residential development; and agricultural areas are classified as disturbed areas.

### 3.4.2.2 Wildlife

The analysis area provides habitat for a variety of terrestrial wildlife species typical of the Sonoran Desertscrub, Semidesert Grasslands and riparian habitats in Arizona, as described in Brown (1994). Multiple rivers and creeks provide habitat for a variety of native and nonnative fish species.

**Terrestrial Wildlife.** The AMAs provide habitat for numerous bird species including cactus wren (*Campylorhynchus brunneicapillus*), curve-billed thrasher (*Toxostoma curvirostre*), Gila woodpecker (*Melanerpes uropygialis*), mourning dove (*Zenaida macroura*), Harris' hawk (*Parabuteo unicinctus*), red-tailed hawk (*Buteo jamaicensis*), black-throated sparrow (*Amphispiza bilineata*), and roadrunner (*Geococcyx californianus*).

Large mammals typically occurring in Sonoran Desertscrub and riparian habitats include mule deer (*Odocoileus hemionus*), coyote (*Canis latrans*), gray fox (*Urocyon cinereoargenteus*), and

javelina (*Pecari tajacu*). Typical small mammal species include black-tailed jackrabbit (*Lepus californicus*), desert cottontail (*Sylvilagus audubonii*), white-throated woodrat (*Neotoma albigula*), kangaroo rat (*Dipodomys* spp.), cactus deer mouse (*Peromyscus eremicus*), California leaf-nosed bat (*Macrotis californicus*), and California myotis (*Myotis californicus*). Furbearing species such as beaver (*Castor canadensis*) and raccoon (*Procyon lotor*) occur in riparian areas. The AMAs also provide habitat for a variety of reptiles such as desert iguana (*Dipsosaurus dorsalis*), tiger whiptail (*Aspidoscelis tigris*), western diamond-backed rattlesnake (*Crotalus atrox*), banded gecko (*Coleonyx variegatus*), Gila monster (*Heloderma suspectum*), and chuckwalla (*Sauromalus ater*).

**Aquatic Wildlife.** A variety of native and introduced fish species occur in the rivers and creeks within the AMAs. All streams are intermittent unless otherwise stated. The Tucson AMA contains the perennial Romero Canyon, Sabino Canyon, Cienega Creek, and Sycamore Canyon. Intermittent streams are the Santa Cruz River, Pantano Wash, Rillito Creek, and Sabino Creek. The Phoenix AMA contains the perennial Verde River, intermittent and perennial portions of the Gila and Salt Rivers, the Agua Fria River, and the Hassayampa River, as well as tributaries of these rivers including Skunk Creek, Cave Creek, New River, Waterman Wash, Centennial Wash, and Queen Creek. The Pinal AMA contains the intermittent Gila River, Santa Cruz River, Aguirre Wash, and Santa Rosa Wash. Excluding threatened and endangered species, which are discussed in the next section, common native fish species include desert sucker (*Catostomus clarki*), Gila longfin dace (*Agosia chrysogaster chrysogaster*), and Sonora sucker (*Catostomus insignis*) (AGFD 2016a). Some nonnative species include bluegill (*Lepomis macrochirus*), channel catfish (*Ictalurus punctatus*), common carp (*Cyprinus carpio*), green sunfish (*Lepomis cyanellus*), and largemouth bass (*Micropterus salmoides*).

### 3.4.2.3 Threatened and Endangered Species

Table 5 contains the federally listed species (listed species) and designated and proposed critical habitat identified by the FWS as potentially occurring in the Phoenix, Pinal, and Tucson AMAs in Arizona. The boundaries of the three AMAs were uploaded to AGFD's Online Environmental Review Tool to review Heritage Data Management System (HDMS) species data and potential habitat models. This environmental review, in conjunction with species habitat and distribution descriptions (FWS 2016a; AGFD 2016a), was used to identify which species have potential to occur in the three AMAs (Table 5).

**Table 5. Federally Listed, Proposed, and Candidate Species, Designated or Proposed Critical Habitats, within Phoenix, Pinal, and Tucson AMAs, in Arizona.**

Common Name (Scientific Name)	Federal Status Critical Habitat by AMA	Habitat	Potential to Occur in Analysis area by AMA*
<b>MAMMALS</b>			
Black-footed ferret ( <i>Mustela nigripes</i> )	Experimental, Non-Essential Population	Prairie dog colonies, providing prey and burrows for shelter	Historical occurrence
Jaguar ( <i>Panthera onca</i> )	Endangered Critical Habitat (CH) - Pinal and Tucson	Lowland wet habitats and oak-pine woodlands	Pinal and Tucson
Lesser long-nosed bat ( <i>Leptonycteris curasoae yerbabuena</i> )	Endangered	Desertscrub and grassland habitat with agave and columnar cacti present as food plants	Phoenix, Pinal, and Tucson

Common Name (Scientific Name)	Federal Status Critical Habitat by AMA	Habitat	Potential to Occur in Analysis area by AMA*
Ocelot ( <i>Leopardus pardalis</i> )	Endangered	Subtropical thorn forest, thorn scrub and dense brushy thickets, riparian bottomland, below 4,000 feet	Phoenix and Tucson
Sonoran pronghorn ( <i>Antilocapra americana sonoriensis</i> )	Endangered	Broad intermountain alluvial valleys with creosote-bursage and palo verde-mixed cacti associations	Phoenix and Tucson
<b>BIRDS</b>			
California least tern ( <i>Sterna antillarum brown</i> )	Endangered	Open, bare, or sparsely vegetated sand, sandbars, gravel pits, or exposed flats along shorelines of inland rivers, lakes, reservoirs, or drainage systems; known from highway 101 ponds near Glendale, Arizona	Phoenix <sup>1</sup> and Tucson
Masked bobwhite (quail) ( <i>Colinus virginianus ridgwayi</i> )	Endangered	Broad valley desert grasslands, 3,090 to 3,720 feet	Tucson
Mexican spotted owl ( <i>Strix occidentalis lucida</i> )	Threatened CH-Tucson	Nests in canyons and dense conifer forests with multilayered foliage structure	Phoenix, Pinal, and Tucson
Southwestern willow flycatcher ( <i>Empidonax traillii extimus</i> )	Endangered CH-Phoenix and Pinal	Cottonwood/willow and tamarisk vegetation communities along rivers and streams	Phoenix, Pinal, and Tucson
Sprague's pipit ( <i>Anthus spragueii</i> )	Candidate	Grasslands with vegetation of intermediate height and lacking woody shrubs	Phoenix <sup>2</sup> , Pinal <sup>2</sup> , and Tucson
Yellow-billed cuckoo ( <i>Coccyzus americanus</i> )	Threatened Proposed CH-Phoenix, Pinal, and Tucson	Nests in multistoried riparian habitat, willow, cottonwood, and sometimes salt cedar	Phoenix, Pinal, and Tucson
Yuma clapper rail ( <i>Rallus longirostris yumanensis</i> )	Endangered	Fresh water and brackish marshes with dense emergent vegetation	Phoenix, Pinal, and Tucson <sup>2</sup>
<b>FISH</b>			
Colorado pikeminnow ( <i>Ptychocheilus lucius</i> )	Endangered	Experimental, nonessential populations have been introduced in the Salt and Verde Rivers; occur in turbid, deep, strongly flowing waters	Phoenix <sup>1</sup>
Desert pupfish ( <i>Cyprinodon macularius</i> )	Endangered	Shallow springs, small streams, and marshes; tolerates saline and warm water, below 5,000 feet	Phoenix, Pinal, and Tucson
Gila chub ( <i>Gila intermedia</i> )	Endangered CH-Phoenix and Tucson	Smaller headwater streams, cienegas, and springs or marshes of the Gila River basin	Phoenix, Pinal, and Tucson
Gila topminnow ( <i>Poeciliopsis occidentalis</i> )	Endangered	Small streams, springs, cienegas, and vegetated shallows, below 4,500 feet	Phoenix, Pinal <sup>1</sup> , and Tucson
Headwater chub ( <i>Gila nigra</i> )	Proposed Threatened	Middle to upper reaches of moderately-sized streams; East, Middle, and West Forks of the Gila River	Outside of the Phoenix and Pinal AMAs
Razorback sucker ( <i>Xyrauchen texanus</i> )	Endangered CH-Phoenix	Riverine and lacustrine areas, generally not in fast-moving water; may use backwaters	Phoenix <sup>1</sup>
Roundtail chub ( <i>Gila robusta</i> )	Proposed Threatened	Cool to warm waters of rivers and streams, often occupies the deepest pools and eddies of large streams	Phoenix
Sonora chub ( <i>Gila ditaenia</i> )	Threatened CH-Tucson	Large, deep, and permanent pools in Sycamore Creek	Tucson
Woundfin ( <i>Plagopterus argentissimus</i> )	Experimental, Non-Essential Population	Shallow, warm, turbid, fast-flowing water; tolerates high salinity	Historically Phoenix <sup>1</sup>



Common Name (Scientific Name)	Federal Status Critical Habitat by AMA	Habitat	Potential to Occur in Analysis area by AMA*
<b>AMPHIBIANS AND REPTILES</b>			
Arizona treefrog (Huachuca/Canelo Population) ( <i>Hyla wrightorum</i> )	Candidate	Found on the ground or in shrubs and trees near ponds and streams, usually in coniferous forests	Outside of the Tucson AMA
Chiricahua leopard Frog ( <i>Rana chiricahuensis</i> )	Threatened CH-Tucson	Streams, rivers, backwaters, ponds, or stock tanks; 3,300 to 8,900 feet	Phoenix, Pinal <sup>1</sup> , and Tucson
Northern Mexican gartersnake ( <i>Thamnophis eques megalops</i> )	Threatened Proposed CH-Phoenix and Tucson	Ponds and cienegas, lowland river riparian forests and woodlands, or upland stream gallery forests	Phoenix, Pinal <sup>1</sup> , and Tucson
Sonoyta mud turtle ( <i>Kinosternon sonoriense longifemorale</i> )	Candidate	Pond and stream habitats, Quitobaquito Springs in Organ Pipe Cactus National Monument	Outside of the Tucson AMA
<b>INSECTS</b>			
Stephan's riffle beetle ( <i>Heterelmis stephani</i> )	Candidate	Isolated springs called cienegas, occurring at mid-elevations; distribution is confined to Madera Canyon in the Coronado National Forest in Santa Cruz County, Arizona	Tucson
<b>SNAILS</b>			
Huachuca springsnail ( <i>Pyrgulopsis thompsoni</i> )	Candidate	Flowing streams emerging from the ground, or spring-fed cienegas; located in Santa Cruz County, Arizona	Tucson <sup>1</sup>
<b>PLANTS</b>			
Acuna cactus ( <i>Echinomastus erectocentrus</i> var. <i>acunensis</i> )	Endangered Proposed CH-Phoenix and Pinal	Low gravelly hills, bajadas, rocky knolls; 1,200 to 3,375 feet	Phoenix <sup>1</sup> , Pinal, and Tucson <sup>1</sup>
Arizona cliff-rose ( <i>Purshia subintegra</i> )	Endangered	Rolling, rocky limestone hills and slopes; 2,120 to 4,000 feet	Phoenix <sup>1</sup>
Arizona hedgehog cactus ( <i>Echinocereus triglochidiatus</i> var. <i>arizonicus</i> )	Endangered	Rugged steep-walled canyons, boulder-pile ridges and slopes; grow in open areas, narrow cracks between boulders, and in understory of shrubs; 3,300 to 5,700 feet	Phoenix and Pinal <sup>1</sup>
Huachuca water-umbel ( <i>Lilaeopsis schaffneriana var. recurve</i> )	Endangered	Cienegas or marshy wetlands within Sonoran desertscrub, grassland or oak woodland, and conifer forests; 2,000 to 6,000 feet	Tucson
Kearney's blue-star ( <i>Amsonia kearneyana</i> )	Endangered	Canyon bottoms and sides in oak woodlands; 3,685 to 4,500 feet	Tucson
Nichol's turk's head cactus ( <i>Echinocactus horizontalonius</i> var. <i>nicholii</i> )	Endangered	Open vegetation, gravelly bajadas with limestone clasts at lower elevations; 2,000 to 3,600 feet	Pinal and Tucson
Pima pineapple cactus ( <i>Coryphantha scheeri var. robustispina</i> )	Endangered	Ridges in semi-desert grassland and alluvial fans in Sonoran desertscrub; 2,300 to 5,000 feet	Pinal and Tucson

\*Potential to occur within an AMA was determined from FWS Information for Planning and Conservation (IPaC) (FWS 2016a) or species information (FWS 2016b), AGFD online review, HDMS data within 3 miles of the analysis area (AGFD 2016b), and AGFD species abstracts and distribution (AGFD 2016a).

<sup>1</sup>Potential to occur in an AMA based on FWS IPaC list (FWS 2016a) or species information (FWS 2016b); no AGFD HDMS records within 3 miles of the analysis area.

<sup>2</sup>Potential to occur in an AMA based on AGFD online review, predicted species range models (AGFD 2016b).

### 3.4.3 Environmental Consequences

#### 3.4.3.1 No Action Alternative

Under the No Action alternative, the Secretary would reject the allocation recommendation (i.e., the Proposed Action). Therefore, the No Action alternative for this NEPA analysis reflects an indeterminate delay in the allocation process and, until a future reallocation is approved by the Secretary, no reallocation would occur. Many of the Proposed Recipients would continue to pump groundwater for their water needs. Groundwater pumping may affect biological resources by depleting aquifers, resulting in altered streamflow and altered water availability to groundwater-related vegetation along streams and creeks (Fonseca 2008). Many threatened, endangered, and sensitive species rely on wetland and riparian vegetation for food, shelter, and reproduction. Increases in the depth to groundwater could eventually result in a shift to upland vegetation and loss of riparian and wetland habitat (Fonseca 2008).

#### 3.4.3.2 Proposed Action

##### 3.4.3.2.1 *Vegetation/Wetlands*

The Proposed Action would not result in any direct impacts or ground disturbance. For Proposed Recipients who have proposed construction of infrastructure for additional water storage and conveyance, environmental clearance would be necessary prior to any ground-disturbing activities. Any attempt to quantify impacts from additional development, such as impacts on vegetation that may result from land clearing and construction equipment, is speculative at this time. Potential loss of upland vegetation from installation of new water facilities (e.g., treatment plants or pipelines) are also impossible to quantify since the need for new facilities and their number or location have not been identified.

Qualitatively, potential indirect impacts of the Proposed Action may include a minor loss of upland vegetation from additional land development and subsequent land clearing activities within the municipalities. However, currently no specific developments are planned that would be dependent upon the additional water available under the Proposed Reallocation.

There could be an indirect change in riparian habitat through ground disturbance and vegetation clearing if infrastructure developments are needed, but it is currently not possible to quantify these impacts. The Proposed Reallocation would not alter flows of existing surface waters within the AMAs.

##### 3.4.3.2.2 *Wildlife*

**Terrestrial Wildlife.** The Proposed Reallocation may result in a minor amount of ground disturbance and loss of vegetation (habitat) from future construction of water conveyance facilities. Housing and industrial developments are currently underway by the Proposed Recipients and would not be dependent on the Proposed Action to continue. Potential indirect impacts on wildlife habitat from installation of any new water infrastructure are impossible to quantify since the specific locations of potential pipelines or USFs have not been identified. Construction of new diversions or development of land for residential, commercial, industrial, or agricultural purposes would be subject to applicable federal or tribal laws and regulations.

**Aquatic Wildlife.** The Proposed Action would not alter streamflows or surface water quality within the AMAs that might affect habitat for fish and other aquatic wildlife. Because of this, there would be no substantial changes to diversity of river habitat, depth of pools, existence of shallow riffles, or backwater areas that provide aquatic wildlife habitat. No changes in the distribution or abundance of native or nonnative fish are expected from the Proposed Action. The distribution of nonnative fish within local streams, transferred inadvertently through CAP water and within the CAP aqueduct, continues to be monitored by AGFD, Arizona State University (ASU), and Reclamation.

#### *3.4.3.2.3 Threatened and Endangered Species*

Under Section 7 of the ESA, any proposed action with a federal nexus that may result in an effect (positive or negative) on federally listed or proposed species would require consultation. Potential indirect disturbance or habitat effects for listed species from the installation of new water facilities (e.g., treatment plants or pipelines) are impossible to quantify in this analysis since the specific locations have not been identified. Construction of new diversions or development of land for residential, commercial, industrial, or agricultural purposes would be subject to applicable federal and tribal laws and regulations, including the ESA. Therefore, future developments by the Proposed Recipients would be analyzed under a separate NEPA analysis to ensure effects on listed species are addressed. Without conceptual plans and/or locations of potential developments, determining effects on listed species from new developments is not currently possible. Table 5 in Section 3.4.2.2 provides the potential listed species and designated critical habitats present within each AMA.

CAP water, coming from the Colorado River system where at least 27 threatened, endangered, candidate, and proposed species rely on the river for survival, was previously consulted on with the FWS. FWS issued a Biological and Conference Opinion in 2008 analyzing effects on listed species from storage, delivery, and diversion of water within the Lower Colorado River; therefore, new impacts from use of the CAP water would not occur from the Proposed Action (FWS 2008). For existing infrastructure delivering CAP water to the Proposed Recipients, there would be no effect on listed species. However, additional details on future water or recharge facilities are needed to make further effects determinations. Potential effects on listed species would be required as part of subcontract agreements with Reclamation.

### **3.4.4 Cumulative Effects**

#### **3.4.4.1 CAP Water Projects, Water Demand, Population Growth, and Land Use**

Past, present, and reasonably foreseeable future actions and scenarios described in Section 3.2, in combination with the Proposed Action, would result in cumulative effects on biological resources. The broad cumulative effects include increased human water demands in the Phoenix and Tucson AMAs, with a reduced demand in the Pinal AMA; increased human population centers and conversion of land uses to residential in all three AMAs; and a decline in agricultural land uses in all three AMAs. Water will likely become increasingly scarce, especially when designated for wildlife benefit versus human development, and management decisions will need to consider what priority wildlife is given in the distribution of water. Groundwater pumping from wells and recharge of water would mostly occur within the same subbasin, yet not always (Table 6).



The drawdown of shallow groundwater aquifers could result in localized loss of riparian and wetland vegetation and wildlife dependent on these habitats, though without specific development locations, this loss cannot be quantified. This effect may be greatest in the Tucson AMA where shallow groundwater exists, groundwater-dependent riparian habitats occur, and water may be recharged into different subbasins than where the water is withdrawn (Fonseca 2008). However, the use of CAP water to offset groundwater pumping under the Proposed Action and other CAP water projects will help slow the drawdown of aquifers locally.

#### **3.4.4.2 Climate Change**

As stated in Section 3.2.1.3, climate models predict the arid regions of the southwestern United States will become increasingly dry and that a transition to a more arid climate is already underway. Projected increases in drought, wildfire, invasive species, pests, and changes in species' geographic ranges would increase threats to native forests and ecosystems in the Southwest. Warmer, drier conditions, combined with the accumulation of dead trees and other fuel, have contributed to an increase in the size of wildfires in recent decades, resulting in the transformation of ecosystems. In the AMAs, the likely result would be loss of habitat, an increase in invasive species and pests, and increased risk of fire, though it is difficult to determine how soon these effects would occur.

Climate change would likely stress groundwater-based systems and result in decreased groundwater recharge. A reliable water supply is crucial for sustaining ecosystems in this dry region. Increased water demand and reduced water supplies would add new stresses to already strained water resources. The Proposed Reallocation of NIA Priority CAP water to the Proposed Recipients that intend to recharge the water under the Recharge Program to develop Long Term Storage Credits (LTSC) would help mitigate future water shortages from climate change, and would benefit biological resources that depend on the scarce water resources.

### **3.5 Cultural Resources**

#### **3.5.1 Analysis Area**

The analysis area for impacts on cultural resources includes the conveyance system and all associated facilities for the CAP project within the three AMAs in which the Proposed Recipients are located: Phoenix, Pinal, and Tucson. The AMAs overlap large portions of Maricopa, Pima, and Pinal Counties.

#### **3.5.2 Affected Environment**

##### **3.5.2.1 Project Research**

Previous cultural surveys and mitigation projects for the CAP have been extensive. Identification and mitigation of cultural resources were completed under multiple environmental impact statements prior to the construction of CAP (Reclamation 1974, 1979, 1982, 1985). Cultural resource studies associated with CAP began in 1968 when Reclamation provided funds for surveys to the NPS. The NPS divided the entire proposed aqueduct alignment (consisting of the Granite Reef Aqueduct, the Salt-Gila Aqueduct, and the Tucson Aqueduct) into three relatively equidistant segments and awarded survey work to Prescott College, ASU, and Arizona State Museum (ASM). Surveys also included proposed reservoir locations.

Additional resurveys (also routed through the NPS) of the aqueduct alignments were conducted by ASM, ASU, and the Nevada Archaeological Survey at the University of Nevada, Las Vegas in the early 1970s (Rogge 1983). Mitigation of significant sites and surveys of the Orme and Buttes Reservoirs also began at that time. Mitigation of significant sites began in earnest in the late 1970s and early 1980s. Data recovery projects continued into the 1990s. Although some Indian distribution systems either are under construction or remain in the planning process, the majority of construction of the aqueduct and associated dams was completed by 1994. Site assessments of cultural resources associated with different phases of the CAP continue. None of the Indian distribution systems are included in the Proposed Action.

### **3.5.3 Environmental Consequences**

#### **3.5.3.1 No Action Alternative**

Under the No Action alternative, the Secretary would reject the allocation recommendation (i.e., the Proposed Action). In accordance with the AWSA, ADWR would then be required to revise and provide to Reclamation another NIA Priority CAP water reallocation recommendation that potentially could require a new reallocation determination process and NEPA analysis for the new recommendation. It is not possible to assume what the new recommendation would be since the basis for the Secretary's potential rejection is not known. Therefore, the No Action alternative for this NEPA analysis reflects an indeterminate delay in the allocation process and, until a future reallocation is approved by the Secretary, no reallocation would occur.

Construction of new facilities or modifications to existing facilities are not proposed under this alternative. Proposed Recipients would continue to pump groundwater for their water needs, which would not impact cultural resources within the AMAs. The No Action alternative would have no impact on cultural resources regardless of any delays to the reallocation process. If the allocation recommendation is rejected and a new recommendation is proposed at some indeterminate time in the future, potential impacts on cultural resources would be considered under a separate future NEPA analysis.

#### **3.5.3.2 Proposed Action**

Under the Proposed Action, ADWR's reallocation recommendation for NIA Priority CAP water would be accepted by the Secretary and each Proposed Recipient would enter into a subcontract with the CAWCD and begin receiving their CAP water allocation based on established priority standards. The City of Buckeye and the three mines may construct infrastructure for delivery and storage of CAP water from the allocation. These projects would be covered under a separate environmental compliance process (including Section 106), as stated in the terms of their contracts; however, indirect effects may result in adverse effects on cultural resources associated with construction of pipelines and USFs. Any attempt to quantify impacts from additional development, such as impacts on cultural resources that may result from land clearing activities, is speculative because the specific location of the infrastructure is unknown at this time. For Proposed Recipients constructing future infrastructure to receive their allocation, the CAP subcontract would indicate that CAP water would not be delivered to the subcontractor unless and until the subcontractor has performed required surveys and mitigations, if necessary, and obtained final environmental clearance from Reclamation.

### **3.5.4 Cumulative Effects**

#### **3.5.4.1 Population Growth and Land Use**

The populations in the AMAs are expected to increase independently of the Proposed Reallocation. Land use is likely to shift from agriculture and grazing uses to residential, commercial, and industrial uses and, therefore, additional ground-clearing activities for development. Cumulative effects on cultural resources have resulted from past land development in the AMAs and also depend on the rate and type of future development in the AMAs, which depends on local development plans and policies. Because of the projected land use shifts and past and future additional ground-clearing activities, cumulative impacts on cultural resources may occur when the Proposed Action is considered in combination with other reasonably foreseeable actions.

#### **3.5.4.2 Climate Change**

As described in Section 3.2.1.3, the potential effects of climate change are being considered as a component of cumulative impacts. Global climate change is occurring and climate models predict the arid regions of the southwestern United States will become increasingly dry. Drought periods are expected to become more frequent, intense, and longer, resulting in impacts on natural and cultural resources. Cultural resources, historic buildings, archaeological sites, and historic landscapes would experience similar effects from climate change as the natural resources that are located in the same area. Cultural resources are individually unique and nonrenewable. Climate change projections indicate these irreplaceable resources would likely be altered, deteriorated, or removed at faster rates than previously observed (NPS 2015).

## **3.6 Water Resources**

### **3.6.1 Analysis Area**

For purposes of analyzing water resources, the analysis area is the AMA and subbasin in which the service area for each of the municipal Proposed Recipients and the land areas for each of the industrial Proposed Recipients are located.

For the Proposed Recipient CAGR, the analysis area involves multiple AMAs and subbasins. CAGR uses the following recharge facilities: Aqua Fria, Hieroglyphic Mountains, and Tonopah USFs in the West Salt River Valley Subbasin (WSRV); the Superstition Mountains USF in the East Salt River Valley Subbasin (ESRV); the Lower Santa Cruz Constructed USF in the Avra Valley Subbasin; and the Pima Mine Road USF in the Upper Santa Cruz Subbasin. CAGR also could use the following GSFs that are permitted for CAGR storage: New Magma Irrigation and Drainage District (IDD) in the ESRV Subbasin, Maricopa Stanfield IDD in the Maricopa-Stanfield Subbasin, Queen Creek IDD in the ESRV Subbasin, Tonopah Irrigation District in the WSRV Subbasin, and Kai Farms in the Avra Valley Subbasin. Because of the multiple districts and subbasins, CAGR will be discussed with regard to these subbasins.

### **3.6.2 Affected Environment**

The affected environment is discussed with regard to each AMA and AMA subbasin in which the Proposed Recipients are located. Table 6 summarizes the Proposed Recipients, their DSI developed by ADWR, proposed allocation quantity and use, and AMA and subbasin in which the



Proposed Recipients are located. Figures 3 through 5 show the location of each Proposed Recipient with regard to the AMAs and AMA subbasins.

Unless otherwise noted, information in this section for each of the AMAs and AMA subbasins was summarized from ADWR 1999a, 1999b, 1999c, and 2010.

### **3.6.2.1 Phoenix AMA**

The Phoenix AMA is located in central Arizona and covers 5,646 square miles (Figure 3). The Phoenix AMA is in the basin and range physiographic province, which consists of gently sloping alluvial valleys located between north- to northwest-trending mountain ranges. Annual precipitation for the AMA averages 7 to 8 inches per year while the average evapotranspiration rate is about 79 inches per year. Urban and agricultural development is centered in the WSRV Subbasin and ESRV Subbasin. Within the Phoenix AMA, the current distribution of water use is 46 percent by municipalities, 33 percent by agriculture, 12 percent by Native American tribes, and 9 percent by industry (ADWR 2014b).

#### *3.6.2.1.1 Carefree Subbasin*

The Carefree Water Company is located in the Carefree Subbasin, which covers about 140 square miles and is located in the northeastern portion of the Phoenix AMA. The Carefree Subbasin consists of alluvial fan and playa deposits up to 2,000 feet thick bound to the east by the northernmost McDowell Mountains, to the north by a mountainous area southwest of New River Mesa, and to the south and west by low-lying hills including Black Mountain. The CAP canal does not flow through the Carefree Subbasin. The aquifers in the subbasin are relatively shallow and unproductive.

Mountain-front recharge is the primary source of recharge in the subbasin and groundwater flow is generally to the west-southwest into the ESRV Subbasin. The estimated groundwater storage was determined in 1994 to be 570,000 AFA to a depth of 1,200 feet below land surface (bls). Depth to groundwater in 1998 ranged from less than 30 feet bls near Cave Creek to more than 390 feet bls in the eastern portion of the subbasin. Due to groundwater pumping, groundwater levels began declining in the 1960s with declines exceeding 10 feet per year. Since the early 1990s, groundwater levels began to stabilize and then increase associated with increased CAP water use in lieu of groundwater pumping. A groundwater cone of depression (a depression in the groundwater table roughly conical in shape, produced in a water table by the extraction of groundwater) occurs near the Town of Cave Creek, which draws in groundwater from the northwest and southeast.

#### *3.6.2.1.2 East Salt River Valley Subbasin*

The Proposed Recipients in the ESRV Subbasin of the Phoenix AMA are the Town of Cave Creek, Apache Junction WUCFD, CAGR, Town of Gilbert, Town of Queen Creek, Viewpoint RV and Golf Resort, Salt River Project, Resolution Copper Mine, and Johnson Utilities. The ESRV Subbasin is the eastern subbasin of the AMA and is about 1,710 square miles. The CAP canal flows through the ESRV Subbasin from north to southeast.

**Table 6. Proposed Recipient Summary.**

Pool <sup>1</sup>	Proposed Recipient	Proposed Action			Affected Environment				
		Use of Allocation	ADWR-Verified DSI (AFA)	Allocation Recommendation (AFA)	AMA	AMA Subbasin	Has Used Existing Infrastructure to Receive CAP Water?	Storage and Recovery Information	Recovery in Same Subbasin?
M	Apache Junction WUCFD	Direct use for Portalis Project	2,354	817	Phoenix	East Salt River Valley	Yes	NA	NA
M	CAGR D	Recharge at USFs and storage at GSFs	52,359	18,185	Phoenix and Tucson	East and West Salt River Valleys, Avra Valley, Upper Santa Cruz	Yes	Used to partially meet statutory replenishment obligations of Member Lands and Member Service Areas.	Yes
M	Carefree Water Company	Direct use	112	112	Phoenix	Carefree	Yes	NA	NA
M	City of Buckeye	Storage and recovery	8,022	2,786	Phoenix	Hassayampa and West Salt River Valley	Yes	Storage at Tonopah ID GSF, or Tonopah Desert USF, or Hassayampa USF; Recovery with existing recovery wells.	Yes/No
M	City of El Mirage	Storage and recovery	3,795	1,318	Phoenix	West Salt River Valley	Yes	Storage at Aqua Fria Managed and Constructed USFs, Hieroglyphic Mountains USF, and Tonopah Desert USF; Recovery with existing recovery wells.	Yes
M	EPCOR - Sun City West	Storage and recovery for Sun City West District	4,155	1,000	Phoenix	West Salt River Valley	Yes	Storage at Maricopa Water District GSF; Recovery with wells located in service area.	Yes
M	Johnson Utilities	Storage at GSF and occasional direct use	9,262	3,217	Phoenix and Pinal	East Salt River Valley and Eloy	Yes	Storage in New Magma IDD or Hohokam IDD; Recovery with existing wells.	Yes
M	Metropolitan Domestic Water Improvement District	Storage and recovery for Metro SW-Diablo Village to meet demands	299	299	Tucson	Avra Valley and Upper Santa Cruz	Yes	Storage at Southern Avra Valley USF; Recovery with existing wells.	No
M	Town of Cave Creek	Direct use in Dessert Hills Water System	386	386	Phoenix	East Salt River Valley	Yes	NA	NA
M	Town of Gilbert	Direct use	5,274	1,832	Phoenix	East Salt River Valley	Yes	NA	NA
M	Town of Marana	Storage and recovery	1,483	515	Tucson	Avra Valley and Upper Santa Cruz	Yes	Storage at Lower Santa Cruz USF; Recovery with existing wells located within the service area.	Yes
M	Town of Queen Creek	Direct use first, storage and recovery for balance of allocation	15,827 <sup>2</sup>	4,162 <sup>2</sup>	Phoenix	East Salt River Valley	Yes	Storage at Superstition Mountain Recharge Facility; Recovery with existing production wells located in service area.	Yes
I	Freeport-McMoRan-Sierrita Inc.	Storage and recovery	23,098	5,678	Tucson	Upper Santa Cruz	No	Storage in FICO GSF; Recovery with existing wells.	Yes upon completion of FICO GSF
I	New Harquahala Generating Company	Direct use	400	400	NA	NA	Yes	NA	NA
I	Resolution Copper Mining	Storage until mine operational	9,106	2,238	Phoenix	East Salt River Valley	Yes	Storage in New Magma IDD, Roosevelt Water Conservation District GSF, Tonopah Desert USF, Hohokam IDD; Recovery with mine wells.	Yes/No
I	Rosemont Copper Co.	Storage until mine operational	4,574	1,124	Tucson	Upper Santa Cruz	Yes	Previous storage in Lower Santa Cruz USF and Pima Mine Road USF. Intent is to store water via Community Water Company pipeline in Upper Santa Cruz subbasin; Recovery with mine wells.	Intent to do so but dependent on CWC pipeline and construction of new recharge facility in Green Valley
I	Salt River Project	Direct use and storage and recovery	8,788	2,160	Phoenix	East Salt River Valley	Yes	NA	NA
I	Viewpoint RV and Golf Resort	Direct use for irrigation	400	400	Phoenix	East Salt River Valley	Yes	NA	NA

Note: ADWR = Arizona Department of Water Resources; AFA = acre-feet annually; DSI = Demand and Supply Imbalance; NA = Not Applicable.

<sup>1</sup> M = Municipal; I = Industrial.

<sup>2</sup> Includes H2O Water Company DSI and recommended allocation.

Figure 3. Proposed Recipients within Phoenix AMA

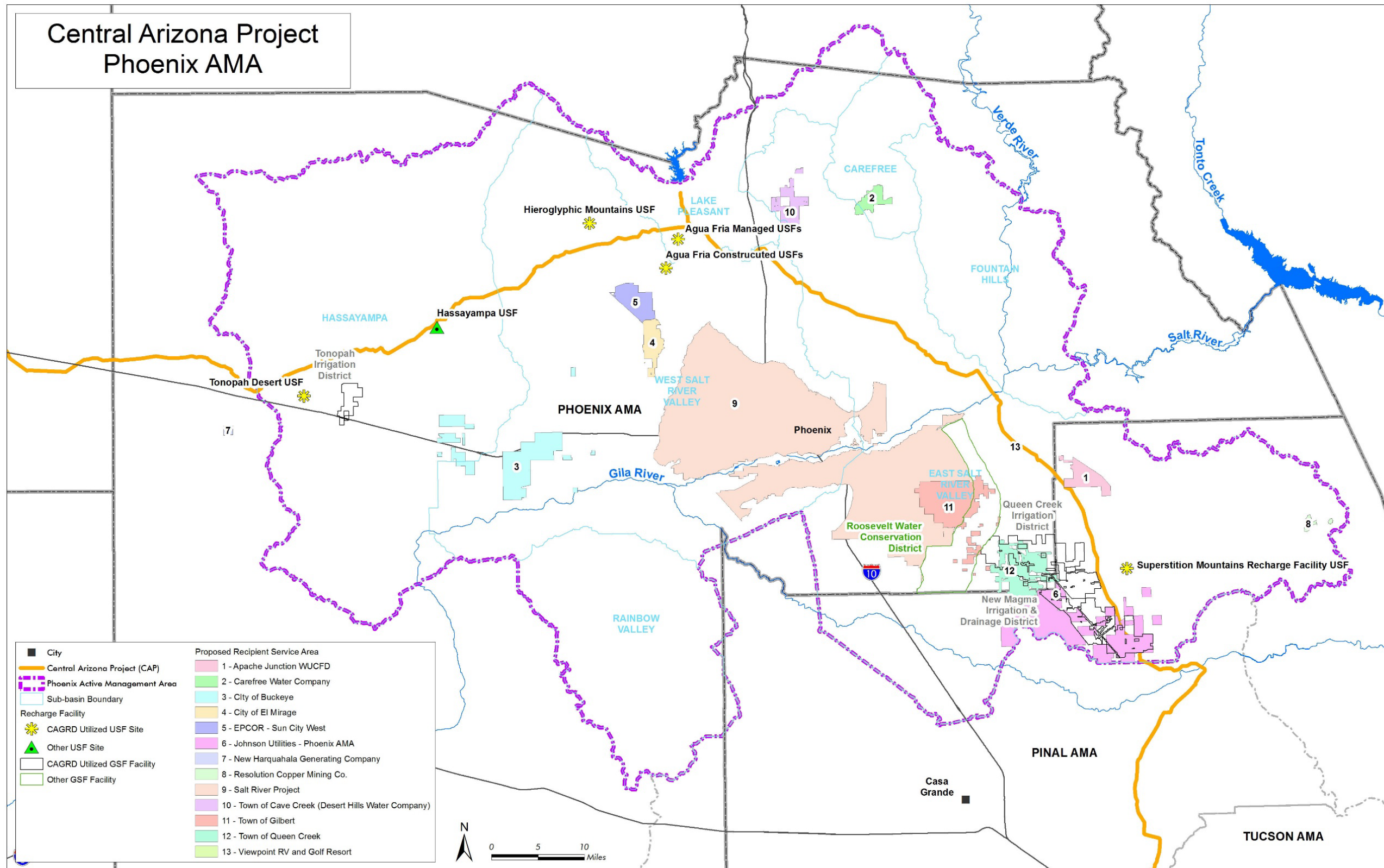




Figure 4. Proposed Recipients within Pinal AMA

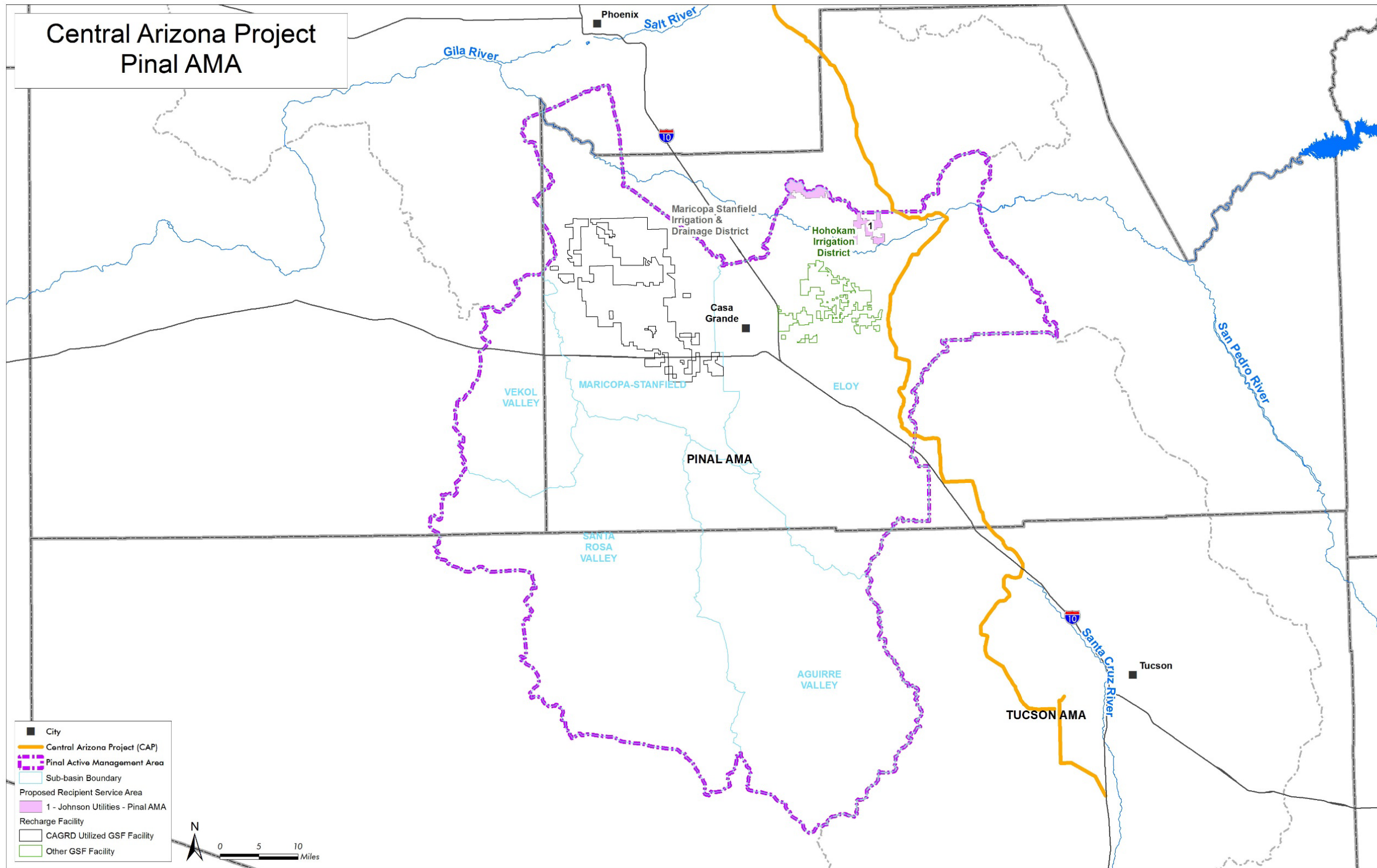
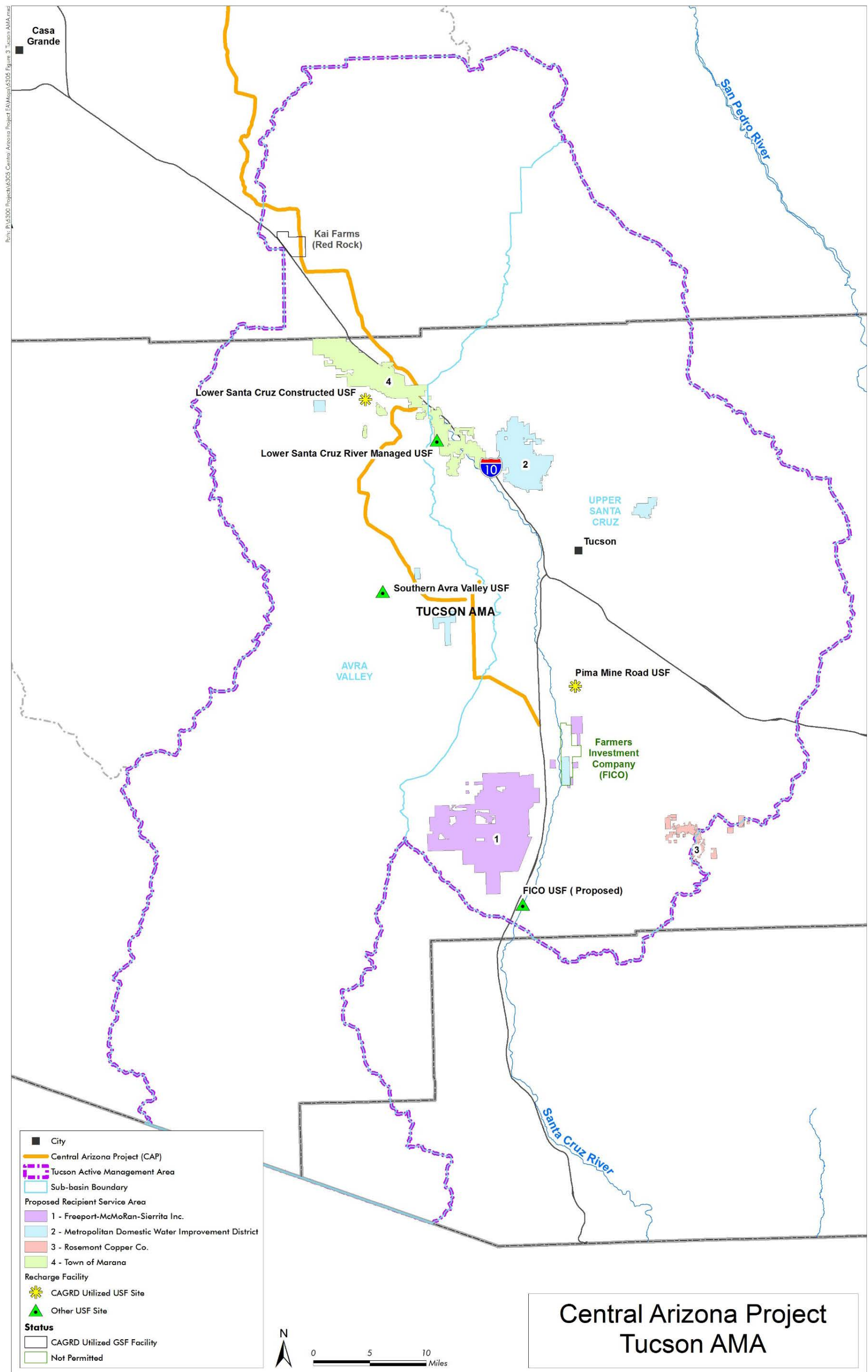


Figure 5. Proposed Recipients within Tucson AMA



The thickness of the basin fill sediments ranges from 100 feet near the basin margins to 10,000 feet near Gilbert. The basin fill is characterized as three distinct water-bearing units – a lower conglomerate unit from which 49 percent of the groundwater is withdrawn, a middle silt and clay unit from which 40 percent of groundwater is withdrawn, and an upper sand and gravel unit from which 11 percent of groundwater is withdrawn. Prior to development of the region, groundwater flowed into the subbasin from the north, south, and southeast and exited the subbasin to the west. Depth to groundwater ranges from 10 feet bls near Superior to 800 feet bls south of Cave Creek, but is highly variable due to three large groundwater cones of depression associated with groundwater pumping beneath Scottsdale, Mesa, and the Santan Mountains. The cones of depression have resulted in groundwater flow directions toward the cones. Earth fissuring (long narrow cracks in the earth) has occurred in the subbasin as a result of localized groundwater pumping near Apache Junction, Queen Creek, North Scottsdale, and Paradise Valley. Although groundwater levels have declined significantly since about 1940, that trend has been reversed recently due to extensive recharge of water to the aquifer; from 1992 to 2002 when groundwater recharge exceeded withdrawal by 2.7 MAFA.

#### *3.6.2.1.3 West Salt River Valley Subbasin*

The Proposed Recipients in the WSRV Subbasin are CAGR, EPCOR-Sun City West, City of Buckeye, and City of El Mirage. Although part of the Salt River Project service area is located in the WSRV Subbasin, the generating stations where the CAP water would be directly used are located in the ESRV Subbasin. At about 1,330 square miles, the WSRV Subbasin is the second largest in the Phoenix AMA. The subbasin is bounded to the north by the Hieroglyphic Mountains and Hedgpeth Hills; to the east by Union Hills, Phoenix Mountains, and Papago Buttes; to the south by the South Mountains, Estrella Mountains, and Buckeye Hills; and to the west by the White Tank Mountains. The CAP canal flows through the WSRV Subbasin from west to east through the northern portion of the subbasin.

Basin fill sediments in the WSRV Subbasin are similar to those in the ESRV Subbasin with groundwater being obtained relatively evenly between the three distinct water-bearing units – a lower conglomerate unit with a thickness ranging from less than 100 feet bls to more than 10,000 feet bls, a middle silt and clay unit with a thickness ranging from less than 100 feet bls to more than 1,300 feet bls, and an upper sand and gravel unit with a thickness ranging from 100 feet bls to more than 500 feet bls. A large underground salt body occurs southeast of Luke Air Force Base (located between the City of Buckeye and the City of El Mirage; Figure 3) at a depth of 880 to more than 6,000 feet bls, which affects groundwater salinity levels.

Groundwater recharge occurs naturally from mountain recharge and from stream recharge, and anthropogenically from irrigation water and effluent discharge. Groundwater enters the ESRV Subbasin from the neighboring Lake Pleasant, the northern Hassayampa, ESRV, and Maricopa-Stanfield Subbasins. In 1998, depth to groundwater ranged from less than 50 feet bls near the Salt and Gila Rivers to more than 550 feet bls near Union Hills. Two large groundwater cones of depression within the subbasin control the direction of groundwater flow – one near Luke Air Force Base located near the center of the WSRV Subbasin and one in Deer Valley near Hedgpeth Hills located in the north-central portion of the WSRV Subbasin. Subsidence of up to 17 feet along with earth fissures have occurred in an area of approximately 140 square miles near Luke Air Force Base. Historically, groundwater flow direction was toward and along the Salt and Gila Rivers and exited the subbasin into the southern portion of the Hassayampa Subbasin.



#### 3.6.2.1.4 *Hassayampa Subbasin*

The Proposed Recipients City of Buckeye and CAGR D are located in the Hassayampa Subbasin, and New Harquahala Generating Company is located just to the west. The Hassayampa Subbasin is the westernmost subbasin in the Phoenix AMA and covers approximately 1,200 square miles. The subbasin is bounded on the north by the Vulture and Wickenburg Mountains, on the east by the White Tank Mountains, on the south by the Buckeye Hills and Gila Bend Mountains, and on the west by the Big Horn and Belmont Mountains and Palo Verde Hills. The CAP canal flows through the Hassayampa Subbasin from west to east.

The Hassayampa Subbasin is a gently sloping alluvial plain consisting of three hydrogeological units – a lower unconsolidated sand unit 100 feet to more than 1,000 feet thick, a middle clay and silt unit 230 to 300 feet thick, and an upper sand and gravel unit 30 to 60 feet thick. Depth to groundwater ranges from about 20 feet bls in the southwest portion of the subbasin to more than 600 feet bls in the northern portion. Groundwater enters the subbasin from the northeast and flows south toward the Gila River. Groundwater recharge includes streambed infiltration and mountain front recharge. Groundwater storage north of I-10 is estimated at more than 12 MAFA. Groundwater flows from northeast to southwest toward two groundwater cones of depression – one under Tonopah and one south of Tonopah in the Centennial Wash area. These depressions are a result of groundwater pumping associated with agricultural development beginning in the 1950s.

### 3.6.2.2 **Pinal AMA**

The Pinal AMA covers 4,100 square miles and is south of the Phoenix AMA (Figure 4). The Pinal AMA is in the basin and range physiographic province and consists of gently sloping alluvial valleys located between north- to northwest-trending mountain ranges. Within the Pinal AMA, 81 percent of water use is by agriculture, 14 percent by Native American tribes, 3 percent by municipalities, and 2 percent by industry (ADWR 2014b).

#### 3.6.2.2.1 *Eloy Subbasin*

The Proposed Recipient Johnson Utilities' service area is located partially in the ESRV Subbasin of the Phoenix AMA and partially in the Eloy Subbasin of the Pinal AMA. The subbasin is bounded to the east by the Picacho Mountains and to the northwest by the Sacaton Mountains. A groundwater divide separates the Eloy Subbasin and the Maricopa-Stanfield Subbasin to the west. The CAP canal flows into the subbasin from north to south in the northeastern portion of the subbasin.

Groundwater flow within the subbasin is generally to the north toward the Gila River into the ESRV Subbasin of the Phoenix AMA. Three groundwater units are present – a lower conglomerate unit; a middle silt and clay unit; and an upper alluvial unit of sands, gravels, silts, and clays deposited by the ancestral Gila and Santa Cruz Rivers. Historical groundwater use has created a cone of depression in the subbasin along with associated land subsidence. In recent years, groundwater levels have generally increased in the southern portion of the subbasin but have remained stable or have continued to decline in the northern portion of the subbasin. Depth to groundwater ranges from 532 feet bls in the northeast portion of the subbasin to more than 400 feet bls near Picacho. The estimated groundwater storage is 22.6 MAFA to a depth of 1,000 feet bls.

### 3.6.2.2.2 *Maricopa-Stanfield Subbasin*

The Proposed Recipient CAGR is permitted to store CAP water in the MSIDD located in the Maricopa-Stanfield Subbasin. The subbasin is bounded to the west by the Top Mountains and to the northeast by the Sacaton Mountains. A groundwater divide separates the Maricopa-Stanfield Subbasin and the Eloy Subbasin to the east. The CAP canal flows does not flow through the subbasin.

Groundwater flow within the subbasin is generally to the north toward the Gila River and into cones of depression located west of the Towns of Maricopa and Stanfield. Three groundwater units are present – a lower conglomerate unit; a middle silt and clay unit; and an upper alluvial unit of sands, gravels, silts, and clays deposited by the ancestral Gila and Santa Cruz Rivers. In recent years, groundwater levels have generally been recovering and rising due to the use of CAP water in lieu of groundwater pumping. Depth to groundwater ranges from 51 feet bls near the Gila River to more than 600 feet bls near Stanfield. The estimated groundwater storage is 8.6 MAFA to a depth of 1,000 feet bls.

### 3.6.2.3 Tucson AMA

The Tucson AMA (Figure 5) covers 3,869 square miles and is east of the Pinal AMA. The Tucson AMA is in the basin and range physiographic province and consists of gently sloping alluvial valleys located between north- to northwest-trending mountain ranges. In the Tucson AMA, municipalities account for 44 percent of water use, 31 percent by agriculture, 18 percent by industry, and 6 percent by Native American tribes (ADWR 2014b).<sup>3</sup>

#### 3.6.2.3.1 *Avra Valley Subbasin*

Proposed Recipients located within the Avra Valley Subbasin are the Town of Marana and the Metropolitan Domestic Water Improvement District (MDWID). The Avra Valley Subbasin is bounded to the east by the Sierrita, Tucson, and Tortalita Mountains and to the west by the Baboquivari and Silver Bell Mountains. The Avra Valley Subbasin represents the western Tucson AMA subbasin and is orientated north-south. Groundwater from the Avra Valley Subbasin flows into the Pinal AMA. The CAP canal runs from northwest to southeast through the subbasin.

Two groundwater units are present – a lower alluvial unit consisting of sands and conglomerates on the valley edges grading to silts and mudstones in the center, and an upper alluvial unit consisting of silts and gravels ranging in thickness from less than 100 feet to more than 1,000 feet. The upper alluvial unit represents the primary water producer in the subbasin. In 1995, depth to groundwater in the Altar Valley ranged from less than 200 feet bls to more than 700 feet bls and in the Avra Valley from less than 200 feet bls to more than 500 feet bls. Between 1994-1995 and 2004-2005, groundwater levels rose 30 to 60 feet in the northern portion of the subbasin near the Town of Marana in response to agricultural retirement, use of CAP water in lieu of groundwater pumping, and groundwater recharge activities. In the northern portion of the subbasin, land subsidence has been measured at 1.1 feet (Anderson 1989). In the southern portion of the subbasin, depth to groundwater has generally been stable or continued to decrease

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<sup>3</sup> Totals do not equal 100 percent due to rounding errors.

in elevation as a result of groundwater pumping. Groundwater flow is generally from south to north and the estimated storage is 17 to 24 MAFA to a depth of 1,000 feet.

#### *3.6.2.3.2 Upper Santa Cruz Subbasin*

The Proposed Recipients located within the Upper Santa Cruz (USC) Subbasin are the Town of Marana, MDWID, Rosemont Copper Company, and Freeport-McMoRan-Sierrita Incorporated. The USC Subbasin is bounded to the east by the Santa Catalina, Rincon, and Santa Rita Mountains and to the west by the Sierrita, Tucson, and Tortalita Mountains. The USC Subbasin is the eastern Tucson AMA subbasin and groundwater from the subbasin flows into the Avra Valley Subbasin. The CAP canal enters the subbasin between the Tucson and Sierrita Mountains and terminates near Green Valley.

Four groundwater units are present – the lowest unit, the Pantano Formation, consists of sandstones, conglomerates, and mudstones; the lower middle unit, the Tinaja Beds, consists of sandstones, conglomerates, siltstones, and mudstones up to 5,000 feet thick; the upper middle unit, the Fort Lowell Formation, consists of unconsolidated to moderately consolidated sands and silts 300 to 400 feet thick; and the upper alluvial unit consists of unconsolidated sands and gravels less than 100 feet thick. The USC Subbasin is relatively deep compared with other subbasins with the depth to bedrock in the center of the subbasin exceeding 11,000 feet bls.

Groundwater flow within the subbasin is generally from south to northwest, but extensive pumping in the Tucson Central Wellfield area for municipal water use and the Green Valley/Sahuarita area associated with mining activities have created deflections in the groundwater flow direction and localized cones of depression. Between 1940 and 1995, groundwater levels declined up to 200 feet in the Tucson area and 150 feet in the Green Valley/Sahuarita area. In 1995, depth to groundwater ranged from less than 100 feet bls to more than 600 feet bls. Between 1994-1995 and 2004-2005, groundwater levels have generally declined by more than 15 feet. Land subsidence in the Tucson Central Wellfield area from the early/mid-1990s to 2011 was measured up to 0.9 feet (ADWR 2015).

Groundwater storage is estimated to be 32.9 MAFA to a depth of 1,000 feet (Mason and Hipke 2013). The Fort Lowell Formation supplied most of the water used in the Tucson basin; however, portions of this formation are partially or completely dewatered and the Tinaja Beds are now the principal water-bearing unit used.

#### **3.6.2.4 CAP Water**

Under the Proposed Action, CAP water would be allocated to the Proposed Recipients for either direct use or recharge to offset groundwater reliance. CAP water is water from the Colorado River that has been transported through the CAP system. CAWCD monitors CAP water quality on a monthly and quarterly basis along the CAP aqueduct by regularly scheduled collection of grab samples and real-time water quality data from installed sensors. In general, CAP water is slightly basic calcium-sulfate-dominant water with total dissolved solids typically measured at concentrations greater than the federal secondary maximum contaminant level (SMCL) of 500 milligrams per liter (mg/L) and sulfate concentrations generally just below the SMCL of 250 mg/L. No exceedances of federal MCLs were reported by CAP in the 2014, 2013, 2012, and 2011 water quality reports (CAP 2015, 2014a, 2013, 2012).



NIA Priority CAP water is the lowest priority of long-term project water within the CAP system. During times of shortages, excess CAP water would be the first to be cut back, followed by NIA Priority CAP water. The current projections for available excess water over the next four years, after satisfaction of CAP's contractual commitment to the Agricultural Settlement Pool, are as follows (CAP 2014b):

- 2016: 75,000 AFA
- 2017: 157,000 AFA
- 2018: 139,000 AFA
- 2019: 121,000 AFA

However, 116,966 AFA NIA Priority CAP water is yet to be allocated, not including the 46,629 AFA of NIA Priority CAP water under discussion in this EA. CAP also delivers 68,400 AFA of On-River Priority 3 contract water. Excess CAP water represents the unused portion of Arizona's annual Colorado River entitlement and it would decrease over time as existing entitlement holders more fully use their allocation to meet demand. Since 2009, use of CAP water by long-term entitlement holders has increased, which has reduced the amount of excess CAP water available each year. As a result, no excess water has been available for distribution to M&I excess customers since 2010 (CAP 2014b). The available excess water projections noted above would be available to AWBA and CAGR D but would likely not be enough to allow distribution to M&I customers. Except for Freeport-McMoRan-Sierrita Inc., all Proposed Recipients have previously purchased CAP water either for direct use or recharge and either under a M&I subcontract or excess water subcontract. Freeport-McMoRan-Sierrita Inc. has relied solely on groundwater for its operational needs (Sierrita 2013).

### **3.6.3 Environmental Consequences**

This section describes the anticipated environmental consequences resulting from the No Action and Proposed Action alternatives. As described in Section 2.0–Description of Alternatives, the actions being analyzed are the acceptance or rejection of ADWR's Proposed Reallocation.

#### **3.6.3.1 No Action Alternative**

Under the No Action alternative, the Secretary would reject the allocation recommendation (i.e., the Proposed Action). In accordance with the AWSA, ADWR would then be required to revise and provide to Reclamation another NIA Priority CAP water reallocation recommendation that potentially could require a new reallocation determination process and NEPA analysis for the new recommendation. It is not possible to assume what the new recommendation would be since the basis for the Secretary's potential rejection is not known. Therefore, the No Action alternative for this NEPA analysis reflects an indeterminate delay in the allocation process and, until a future reallocation is approved by the Secretary, no reallocation would occur.

Based on the reason(s) for potential rejection, some or all of the currently Proposed Recipients may not be recommended as part of the new recommendation. Because the current list of Proposed Recipients have forecasted water demand that is greater than their sustainable supply, the No Action alternative of rejecting ADWR's recommendation would have an adverse impact because their water demand would result in continued pumping of groundwater, which is a nonrenewable supply.

Under the No Action alternative, Sierrita Mine would continue to pump groundwater from the Tucson AMA to meet its operational needs of 23,098 AFA and no CAP water would be recharged in the near term to offset its consumption. The remaining Proposed Recipients would likely seek to obtain alternative water supplies, if available, to meet their demand-supply imbalance or rely on accrued groundwater credits or continued groundwater pumping.

### 3.6.3.2 Proposed Action

Under the Proposed Action, ADWR's reallocation recommendation for NIA Priority CAP water would be accepted by the Secretary and each Proposed Recipient would enter into a subcontract with the CAWCD and begin receiving their CAP water allocation based on established priority standards. Most Proposed Recipients would use existing infrastructure to receive their allocation. For Proposed Recipients constructing future infrastructure to receive their allocation, the CAP subcontract would indicate that CAP water would not be delivered to the subcontractor unless and until the subcontractor has obtained final environmental clearance from Reclamation for the system or systems through which the CAP water is to be conveyed.

Environmental consequences related to the Proposed Action are discussed relative to the Proposed Recipients' planned use of the CAP water, which is either direct use or storage of the water underground, or in some cases both.

#### 3.6.3.2.1 Direct Use of CAP Allocation

The following Proposed Recipients intend to directly use their CAP allocation: Carefree Water Company, Town of Cave Creek, Apache Junction WUCFD, Town of Gilbert, Town of Queen Creek, Viewpoint RV and Golf Resort, New Harquahala Generating Company, and Salt River Project. Each of these recipients have received and used CAP water previously and, based on their proposed direct use of their allocation, no adverse impacts are anticipated because there would be no change from the current uses. All of these Proposed Recipients have been recommended to receive their allocation because their projected water demand is in excess of their projected available water supplies, as verified by ADWR. The action is beneficial and their use of NIA Priority CAP water would help reduce groundwater overdraft in the Phoenix and Tucson AMAs in proportion to the amount they would receive annually.

For municipalities that would directly use their allocation (Carefree Water Company, Town of Cave Creek, Apache Junction WUCFD, Town of Gilbert, and Town of Queen Creek), their customers may notice a change in the taste of their tap water due to the variations in the dissolved major cations and anions between the water they currently receive versus CAP water. This is not anticipated to be a major adverse impact because each municipality would be required to treat their customers' water as necessary to meet federal water quality standards and because taste is subjective.

#### 3.6.3.2.2 Recharge of CAP Allocation

The following Proposed Recipients intend to recharge their CAP allocation: MDWID, EPCOR-Sun City West, Town of Marana, Salt River Project, Town of Queen Creek, City of El Mirage, Town of Buckeye, Johnson Utilities, CAGR, Rosemont Copper Company, Resolution Copper Mining, and Freeport-McMoRan-Sierrita Inc. Except for CAGR, the purpose for recharging the Proposed Recipients' CAP allocation is to offset their groundwater use. In the case of

CAGR, it is to meet replenishment obligations incurred as a result of excess groundwater use by CAGR members. Except for Freeport-McMoRan-Sierrita Inc., existing infrastructure would be used to convey the water to existing USFs. Based on the use of CAP water to offset groundwater use and the use of existing infrastructure to convey the water, no adverse impacts are anticipated. Freeport-McMoRan-Sierrita Inc. has not previously acquired CAP water and its plan is to recharge its CAP allocation at the permitted FICO GSF, which is currently in the process of constructing a pipeline from the CAP terminus to the GSF. If the pipeline to the FICO GSF is not constructed by the time the NIA Priority CAP water is made available, Freeport-McMoRan-Sierrita Inc. would recharge its allocation at an existing recharge facility for LTSC. Freeport-McMoRan-Sierrita Inc.'s use of its allocation is not dependent on completion of the pipeline. Therefore, the actions are not connected and Freeport-McMoRan-Sierrita Inc.'s receipt and use of its proposed allocation is not anticipated to result in an adverse impact from pipeline construction or continued mining.

The Town of Buckeye would use existing infrastructure and USFs to initially store their allocation, or they may potentially construct and operate a new USF in the future to store their allocation.

This reallocation would slightly benefit other current water users in the same AMA because the service area substitution of CAP water for groundwater will reduce groundwater overdraft and help to address individual supply and demand imbalances. Except for the proposed mines, which have not currently constructed recovery wells, Proposed Recipients would use existing wells to recover their groundwater. At the subbasin scale, some of the Proposed Recipients would recharge some or all of their CAP water in a different subbasin than they would recover their water (Table 6). Because there is no requirement that the entity recharge and recover its allocation in the same subbasin, this is not considered a significant adverse impact on other water users located in the subbasin in which a net reduction in storage may occur. The Proposed Recipients would be recharging and recovering their allocation in their respective AMAs so the overall effect would result in further progress in reaching AMA water management goals.

### **3.6.4 Cumulative Effects**

#### **3.6.4.1 Water Use**

Water uses in the Tucson and Phoenix AMAs have increased over time and are expected to continue to increase by about 6 percent and 19 percent by 2040, respectively, while water demand in the Pinal AMA is expected to decrease by about 14 percent during the same period (ADWR 2016; Pinal Comprehensive Plan 2016). By 2040, the population in the AMAs is expected to increase by 57 percent in the Phoenix AMA, 171 percent in the Pinal AMA, and 38 percent in the Tucson AMA. These uses would likely result in a continued water supply/demand imbalance for the AMAs. With increased water use, water users of lower priority CAP water, such as the NIA Priority CAP water, would likely experience periods of reduced availability. With decreased availability of CAP water, Proposed Recipients relying on NIA Priority CAP water to meet demand would likely use groundwater to supplement their water supply if other water sources are not or cannot be obtained. Similar to the changes resulting from climate change, the increased water use would require increased implementation of water conservation measures and increased use of water recycling/reuse programs. With these cumulative impacts, the need and search for new renewable water supplies for the AMAs would likely need to



continue if conservation measures and use of water recycling/reuse programs are not enough to achieve safe yield conditions in the AMAs.

### **3.6.4.2 Climate Change**

As stated in Section 3.2.1.3, climate models predict that the arid regions of the southwestern United States will become increasingly dry and that a transition to a more arid climate is already underway. Changing climate conditions in the Southwest deserts, including increased temperatures, reduced precipitation, lower snowpack, and increased evapotranspiration, are likely to result in significant changes to the hydrologic cycle and water resources. In the three AMAs, the likely result would be reduced groundwater recharge that would limit groundwater availability for water supply, though the effects may occur over centuries (Hughson et al. 2011). Reduced recharge would result in increased difficulty in achieving and maintaining the AMA goals of the safe yield of groundwater.

Colorado River flows, which supply water to the CAP, are likely to decrease 5 to 20 percent by 2050 due to climate change (Reclamation 2012). With Arizona's reliance on CAP water to supply a significant quantity of renewable water supplies to the state and Arizona's junior water right for Colorado River water, the projected climate changes have the potential to decrease the state's Colorado River water supply. Arizona has been preparing for the potential effects of future shortages on the Colorado River by storing excess CAP water when available. This action is also helpful in combatting potential impacts associated with climate change. Projected future conditions as a result of climate change would require increased implementation of water conservation measures and increased use of water recycling/reuse programs.

During periods of shortages on the Colorado River, the Proposed Recipients may not receive all or part of the NIA Priority CAP water due to the low priority of the water within the CAWCD pool structure. This would result in each Proposed Recipient potentially relying on their available groundwater water supplies and increasing their reliance on any groundwater credits accrued if they cannot acquire alternate water supplies to fulfill their needs.

## **3.7 Socioeconomic Resources**

### **3.7.1 Analysis Area**

The analysis of social and economic conditions addresses the relationships between the Proposed Action and the communities it may affect. There would be no immediate (i.e., direct) impacts on socioeconomic resources from the Secretary's approval of ADWR's reallocation recommendation. Socioeconomic conditions that may be indirectly affected by the Proposed Action include population, economic characteristics, and residential and commercial development.

The analysis area for impacts on socioeconomic resources includes the three AMAs in which the Proposed Recipients are located: Phoenix, Pinal, and Tucson. Where appropriate, the socioeconomic analysis includes the four counties in which the AMAs are located: Maricopa, Pima, Pinal, and Yavapai. The Phoenix AMA overlaps only a small portion of Yavapai County's southern portion. Yavapai County, therefore, is not discussed in depth as none of the Proposed Recipients are located in that county. For more specific information about socioeconomic conditions, the communities in which the Proposed Recipients are located and,

when available, the Proposed Recipients themselves, are analyzed. When appropriate, the United States and Arizona are included in the analysis to provide context and comparison for the AMAs, counties, municipalities, and Proposed Recipients.

Tucson is included in the analysis where the Proposed Recipients' communities are analyzed because the MDWID intends to distribute the proposed reallocated NIA Priority CAP water to the Diablo Village development, which is in Tucson. Johnson Utilities serves portions of Maricopa and Pinal Counties and has service areas in both the Phoenix and Pinal AMAs. The industrial Proposed Recipients are all located in the Phoenix or Tucson AMA. Viewpoint RV Park and Golf Resort, and Resolution Copper are located in the Phoenix AMA. Rosemont Copper Company and Freeport-McMoRan-Sierrita Inc. are located in the Tucson AMA.

### **3.7.2 Affected Environment**

#### **3.7.2.1 Socioeconomics**

##### *3.7.2.1.1 Population and Demographic Characteristics*

Historic, current, and projected population for the socioeconomic environment is analyzed at the AMA and Proposed Recipient level. Demographics, including race and ethnicity, are analyzed by the county and municipality in which the Proposed Recipients are located.

The Phoenix, Pinal, and Tucson AMAs have a combined population of 5.31 million, which is about 80 percent of Arizona's total population. The population of the combined service areas for the municipal Proposed Recipients is about 501,000, which represents about 8 percent of Arizona's population, and about 9.5 percent of the AMAs' population (ADWR 2016). Arizona's population is growing rapidly. Between 2000 and 2010, the state experienced a population increase of 25 percent, and between 2010 and 2014, a population increase of 4 percent (U.S. Census Bureau (USCB) 2014). Likewise, the AMAs' and municipal Proposed Recipients' service areas have experienced population growth comparable to, and in some cases far exceeding Arizona's growth. Pinal AMA's growth rate is expected to far exceed Arizona's growth rate over the next 25 years. Johnson Utilities' Pinal service area and the City of Buckeye are expected to experience an increase in population greater than 300 percent by 2040 (ADWR 2016). Table 7 provides the historic, current, and projected populations and percent population change for Arizona, the AMAs, and the service areas for the municipal Proposed Recipients of the NIA Priority CAP water under the Proposed Action.

**Table 7. Historic and Projected Populations – AMAs and Proposed Recipients.**

Proposed Recipient	2000	2010	% Change 2000-2010	2016	% Change 2010- 2016	2040 (Projected)	% Change 2016- 2040
<b>Phoenix AMA</b>	3,118,000	3,959,000	27	4,390,000	11	6,438,000	47
<b>Pinal AMA</b>	99,143	191,518	93	228,000	19	543,000	138
<b>Tucson AMA</b>	835,504	980,988	17	1,044,000	6	1,403,000	34
Apache Junction Water Facilities District	13,598	13,554	0	15,032	11	20,893	39
Carefree Water Company	2,179	2,447	12	2,619	7	3,210	23
Cave Creek Water Company	3,553	5,015	41	5,568	11	8,483	52
City of Buckeye	5,060	27,072	435	40,452	49	195,474	383
City of El Mirage	13,707	35,179	157	36,890	5	54,341	47
EPCOR - Sun City West	26,420	24,212	-8	24,526	1	25,863	5
Johnson Utilities - Phoenix	1,145	55,615	4757	65,747	18	113,186	72
Johnson Utilities - Pinal	NA	2,595	NA	6,553	153	26,453	304
MDWID	445	2,415	443	2,508	4	5,165	106
Town of Gilbert	109,576	210,913	92	244,616	16	320,635	31
Town of Marana	3,423	13,360	290	18,591	39	39,679	113
Town of Queen Creek	10,838	63,718	488	77,009	21	122,806	59

Source: ADWR 2016.

The populations that would be served by the municipal Proposed Recipients are diverse. Table 8 provides the proportions of populations that are non-White and Hispanic or Latino for the state, counties, and municipalities in which the Proposed Recipients are located. While Maricopa, Pima, and Pinal Counties have similar Hispanic population proportions as Arizona, the municipalities in which the Proposed Recipients are located vary in their racial and ethnic characteristics. The cities of El Mirage, Buckeye, and Tucson have greater proportions of Hispanic or Latino ethnicity residents than Arizona and the counties. Carefree, Cave Creek, and EPCOR - Sun City West have substantially lower Hispanic or Latino ethnicity population proportions than the state and counties.

None of the Proposed Recipient communities have a substantially greater proportion of the population that identifies as a non-White race overall. Arizona and Pinal County both have a higher proportion of the population that is American Indian or Alaska Native than the United States; however, the Proposed Recipient communities all have a lower proportion of their populations than the United States, Arizona, and Pinal County. Arizona, the counties, and all of the Proposed Recipient communities have a lower proportion of their populations that identify their race as Black or African American, or as Native Hawaiian or other Pacific Islander races, than the country as a whole. Gilbert has a slightly higher proportion of its population that are Asian than the United States; while all of the other Proposed Recipient communities have a comparable or lower proportion of Asian residents than the United States. Buckeye, El Mirage, and Tucson, all have a higher proportion of residents that identify as an other non-specified race than Arizona and the United States.



**Table 8. Non-White and Hispanic Populations for the United States, Arizona, Counties, and Communities Receiving Reallocated Water.**

Community	Black or African American (%)	American Indian and Alaska Native (%)	Asian (%)	Native Hawaiian and Other Pacific Islander (%)	Some Other Race (%)	Non-White (%)	Hispanic or Latino (%)
United States	13.7	1.7	5.9	0.4	5.2	26.9	16.9
Arizona	5.1	5.4	3.8	0.4	7.1	21.8	30.1
Maricopa County	6.2	2.7	4.6	0.4	6.7	20.6	29.9
Pima County	4.6	4.2	3.8	0.4	9.2	22.2	35.4
Pinal County	5.4	6.4	2.4	0.7	6.4	21.3	29.0
Yavapai County	1.0	3.0	1.4	0.1	3.0	8.5	13.9
Apache Junction	1.8	3.4	1.7	0.1	3.5	10.5	16.8
Buckeye	8.7	2.4	1.9	0.3	9.2	22.5	37.6
Carefree	0.0	0.0	0.0	0.0	0.1	0.1	3.2
Cave Creek	0.8	2.6	0.5	0.0	2.1	6.0	3.8
El Mirage	6.8	2.6	2.5	0.3	10.6	22.8	47.0
Gilbert	4.5	1.7	7.5	0.4	2.6	16.7	15.6
Marana	4.4	1.4	6.0	0.4	5.4	17.6	20.8
Queen Creek	2.9	1.9	1.8	0.1	6.5	13.2	17.7
Sun City West	0.3	0.3	1.6	0.0	0.4	2.6	0.6
Tucson	6.3	3.8	3.9	0.4	11.6	26.0	42.2

Source: USCB 2014.

*3.7.2.1.2 Economic Characteristics*

The economic characteristics analysis area includes Maricopa, Pima, Pinal, and Yavapai Counties and the municipalities in which the municipal Proposed Recipients are located. Table 9 provides the economic characteristics of Arizona, the counties, and the municipalities in which the Proposed Recipients are located. Economic characteristics analyzed include labor force and employment characteristics, unemployment, and income including poverty rates.

**Table 9. Economic Attributes for the United States, Arizona, Counties, and Communities Receiving Reallocated Water, 2009–2010.**

Community	Civilian Labor Force (%)	Unemployment Rate (%)	Median Household Income (dollars)	Per Capita Income (dollars)	Families Below Poverty Level (%)	Individuals Below Poverty Level (%)
United States	63.5	5.8	53,482	28,555	11.5	15.6
Arizona	59.7	5.9	49,928	25,537	13.3	18.2
Maricopa County	63.6	5.6	53,689	27,477	12.7	17.1
Pima County	58.8	6.3	46,233	25,524	13.2	19.0
Pinal County	50.9	5.9	50,248	20,983	11.5	16.8
Yavapai County	50.7	5.5	44,000	25,068	11.2	16.1
Apache Junction	45.5	7.4	36,771	15,129	17.0	23.9
Buckeye	53.3	4.8	58,703	20,149	12.8	16.2
Carefree	39.7	1.9	93,130	62,325	12.2	10.4
Cave Creek	58.4	3.7	78,972	46,517	3.8	6.2
El Mirage	63.6	5.8	47,564	17,849	17.2	19.6
Gilbert	73.4	4.6	81,485	31,546	5.3	6.8
Marana	64.5	4.7	74,817	33,649	3.3	4.9
Queen Creek	69.5	2.9	83,809	77,594	7.2	8.6
Sun City West	10.9	0.9	45,157	36,304	2.1	4.6
Tucson	60.80	7.3	37,149	20,437	18.6	25.1

Source: UCSB 2014.

The communities in which the Proposed Recipients are located vary in their economic characteristics. The median household income (MHI) in Arizona is estimated at about \$50,000, which is slightly lower than the MHI for the United States. Maricopa County has a nearly identical MHI to the national MHI, while Pinal County has a MHI similar to Arizona, and Pima and Yavapai Counties have a slightly lower MHI than Arizona. Carefree, Cave Creek, Gilbert, Marana, and Queen Creek have substantially higher MHIs than the state and counties while Apache Junction and Tucson have substantially lower MHIs than the state and counties. El Mirage and Sun City West have lower, but comparable MHIs, to the state and counties; while Buckeye has a higher, but comparable, MHI to the state and counties (USCB 2014).

Arizona has slightly higher rates of families and individuals living below the poverty rate than the United States. Apache Junction, El Mirage, and Tucson have higher poverty rates than the United States while Cave Creek, Gilbert, Marana, Queen Creek, and Sun City West have substantially lower poverty rates than Arizona and the counties. Unemployment rates among the communities are comparable to Arizona, the counties, and the United States, with Tucson having slightly higher unemployment rates and Carefree, Cave Creek, Queen Creek, and Sun City West having lower unemployment rates (USCB 2014).

The workforce characteristics differ across the communities as Sun City West and Carefree have a substantially lower proportion of their civilian population in the workforce and a lower unemployment rate than Arizona and the other communities. This can be attributed to the high proportion of retired individuals living in these communities (USCB 2014).

The major occupations across all of the communities are professional services including management, business, science, and arts occupations (between 25 and 68 percent) and sales and office occupations (between 10 and 36 percent). More than 50 percent of the workforce across the communities is employed in professional services and sales and office occupations. Sixty-

one percent of Arizona's workforce is employed in the professional and services and sales occupations (USCB 2014).

Major employment sectors across the communities are social services, including education, health care, and social assistance (18 to 29 percent); professional services, including scientific, management, administrative, and waste management services (9 to 27 percent); and retail trade (5 to 15 percent). More than 40 percent of the workforce across the communities, and 46 percent of Arizona's workforce, is employed in these three sectors (USCB 2014).

#### *3.7.2.1.3 Residential Development*

Along with population change, the AMAs and Proposed Recipients are experiencing, and are expected to continue to experience, growth in residential development. Analysis of residential and commercial development includes the three dominant counties in which the AMAs are located: Maricopa, Pima, and Pinal. The median home value in Arizona in 2014 was \$176,700 (USCB 2014).

Residential development in Maricopa County is expected to increase by 1.0 to 1.6 percent annually between 2020 and 2040. The overall number of residential units in Maricopa County is projected to increase 67.7 percent between 2010 and 2040 (Maricopa Association of Governments (MAG) 2013). The median home value in Maricopa County in 2014 was \$206,300, slightly higher than the median home value in Arizona (USCB 2014).

In 2014, the estimated number of housing units in Pima County was about 450,000 units. Pima County does not have projections for residential development, but it can be inferred that, because the population of the Tucson AMA (which is mostly in Pima County) is expected to increase by 26 percent between 2016 and 2040, that residential development will also increase (USCB 2014). The MDWID intends to use the proposed reallocated NIA Priority CAP water for the Diablo Village development, which is currently built out to only 6 percent, but is expected to grow. The median home value in Pima County in 2014 was \$158,400, lower than Maricopa County's and Arizona's median home values (USCB 2014).

Pinal County has been experiencing growth in residential development similar to Maricopa County. Between 2000 and 2015, Pinal County experienced a 40-percent increase in housing units. Between 2020 and 2040, the number of housing units in the county is projected to increase by 35.4 percent (Applied Economics 2009). Major drivers of residential development in Pinal County are its proximity to Phoenix and housing affordability (Pinal County Comprehensive Plan Update 2014). The median home value in Pinal County in 2014 was \$145,900, lower than Maricopa and Pima Counties' and Arizona's median home values (USCB 2014).

#### **3.7.2.2 Environmental Justice**

Executive Order (EO) 12898, "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations" was issued by the President of the United States on February 11, 1994. This order established requirements to address environmental justice concerns within the context of agency operations. As part of the NEPA process, agencies are required to identify and address disproportionately high and adverse human health or environmental effects on minority or low-income communities. Federal agencies are directed to



ensure that federal programs or activities do not result, either directly or indirectly, in discrimination on the basis of race, color, or national origin.

The CEQ has provided guidance on addressing environmental justice under NEPA (CEQ 1997b). Under the guidance, minority populations are identified where the percentage of minorities in the affected area exceeds 50 percent, or where the minority population percentage of the affected area is meaningfully greater than the minority population percentage of a much broader area. Likewise, low-income populations are identified where the percentage of the population within the affected area that falls below the poverty line is meaningfully greater than the proportion of the broader area. For this analysis, the minority race and ethnic populations, and the proportion of residents that fall below the poverty line within the individual Proposed Recipient communities, are compared with Arizona and the United States to determine if they are considered EO 12898 populations.

#### *3.7.2.2.1 Race and Ethnicity*

Within the analysis area, Buckeye, El Mirage, and Tucson have Hispanic or Latino population proportions that are above Arizona's and the counties' Hispanic or Latino population proportions. The communities, however, would not constitute EO 12898 populations as their Hispanic or Latino and non-White populations do not exceed 50 percent of the total population and are not meaningfully greater than Arizona's non-White and Hispanic or Latino populations. Non-White minority populations in each of the Proposed Recipient communities are below or comparable to Arizona's and the counties' non-White minority populations. No individual race represents a disproportionately higher part of the populations, nor does any minority race exceed 50 percent of the population within any of the Proposed Recipient communities (see Section 3.7.2.1.1 and Table 8).

#### *3.7.2.2.2 Low-Income Populations*

Low-income populations for this analysis are defined as those individuals and families that have fallen below the poverty line within a year of the most recent available census data, which was published in 2014. The poverty threshold in 2014 for a family of four with two children under 18 years of age was about \$28,000 per year in household income. The poverty threshold for an individual under 65 years of age in 2014 was about \$12,000 per year in individual income (USCB 2014). The household poverty rates are between \$18,000 for a household of three and \$49,000 for a household of nine or more.

As discussed in Section 3.7.2.1.2 and outlined in Table 9, Arizona has slightly higher rates of families and individuals living below the poverty rate than the United States. Apache Junction, El Mirage, and Tucson have higher poverty rates than the United States while Cave Creek, Gilbert, Marana, Queen Creek, and Sun City West have substantially lower poverty rates than Arizona and the counties. Apache Junction, El Mirage, and Tucson would not be considered EO 12898 populations because the poverty rates for families and individuals within these communities are not meaningfully higher than state and national rates, nor do they exceed 50 percent of the population (Table 9).

### **3.7.3 Environmental Consequences**

#### **3.7.3.1 No Action Alternative**

Under the No Action alternative, the Secretary would reject the Proposed Reallocation recommendation (i.e., the Proposed Action). In accordance with the AWSA, ADWR would then be required to revise and provide to Reclamation another NIA Priority CAP water reallocation recommendation that potentially could require a new reallocation determination process and NEPA analysis for the new recommendation. It is not possible to assume what the new recommendation would be since the basis for the Secretary's potential rejection is not known. Therefore, the No Action alternative for this NEPA analysis reflects an indeterminate delay in the allocation process and, until a future reallocation is approved by the Secretary, no reallocation would occur.

Under the No Action alternative, indirect long-term impacts on the socioeconomic environment may include delays or reductions in residential development to meet population growth demands. The municipal Proposed Recipients would likely use available groundwater resources to supply water for residential and commercial development in the short term, which may result in overdraft of groundwater. Overdraft of groundwater may affect water quality, which would affect economic development and the quality of life of residents in the communities. If development continues at its current and projected rates, overdraft of groundwater may lead to reduction in water availability and result in housing shortages, loss of jobs, and reductions in tax revenues. Industrial Proposed Recipients that have groundwater rights would continue to operate, using groundwater sources. There would be no direct impact on income and employment, but an indirect adverse impact may result due to a lack of reliable renewable water sources that would accommodate the communities' economic sectors.

For Proposed Recipients, the potential rejection of ADWR's reallocation recommendation also has the potential to slightly impact the resulting cost of future recipient's NIA Priority CAP water since the cost of any additional NEPA analysis(es) would be incurred by the recipients as part of the purchase price of the CAP water in order to recapture back capital charges.

Within the Pinal AMA, Diablo Village, which would be the recipient of water allocated to the MDWID under the recommendation, would rely on the CAGR for groundwater replenishment services under the No Action alternative. The CAGR would also not receive the proposed allocated water under the No Action alternative, thus having less water for replenishment services. Currently and under the No Action alternative, the Diablo Village development would use groundwater supplied from two wells and an emergency backup interconnect with Tucson Water. The groundwater level below Diablo Village is currently very deep, and the rejection of the recommendation would result in greater groundwater depletions – up to 245 feet over the next 100 years.

#### **3.7.3.2 Proposed Action**

Under the Proposed Action, ADWR's reallocation recommendation for NIA Priority CAP water would be accepted by the Secretary and each Proposed Recipient would enter into a subcontract with the CAWCD and begin receiving their CAP water allocation based on established priority standards.

### 3.7.3.2.1 *Socioeconomics*

The proposed NIA Priority CAP water reallocations would cost the Proposed Recipients approximately \$161 per AFA of water for the actual cost of delivering the water. An additional \$4 per AFA for would be charged for environmental compliance during the first year. In addition, back capital charges and debt repayment would total \$1,300 to \$1,500 per AFA, which would be paid in five annual payments.

Payments for allocated water would result in an annual delivery cost between \$18,032 and \$2.93 million for municipal Proposed Recipients, and between \$64,400 and \$360,318 for industrial Proposed Recipients. Back capital charges and debt repayment would cost municipal Proposed Recipients between \$145,600 and \$27.28 million, and between \$520,000 and \$3.36 million for industrial Proposed Recipients, paid over five years. Environmental compliance would cost the Proposed Recipients between \$448 and \$72,740, and between \$1,760 and \$8,952 for the industrial Proposed Recipients, paid once during the first year of water delivery. It is likely these costs would be passed along to the users within the municipal Proposed Recipients' service areas, resulting in an increase in water costs for individual users. The increase for industrial Proposed Recipients would likely be absorbed as operating expenses.

Population growth and economic development are expected to continue within the AMAs, the counties, and the communities. The Proposed Action, when added to the beneficial effects of economic growth, would accommodate the overall socioeconomic development within the analysis area. Socioeconomic impacts within the analysis area are also expected to range from minor beneficial to minor adverse impacts. Minor beneficial impacts include a relatively secure water supply so that communities and industrial recipients could plan economic development and growth, while reducing groundwater overdraft. Adverse indirect impacts would result from potential future shortages of CAP water. During periods of shortages on the Colorado River, the Proposed Recipients may not receive all or part of the NIA Priority CAP water due to the low priority of the water within the CAWCD pool structure. While the Proposed Action would not have a direct impact on income and employment, the availability of a stable and affordable water supply would accommodate the economic sectors that form the basis of the communities' economies.

Under the Proposed Action, the municipal Proposed Recipients that are intending to use the reallocated NIA Priority CAP water directly would have additional water supplies to support population growth and economic development, which are expected to occur independently of the Proposed Action, while reducing groundwater overdraft. The municipal Proposed Recipients that are intending to use the reallocated NIA Priority CAP water for storage and recovery would be able to balance their water needs and demands and reduce groundwater overdraft.

### 3.7.3.2.2 *Environmental Justice*

No communities within the analysis area would be considered to have EO 12898 populations. The reallocation of NIA Priority CAP water to the Proposed Recipients may result in economic growth in the AMAs, counties, and communities, including those with a higher ratio of Hispanic or Latino residents and families and individuals that fall below the poverty line.



### **3.7.4 Cumulative Effects**

#### **3.7.4.1 CAP Water Projects, Water Demand, Population Growth, and Land Use**

As discussed in Section 3.2.1.2, past and future increasing populations within the AMAs and communities have resulted in, and are expected to continue to, result in increased water demand as residential and economic development continues. During periods of shortages on the Colorado River, the Proposed Recipients may not receive all or part of the NIA Priority CAP water due to the low priority of the water within the CAWCD pool structure. In these events, the Proposed Recipients would likely use groundwater to supplement their water supply if other water sources are not or cannot be obtained. The increased water demand would require increased implementation of water conservation measures and increased use of water recycling/reuse programs, which could lead to slower rates of economic growth and increased water costs for the Proposed Recipients. With these cumulative impacts, the need and search for new renewable water supplies for the AMAs under projects such as the Proposed Action and other CAP water projects would likely need to continue if conservation measures and use of water recycling/reuse programs are not enough to achieve safe yield conditions in the AMAs.

#### **3.7.4.2 Climate Change**

As discussed in Section 3.2.1.3, climate models predict the arid regions of the southwestern United States will become increasingly dry and that a transition to a more arid climate is already underway. Population growth in the arid Southwest, for which water is a necessary requirement, would contribute to stresses on the environment and the water resources in the region. Arizona has been preparing for the potential effects of future shortages on the Colorado River by storing excess CAP water when available. The reallocation of NIA Priority CAP water to the Proposed Recipients who intend to store the water would help mitigate future water shortages from climate change, which would be a beneficial impact.

During periods of shortages on the Colorado River, the Proposed Recipients may not receive all or part of the NIA Priority CAP water due to the low priority of the water within the CAWCD pool structure. This could result in slower and potentially lower levels of economic development than is projected within the communities. This could also lead to increased costs for water as it becomes more scarce. Projected future conditions as a result of climate change would require increased implementation of water conservation measures and increased use of water recycling/reuse programs, which would impact the rate and extent of economic growth and development.

### **3.8 Resources Considered But Not Affected**

Due to the nature of the Proposed Action, the following resource areas are not anticipated to be affected to any measurable degree and, therefore, are not included in the analysis: air quality, geology and soils, recreation resources, and visual resources.

## **4.0 Environmental Laws and Directives Considered**

This section presents a summary of selected federal laws, regulations, and EOs considered in preparation of this EA.

### **4.1 National Environmental Policy Act of 1969, as amended (P.L. 91-190)**

This law requires federal agencies to evaluate the potential environmental consequences of major federal actions. NEPA also requires full public disclosure about the Proposed Action, accompanying alternatives, impacts, and mitigation. Public and agency scoping was initiated on November 19, 2015. Additional details on the scoping process are available in Section 1.4. This EA was prepared in accordance with NEPA requirements.

### **4.2 Fish and Wildlife Coordination Act (FWCA) (P.L. 85-624)**

The FWCA provides a procedural framework for the consideration of fish and wildlife conservation measures in federal water resource development projects. Coordination with the FWS is required on all federal water development projects. The effects of the CAP were originally addressed in an amended FWCA report prepared by the FWS in 1989. A scoping notice for this EA was sent to the Arizona Ecological Service office of the FWS and no concerns were expressed by that agency with respect to the FWCA. No further coordination pursuant to the FWCA is anticipated.

### **4.3 Endangered Species Act of 1973 (ESA) (P.L. 93-205)**

The ESA provides protection for plants and animals that are currently in danger of extinction (endangered) and those that may become extinct in the foreseeable future (threatened). Section 7 of this law requires federal agencies to ensure that all federally associated activities do not have adverse impacts on the continued existence of threatened or endangered species or designated areas (critical habitat) that are important in conserving those species. Because construction of new water diversions or development of land for residential, commercial, industrial, or agricultural purposes would be subject to applicable federal and tribal laws and regulations, including the ESA, these future developments would be analyzed under a separate NEPA analysis to address effects on listed species as part of subcontract agreements with Reclamation.

### **4.4 Wild and Scenic Rivers Act of 1968 (P.L. 90-542)**

This law designated the initial components of the National Wild and Scenic River System and established procedures for including other rivers or reaches of rivers that possess outstandingly remarkable scenic, recreational, geologic, fish and wildlife, historic, cultural, or other similar values, and preserving them in a free-flowing condition. The act applies to waters designated, or eligible for designation, as wild and scenic. Because there would be no construction or other disturbance associated with the Proposed Action, no wild and scenic rivers within the analysis area would be affected by the Proposed Action. While no impacts on designated wild and scenic rivers, or waters eligible for designation, are anticipated from future actions required to take and use the reallocated water, any proposed future actions would be subject to a subsequent environmental compliance process pursuant to the Water Service Subcontract.

#### **4.5 Wilderness Act of 1964 (P.L. 88-577, as amended)**

This law established the National Wilderness Preservation System to preserve certain federal lands (Wilderness Areas) for the public purposes of recreation, scenic, scientific, educational, conservation, and historical use by current and future generations of the American people. No wilderness areas within the three AMAs would be affected by the Proposed Action as there would be no associated ground disturbance within the AMA wilderness areas associated with the receipt of NIA Priority CAP water for any of the Proposed Recipients. Any future ground disturbances for water infrastructure would be subject to a separate environmental analysis under the terms of the Proposed Recipient contracts, and in compliance with the Wilderness Act.

#### **4.6 Clean Water Act (CWA) (P.L. 92-500, as amended)**

This law establishes the basic structure for regulating discharges of pollutants into the nation's rivers, lakes, estuaries, and coastal waters. Under Section 404 of the CWA, the U.S. Army Corps of Engineers (Corps) regulates the discharge of dredged and/or fill material into waters of the United States including wetlands. If waters of the United States might be affected by construction of potential future infrastructure by the Proposed Recipient(s), a delineation of waters of the United States and application(s) for 404 permit(s) would be submitted to the Corps on a case-by-case basis.

On December 5, 2002, EPA Region 9 approved the state of Arizona's Pollutant Discharge Elimination System (AZPDES) Program pursuant to Section 402 of the CWA. An AZPDES permit would be obtained from the state by the Proposed Recipient(s) prior to construction. If required in the future, a CWA Section 401 certification would be obtained from the state by the Proposed Recipient(s).

#### **4.7 National Historic Preservation Act (NHPA) (P.L. 89-665, as amended by P.L. 96-515)**

The NHPA protects buildings, sites, districts, structures, and objects that have significant scientific, historic, or cultural value. The act established affirmative responsibilities of federal agencies to preserve historic and prehistoric resources. Effects on properties that are listed on, or that are eligible for listing on, the National Register must be taken into account in planning and operations. Any property that may qualify for listing on the National Register must not be inadvertently transferred, sold, demolished, substantially altered, or allowed to deteriorate.

Section 306108 (formerly Section 106) of the NHPA requires federal agencies to take into account the effects of their undertakings on historic properties. The Advisory Council on Historic Preservation (ACHP) is then afforded a reasonable opportunity to comment. The historic preservation review process is outlined in regulations issued by the ACHP. Revised regulations, known as "Protection of Historic Properties" (36 CFR Part 800), were updated on August 5, 2004.

In addition to considering the effects of their undertakings on historic properties, Section 306102 (formerly Section 110) of the NHPA requires federal agencies to establish a historic preservation program to identify and protect historic properties under their management or control. The plans must include a process for evaluating historic properties for listing on the National Register.



The following Native American tribes have been sent this draft EA for their information:

- Ak Chin Indian Community
- Fort McDowell Yavapai Nation
- Gila River Indian Community
- Hopi Tribe
- Pascua Yaqui Tribe
- Salt River Pima-Maricopa Indian Community
- San Carlos Apache Agency
- San Carlos Apache Tribe
- San Xavier Allottee Association, Inc.
- Tohono O’odham Nation
- Tonto Apache Tribe
- Yavapai-Apache Nation
- Yavapai-Prescott Indian Tribe

No comments were received from these tribes during the scoping period.

#### **4.8 Farmland Protection Policy Act (P.L. 97-98)**

This law requires identification of proposed actions that would adversely affect any lands classified as prime and unique farmlands to minimize the unnecessary and irreversible conversion of farmland to nonagricultural uses. The U.S. Department of Agriculture’s Natural Resources and Conservation Service administers this law. No ground disturbance would occur under the Proposed Action. Any future land development or other ground disturbances for water infrastructure would be subject to a separate environmental analysis under the terms of the Proposed Recipient contracts, and in compliance with the Farmland Protection Policy Act.

#### **4.9 Executive Order 11988 (Floodplain Management)**

This presidential directive encourages federal agencies to avoid, if reasonable alternatives exist, the short- and long-term adverse impacts associated with floodplain development. Federal agencies are required to reduce the risk of flood loss; minimize the impacts of floods on human safety, health, and welfare; and restore and preserve the natural and beneficial values served by floodplains in carrying out agency responsibility. No ground disturbance would occur in floodplains under the Proposed Action. Any future land development or other ground disturbances for water infrastructure would be subject to a separate environmental analysis under the terms of the Proposed Recipient contracts, and in compliance with EO 11988.

#### **4.10 Executive Order 12898 (Environmental Justice)**

EO 12898 requires federal agencies to identify and address, as appropriate, disproportionately high and adverse human health or environmental effects of federal actions on minority populations and low-income populations. As noted in Section 3.7–Socioeconomic Resources, within the analysis area, Buckeye, El Mirage, and Tucson have Hispanic or Latino population proportions that are above Arizona’s and the counties’ Hispanic or Latino population proportions. The communities, however, would not constitute EO 12898 populations as their

Hispanic or Latino and non-White populations do not exceed 50 percent of the total population and are not meaningfully greater than Arizona's non-White and Hispanic or Latino populations. Non-White minority populations in each of the Proposed Recipient communities are below or comparable to Arizona's and the counties' non-White minority populations. Apache Junction, El Mirage, and Tucson have higher poverty rates than Arizona and the United States, but would not be considered EO 12898 populations because the poverty rates for families and individuals are not meaningfully higher than state and national rates. Thus, the Proposed Action is not an environmental justice consideration.

#### **4.11 Executive Order 11990 (Wetlands)**

EO 11990 requires federal agencies, in carrying out their land management responsibilities, to take action that would minimize the destruction, loss, or degradation of wetlands and take action to preserve and enhance the natural and beneficial values of wetlands. No wetlands are anticipated to be affected by the Proposed Action. Any future development or other work in waters of the United States for water infrastructure would be subject to a separate environmental analysis under the terms of the Proposed Recipient contracts, and in compliance with Section 404 of the CWA.

#### **4.12 Department of the Interior, Secretarial Order, Indian Trust Assets (ITAs)**

ITAs are legal interests in assets held in trust by the U.S. government for Native American tribes or individual Native Americans. These assets can be real property or intangible rights including lands, minerals, water rights, hunting rights, other natural resources, and money. The trust responsibility requires that all federal agencies take actions reasonably necessary to protect ITAs. The water rights included in the Proposed Reallocation are not ITAs and, therefore, there would be no impact on ITAs from the Proposed Action.

## 5.0 Agencies and Persons Consulted

### 5.1 Agencies and Entities Consulted

#### 5.1.1 Federal

Advisory Council on Historic Preservation  
Bureau of Land Management  
National Park Service  
U.S. Army Corps of Engineers  
U.S. Fish and Wildlife Service  
U.S. Forest Service  
U.S. Geological Survey

#### 5.1.2 State

Arizona Department of Environmental Quality  
Arizona Game and Fish Department  
Arizona State Historic Preservation Office  
Arizona State Lands Department  
Arizona State Parks  
Arizona Department of Transportation

#### 5.1.3 Counties

Maricopa County  
Pima County  
Pinal County

### 5.2 Cooperating Agencies

Arizona Department of Water Resources  
Central Arizona Water Conservation District

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**Appendix A. Regulatory Framework (AWSA)**

Appendix A consists of the Arizona Water Settlements Act – Public Law 108–451 dated December 10, 2004. Because the Act is a certified and protected document, it could not be made Section 508 accessible. Therefore, a link to the Act is provided below.

<https://www.gpo.gov/fdsys/pkg/PLAW-108publ451/pdf/PLAW-108publ451.pdf>



**Appendix B. Proposed Recipient Water Reallocation Applications**

Appendix B consists of the Proposed Recipient Water Reallocation Applications. Because the applications are numerous, oftentimes lengthy, and not in a format suitable for optical character recognition, the applications were not made Section 508 accessible. Therefore, a link to the applications is provided below.

<http://www.azwater.gov/AzDWR/PublicInformationOfficer/Non-IndianAgriculturalReallocationProcess.htm>

**Appendix C. ADWR Process for Selecting Proposed Recipients**



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SANDRA A. FABRITZ-WHITNEY  
Director

## ARIZONA DEPARTMENT OF WATER RESOURCES

Colorado River Management  
3550 North Central Avenue, Second Floor  
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### Non-Indian Agricultural Priority Central Arizona Project Water Reallocation Final Process and Evaluation Criteria February 2013

#### Introduction and Goals

On December 10, 2004, the Arizona Water Settlements Act, Public Law 108-451 (Settlements Act), was enacted. The Settlements Act ratified the Arizona Water Settlement Agreement (Agreement) between the United States, the Arizona Department of Water Resources (Department), and the Central Arizona Water Conservation District (CAWCD) and provided for the reallocation of 96,295 acre-feet of Non-Indian Agricultural Priority Central Arizona Project Water (NIA Priority CAP water) for municipal and industrial uses in the state of Arizona

Both the Settlements Act and the Agreement required the Secretary of the Interior (Secretary) to reallocate the 96,295 acre-feet of NIA Priority water to the Department "to be held under contract in trust for further allocation."<sup>1</sup> Both the Settlements Act and the Agreement also specified that the Director of the Department shall submit a recommendation for reallocation to the Secretary, and any reallocation shall be based on the Director's recommendation or revised recommendation.<sup>2</sup> The Agreement further provided that the Department develop eligibility criteria and make the NIA Priority water available for reallocation "at periodic intervals, starting in 2010."<sup>3</sup> On August 22, 2006, the Secretary reallocated the 96,295 acre-feet of NIA Priority water to the Department acknowledging that "before the water may be further allocated the Director of ADWR shall submit to the Secretary of the Interior a recommendation for reallocation."<sup>4</sup>

The Department has identified the following goals for this reallocation:

- 1) Reduce groundwater overdraft,
- 2) Provide an additional source of water to areas with limited physical availability of groundwater, and

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<sup>1</sup> Settlements Act § 104(a)(2)(A); see also Agreement Paragraphs 3.1 and 9.3.1.

<sup>2</sup> Settlements Act § 104(a)(2)(C); see also Agreement Paragraph 9.3.4. The Department has traditionally provided recommendations of allocations of CAP water to the Secretary, consistent with its authority in A.R.S. § 45-107.

<sup>3</sup> Agreement Paragraph 9.3.4.

<sup>4</sup> *Notice of Modification to the Secretary of the Interior's Record of Decision, Publication of a Final Decision of CAP Water Reallocation*, 71 Fed. Reg. 50449, 50451 (Aug. 25, 2006).

- 3) Meet the near-term demands for existing municipal water providers (not including irrigation districts that serve non-irrigation uses) and industrial users of groundwater or Excess Central Arizona Project (CAP) water that have permanent demands.

The Department has received letters of interest for this reallocation water in volumes that exceed the amount available for reallocation and expects that a greater volume will be requested through the application process. Therefore, requested volumes may not be fully met for all applicants in this process.

This reallocation is for NIA Priority water which has a lower priority than Indian and Municipal and Industrial (M&I) Priority CAP water. This water is expected to have reduced availability, especially during times when Arizona is affected by shortage operations on the Colorado River. The Department's analysis of the average availability of this 96,295 af of NIA Priority water predicts that an average of about 64,000 af will be available over the next 100 years, assuming a moderate development schedule on the mainstem of the Colorado River. This availability is expected to reduce to an average of about 58,000 af after 2030 due to projected increases in use for all Colorado River water users. Within this average availability over the next 100 years, it is anticipated that this NIA water supply will be fully available in some years, partially available in other years, and in some years it will not be available at all. Recipients of this reallocation will need alternate water supplies and the necessary infrastructure to use those alternate water supplies in order to meet future firm demands in years of reduced or no availability of this NIA Priority water.

### **Structure of the Reallocation Process**

The reallocation will be structured so that volumes of water will be available at periodic intervals as follows:

1. The Department will offer the 96,295 acre-feet of CAP NIA Priority entitlement to existing non-Indian M&I water providers and industrial water users in a tiered process with phases starting in 2013, 2021 and, if needed, in 2030. The timing will coincide with necessary actions required to meet requirements of the Agreement, as well as other considerations.

Different types of water users are eligible for this reallocation. Several different 'pools' have been created within this reallocation process to acknowledge these different types of water users and to allow applicants to compete more fairly within their own category.

2. First, the reallocation is divided between potential applicants within the three-county CAWCD service area (CAP service area), including the Central Arizona Groundwater Replenishment District (CAGR), and potential applicants outside the CAP service area. The Agreement provides that the Department "shall make [NIA Priority water] available for reallocation to non-Indian M&I water users *within* the State of Arizona."<sup>5</sup> Neither the Agreement, to which the State of Arizona, CAWCD, and Reclamation are parties, nor the Settlement Act limit the reallocation to the CAP service area.<sup>6</sup> Allocating CAP water outside the CAP service area is also consistent with state statute and with previous allocations. Section 48-3707(A), A.R.S. provides that "Water users outside the district may contract for a water supply from the central Arizona project directly with the secretary or with the district on the basis of paying costs allocated by the secretary." In 1983, the Secretary allocated CAP water to 13 entities outside the CAP service area.<sup>7</sup>

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<sup>5</sup> Agreement, Paragraph 9.3.4.2 (emphasis added).

<sup>6</sup> Compare Agreement, Paragraphs 9.3.4.3 and 9.3.4.4, in which the parties agreed to provide a right of first refusal for a volume of water in each of two specified areas.

<sup>7</sup> 48 Fed. Reg. 12446, March 24, 1983.

3. The full reallocation volume of 96,295 af has been divided into these two pools. Water demand studies and population projections for 2020 were analyzed with the final assessment indicating that approximately 18% of the state's population will be outside of the CAP service area and 82% will be within the CAP service area. This ratio was applied to the full reallocation volume to derive the distribution of 78,962 af to be available within the CAP service area and 17,333 af available for outside of the CAP service area.
4. A pool of 12,000 af has been identified for Industrial water users within the CAP service area. This volume was determined by applying an average percentage of industrial water demands compared to municipal water demands to the pool of water available for reallocation within the CAP service area. This pool of water will be made available for the 2013 phase of the reallocation and is part of the CAP service area reallocation amount of 78,962 af.
5. A pool of 34,629 af has been identified for M&I water providers within the CAP service area and the CAGR. CAGR member service areas and water providers that serve member lands can compete in the process, as well as the CAGR itself. This pool of water will be made available for the 2013 phase of the reallocation and is part of the CAP service area reallocation amount of 78,962 af.
6. Another pool of 17,333 af has been identified for M&I water providers within the CAP service area and the CAGR and will be made available in the 2021 phase of the reallocation. This pool is also part of the CAP service area reallocation amount of 78,962 af.
7. The amount identified for outside of the CAP service area (17,333 af) will be offered in the 2021 phase of the reallocation. Anticipated applicants in this category have indicated that this timing will allow for the technical, engineering, and financial planning that may be required to utilize this water supply. Whether the resulting acquisition of the entitlement is diverted from the Colorado River or utilized in an exchange for other locally available surface water supplies with an entity that has a right to that water, the acquired entitlement can be used to augment existing M&I water supplies to address near-term water needs. The Department will develop selection criteria and process details in a timeframe closer to the initiation of this phase of the process.
8. The Agreement provides that M&I water providers serving two defined areas in the Pinal AMA (the Central Arizona Irrigation and Drainage District (CAIDD) area and the Maricopa Stanfield Irrigation and Drainage District (MSIDD) area, as defined in Exhibits 9.3.4.3 and 9.3.4.4 in the Agreement) have a right of first refusal to 7.8% of the water in each phase of the reallocation for each area, up to 7,500 af for each area. A total of 15,000 af has been reserved for water providers in the CAIDD area and the MSIDD area, with 4,313 af reserved for each area for the 2013 phase of the reallocation. This total 15,000 af is within the CAP service area and is a segregated pool of water within the CAP service area reallocation amount of 78,962 af.
9. The Agreement provides that beginning in 2021, the remaining amount of the 15,000 af reserved for water providers in the CAIDD and MSIDD areas (6,374 af), plus any of the 4,313 af that had been previously offered to the CAIDD and MSIDD areas separately that has not been contracted, will be offered for reallocation to all water providers within either of those two areas under criteria determined by the Department.
10. The Agreement further provides that beginning in 2030, any water held for first refusal by water providers within the CAIDD and MSIDD areas and not yet contracted will be offered to the Pinal County Water Augmentation Authority consistent with their right of second refusal.
11. If NIA Priority water (other than the 15,000 af held for first refusal by the CAIDD or MSIDD areas) is not contracted during the 2013 and 2021 phases, a second phase of the 2021 reallocation may be initiated. This remaining NIA Priority water and the water management needs of the state will be assessed, and the reallocation process and criteria for this remaining water will be determined at that time. The Department will develop selection criteria and process details at a time closer to the initiation of this phase of the process.



## **Selection Criteria for 2012 CAP Service Area Reallocation**

The following criteria will be used to evaluate all applicants for the 2013 CAP service area reallocation phase of the NIA Priority Reallocation, unless otherwise specified.

1. Qualified applicants can include existing municipal providers (not including irrigation districts that serve non-irrigation uses) located within the CAP service area, industrial water users located within the CAP service area, and the CAGR D.
2. Qualified applicants must be able to demonstrate that the costs associated with acquiring and utilizing this supply have been analyzed and that there exists the ability and intention to meet these financial requirements.
3. Qualified applicants must demonstrate the ability to: (1) directly use this NIA Priority water, (2) store and recover, or (3) replenish this water in a manner consistent with the water management goals for the AMA.
4. Qualified applicants will need to provide a water management plan that demonstrates how they plan to utilize this water supply by 2020, and how they will manage the future shortages associated with this water supply. Applicants should describe the necessary infrastructure used to access this NIA Priority water supply. If an alternate water supply will be used, applicants shall discuss the source of this supply and the infrastructure to be used to access this alternate supply. All financial obligations associated with these water supplies and the necessary infrastructure shall be discussed within the financial analysis.
5. The Department will consider each applicant's Demand and Supply Imbalance projected for 2020 when recommending allocations. Demand and Supply Imbalance will be calculated by subtracting available renewable water supplies for 2020 from projected demands for 2020. Renewable supplies shall include all water supplies available to the applicant except groundwater and Excess CAP water. Applicants will be asked to submit their Demand and Supply Imbalance projections and the Department will substantiate the submittals using previously submitted and other available data commonly used in Department planning studies.
6. If an applicant's Requested Volume exceeds the Demand and Supply Imbalance for 2020, the Requested Volume will be reduced accordingly. For each pool of water identified for this phase of the reallocation, if the sum of all Requested Volumes for reallocation exceeds the available amount, the annual reallocation recommendation for each applicant will be distributed from the available reallocation amount on a pro-rata basis with the Requested Volumes of all qualified applicants in that pool.
7. For the CAIDD and MSIDD Pools (4,313 af each):
  - a. Municipal providers shall provide water to the CAIDD and/or the MSIDD areas identified in the Agreement Exhibits 9.3.4.3 and 9.3.4.4.
  - b. CAGR D is not eligible to compete for this pool of the reallocation.
  - c. Municipal providers serving the CAIDD area and/or the MSIDD area will be evaluated for an annual reallocation recommendation based on all of the criteria described in this document, including their Demand and Supply Imbalances for 2020.
  - d. If the Requested Volumes for these pools of water exceed the available amounts, the remaining Requested Volumes for each applicant will be included for evaluation under the Municipal Pool.

8. For the Industrial Pool (12,000 af):
  - a. Qualified industrial applicants will include currently authorized groundwater users and must demonstrate a Demand and Supply Imbalance for 2020 greater than 400 acre-feet per year.
  - b. Application requests must be for a specific use in a specified location.
  - c. An industrial user that receives water from a municipal provider may apply for this Industrial Pool of water if the requested amount is not also counted under the municipal provider's requested amount.
  - d. Applications will be evaluated based on the demonstration of the replacement of an actual groundwater use.
  
9. For the Municipal Pool (34,629 af):
  - a. Municipal providers, both public and private, and the CAGRDR will be evaluated in the same pool.
  - b. The Demand and Supply Imbalance for the CAGRDR will be calculated based on its projected actual 2020 replenishment obligation (not necessarily the Plan of Operation projection), not including its replenishment reserve requirements.
  - c. If a member service area or water provider serving a member land specifies that an allocation of this NIA Priority water will be used to reduce its reported Excess Groundwater use to the CAGRDR and is recommended to receive part of this NIA Priority water, CAGRDR's Demand and Supply Imbalance will be reduced accordingly.

**Appendix D. Scoping Newsletter, Mailing List, and Press Release**





### **Scoping Newsletter 1 November 2015**

The Bureau of Reclamation (Reclamation), in cooperation with the Arizona Department of Water Resources (ADWR) and the Central Arizona Water Conservation District (CAWCD), is preparing an environmental assessment (EA) to act upon the recommendation by ADWR for the proposed reallocation of 46,629 acre-feet annually (AFA) of non-Indian agricultural (NIA) priority water to municipal and industrial (M&I) users in the Phoenix, Pinal, and Tucson Active Management Areas (AMAs) within the Central Arizona Project (CAP) service area. The Arizona Water Settlements Act of 2004 outlines that this water can be reallocated to M&I users upon approval by the Secretary of the Department of the Interior (Secretary). The reallocation of this water is needed to help AMAs meet their targets for reducing groundwater overdraft, while still developing their economies.

The EA is being prepared to meet the requirements of the National Environmental Policy Act (NEPA). The EA will help Reclamation and the Secretary understand the effects the proposed reallocations will have on the environment and natural resources. The EA, and any public comments received on its adequacy in describing the anticipated effects, will be considered prior to a decision being made whether or not to approve ADWR's recommendation for the proposed reallocations.

Under NEPA, the first phase in preparing an EA is to conduct "scoping." The purpose of scoping is to identify the environmental issues associated with the proposed project. Reclamation is asking the public for comments to help determine the scope of the analysis to be contained in the EA. Please send your thoughts, ideas, and concerns regarding the recommendation for proposed water reallocation and the issues that should be analyzed in the EA to Reclamation by December 18, 2015.

Reclamation is hosting three public meetings and open houses (December 8, 9, and 10, 2015) to provide the public with information on the proposed approval of ADWR's recommendation for water reallocation and an opportunity to submit written and oral comments directly to Reclamation. One meeting will be held in each of the AMAs where proposed recipients are located: Phoenix, Pinal County, and Tucson. The scoping meetings schedule is below. The open house portion of each meeting will be from 4:30 pm to 6:30 pm. Brief presentations from Reclamation regarding the EA process and from ADWR and CAWCD regarding the proposed project will begin at 4:30 pm, followed by the opportunity for the public to provide oral and/or written testimony, to view resource-specific information, and to ask

questions about specific resources and the NEPA process. Oral testimony will be limited to three minutes per person. A court reporter will be on hand to record comments.

We encourage you to attend one of the open houses and to share your scoping comments with Reclamation.

## **PROJECT DESCRIPTION**

Historically, Arizona has relied heavily on groundwater to meet demand, resulting in overdraft of groundwater supplies, particularly in the central and southern parts of the state. Groundwater depletion is a serious issue that impacts drinking water quality, domestic water availability, economic growth, agricultural production, and environmental sustainability. Colorado River water delivered through the CAP plays an important role in reducing groundwater overdraft in the Phoenix, Pinal County, and Tucson communities by reducing groundwater use and providing a renewable source for groundwater recharge.

The CAP canal is 336 miles long, beginning at Lake Havasu on Arizona's western border at the Colorado River and terminating just south of Tucson. The CAP delivers about 1.5 million acre-feet annually (MAFA) of Colorado River water per year to Arizona's cities and towns, agricultural users, industries, and American Indian tribes and communities. An acre-foot (AF) is about the amount of water a family of four consumes in one year. The CAP was authorized by Congress in 1968 and was constructed between 1973 and 1993. The CAP is operated by the CAWCD and is overseen by an elected board of directors from Maricopa, Pima, and Pinal counties.

Since 1968, the Secretary has made multiple recommendations regarding the allocation of water for M&I, NIA, and Indian uses. Notably, in 1983, Secretary James Watt signed a Record of Decision published in the Federal Register (48 Fed. Reg. 12446) that identified specific amounts of CAP water to be allocated to M&I, NIA, and Indian users.

After the 1983 allocation recommendation, a total of 65,647 acre-feet annually (AFA) of M&I priority water, and 96,295 AFA of NIA priority water was not contracted. Therefore, the water was available for reallocation at a later time. The Arizona Water Settlements Act of 2004 (AWSA) was passed by Congress, establishing a final allocation of this available water. Under AWSA, a reallocation of the 65,647 AFA of previously uncontracted M&I priority water went to 20 specific M&I entities. Moreover, the Secretary made available 96,295 AFA of NIA priority water to ADWR to be held in trust for future allocation.

In 2012 ADWR began a reallocation process for 46,629 AFA of NIA priority water held in trust under the AWSA. They held public meetings and accepted applications from M&I users. The applications were reviewed and evaluated under specific criteria, with four primary goals:

- reduce groundwater overdraft
- provide additional water sources to areas with limited physical availability of groundwater
- meet current and future water demands
- meet the near-term demands for existing municipal water providers and industrial users of groundwater or excess CAP water that have permanent demands.

The Secretary will use the information from the NEPA process to make her decision regarding whether to accept or reject the ADWR recommendation.





## **PURPOSE AND NEED FOR THE PROJECT**

### **Purpose**

The AWSA obligates the Secretary to approve or reject ADWR's recommendation for reallocation. The purpose of the EA is to provide all the relevant information to the Secretary in a single, clear, and concise way so she can make an informed decision to accept or reject the recommendation and reallocate the NIA priority water. The purpose of the proposed action is to reallocate NIA Priority CAP water for M&I use pursuant to the AWSA and according to ADWR's recommendation.

Based on ADWR's recommendation, the proposed action would allow the reallocation of 46,629 AFA of NIA Priority CAP water to M&I users within the Phoenix, Pinal, and Tucson AMAs (see map).

### **Need**

The need for the water reallocation is to address the continuing imbalance of water supply and demand in central Arizona, specifically the overdraft of groundwater in the Phoenix and Tucson AMAs. While Arizona's population has increased by 157 percent between 1980 and 2010 (ADWR 2015), statewide water use has either declined or remained constant at approximately 7 MAFA per year. This is attributed to retirement of agricultural lands, reclaimed water use, conservation efforts, and water management initiatives. Although water use has declined or remained constant, continued population growth in the state will eventually result in an overall water supply shortfall. Because of population growth, the projected statewide water demand will increase to between 8.1 and 8.6 MAFA by 2035 and to between 8.6 and 9.1 MAFA by 2060 (Water Resources Development Commission (WRDC) 2011).

In 2006, municipal water demand was measured at 1.6 MAFA, which was 25 percent of all state water demand. The WRDC (2011) estimates that municipal demand will increase to roughly 2.7 MAFA by 2035 and 3.4 MAFA by 2060. Industrial uses account for approximately 6 percent of Arizona's water supply (about 400,000 AFA) and are also expected to increase over time to sustain economic growth. While these projections are based on high estimates of population growth, Arizona's urban populations are expected to grow even if economic growth is slower than expected. Between 0.9 and 3.2 MAFA of water will need to be developed in Arizona over the next 20 years to sustain population growth and meet consumption demands.

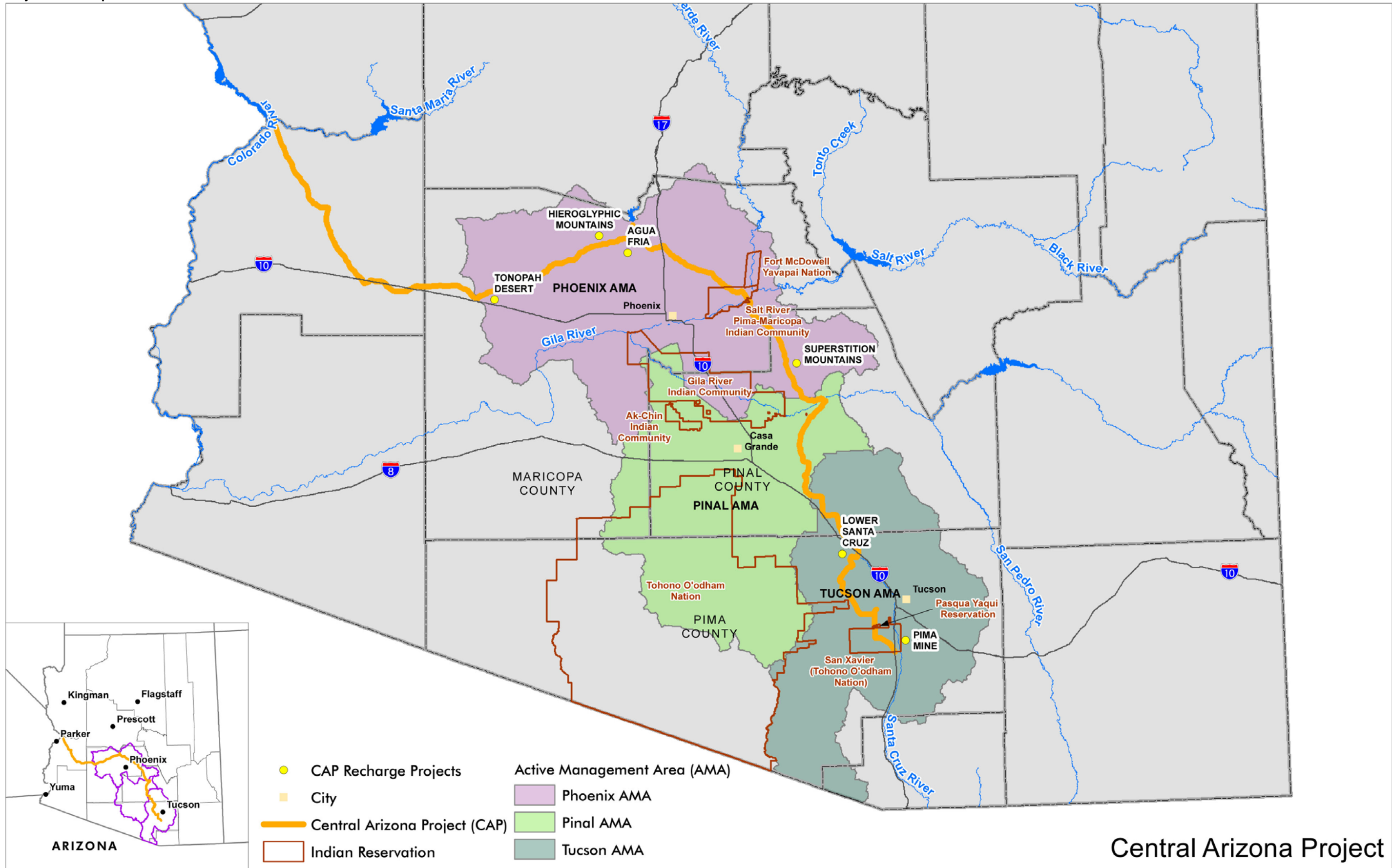


If the proposed action is approved, users within the Phoenix, Pinal, and Tucson AMAs would receive the reallocated NIA priority water. The Phoenix and Tucson metropolitan areas account for about 80 percent of Arizona's population and are expected to continue to be the major population centers, while Pinal County is currently dominated by an agricultural economy (Arizona Department of Economic Security 2012). The primary goal for the Phoenix and Tucson AMAs is to achieve a balance between the pumping and the replenishment of groundwater by 2025, so that groundwater resources are not depleted. The primary goals for the Pinal AMA are to develop nonirrigation uses of water, preserve the agricultural economy, and conserve water for future nonirrigation use.

Both Phoenix and Tucson continue to experience annual overdraft of groundwater supplies after renewable supplies are considered, including water currently allocated from CAP and offsets to groundwater pumping. The proposed action would contribute to the ADWR goal of reducing groundwater overdraft by increasing renewable surface water supplies that can be used for consumption and for recharging groundwater sources.



Project Area Map

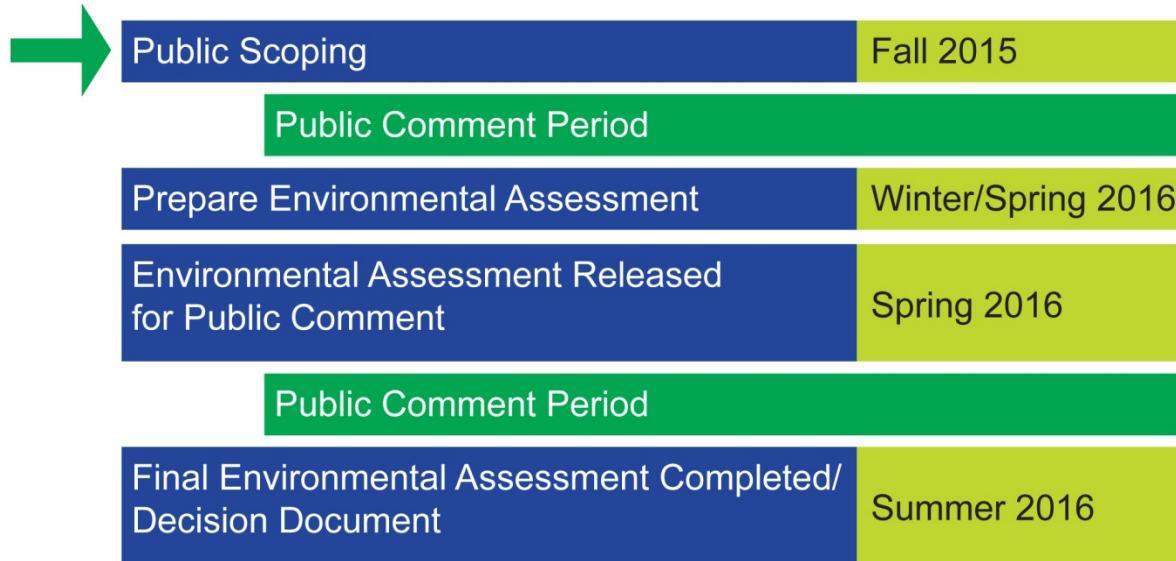


Central Arizona Project

**PROPOSED RECIPIENTS**

Recipient	Pool	Volume (acre-feet (AFA)/year)
Carefree Water Company	Municipal	112
Metropolitan Domestic Water Improvement District	Municipal	299
Town of Cave Creek	Municipal	386
EPCOR- Sun City West	Municipal	1,000
H <sub>2</sub> O Water Company-Town of Queen Creek	Municipal	1,000
Town of Marana	Municipal	515
Apache Junction WUCFD	Municipal	817
City of El Mirage	Municipal	1,318
Town of Gilbert	Municipal	1,832
City of Buckeye	Municipal	2,786
Town of Queen Creek	Municipal	3,162
Johnson Utilities	Municipal	3,217
Central Arizona Groundwater Replenishment District	Municipal	18,185
Viewpoint RV and Golf Resort	Industrial	400
New Harquahala Generating Company	Industrial	400
Rosemont Copper Co.	Industrial	1,124
Salt River Project	Industrial	2,160
Resolution Copper Mining	Industrial	2,238
Freeport-McMoRan- Sierrita Inc.	Industrial	5,678
Total Volume (AFA/year)		46,629

## PROJECT TIMELINE



### HOW TO PROVIDE SCOPING COMMENTS

Reclamation requests your input to identify issues or concerns that should be analyzed in the EA for the proposed reallocation of CAP water. You can provide comments in two ways:

1. Attend one of the scoping open houses and provide written and/or oral comments to Reclamation staff there.
2. Send written comments to:

U.S. Department of the Interior, Bureau of Reclamation  
Phoenix Area Office  
Attn: Kimberly Musser (PXAO-1500)  
6150 West Thunderbird Road  
Glendale, AZ 85306-4001  
E-mail: [cap\\_NIA@eroresources.com](mailto:cap_NIA@eroresources.com)

Please include your address, phone number, and e-mail address in your comment.

You should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. Please submit all comments by December 18, 2015. For questions regarding the EA process, please contact:

Kimberly Musser at (623) 773-6216 or [kmusser@usbr.gov](mailto:kmusser@usbr.gov).

### ADDITIONAL INFORMATION

Additional information regarding the proposed NIA CAP system water reallocation recommendation can be found on or requested through Reclamation's website:

<http://www.usbr.gov/lc/phoenix/>

Information about the background of the CAP can be found at:



<http://www.cap-az.com/>

Information about the Arizona Water Settlements Act of 2004, which provides the legal basis for the proposed project can be found at:

<http://www.azwater.gov/AzDWR/SurfaceWater/Adjudications/AZWaterSettlements.htm>

Information about ADWR's process for making recommendations for the proposed reallocation can be found at:

<http://www.azwater.gov/AzDWR/PublicInformationOfficer/Non-IndianAgriculturalReallocationProcess.htm>

## REFERENCES

Arizona Department of Economic Security (ADES) 2012. Employment and Population Statistics: Medium Series Population Projections, 2012-2050. Available at: <https://population.az.gov/population-projections>.

Arizona Department of Water Resources (ADWR). 2014. Arizona's Next Century: A Strategic Vision for Water Supply Sustainability (Strategic Vision) ([http://www.azwater.gov/AzDWR/Arizonas\\_Strategic\\_Vision/](http://www.azwater.gov/AzDWR/Arizonas_Strategic_Vision/)).

Water Resource Development Commission (WRDC). 2011. Final Report. Available at: [http://www.azwater.gov/AzDWR/WaterManagement/WRDC\\_HB2661/documents/WRDCFinalReport\\_Volumel.pdf](http://www.azwater.gov/AzDWR/WaterManagement/WRDC_HB2661/documents/WRDCFinalReport_Volumel.pdf).

## OPEN HOUSE SCHEDULE

### Phoenix

**December 8, 2015**

4:30 to 6:30 PM

Kenilworth Elementary School Auditorium  
1210 N 5th Ave  
Phoenix, AZ 85003

### Casa Grande

**December 9, 2015**

4:30 to 6:30 PM

Casa Grande Middle School Auditorium  
300 W McMurray Blvd  
Casa Grande, AZ 85122

### Tucson

**December 10, 2015**

4:30 to 6:30 PM

Valencia Public Library Large Meeting Room  
202 W Valencia Rd  
Tucson, AZ 85706



U.S. Department of the Interior, Bureau of Reclamation  
Phoenix Area Office  
6150 West Thunderbird Road  
Glendale, AZ 85306-4001

<p>Addressee</p>
<p>National Park Service  Department of the Interior  2120 North Central Ave., Suite 120  Phoenix, AZ 85004-1455</p>
<p>Sallie McGuire  Chief  AZ Section, Regulatory Branch  U.S. Army Corps of Engineers  3636 North Central Avenue, Suite 760  Phoenix, AZ 85012-1936</p>
<p>Chief  Tucson District  U.S. Geological Survey  520 North Park Avenue, Suite 221  Tucson, AZ 85719</p>
<p>Dr. James Leenhouts  Water Resources Division  U.S. Geological Survey  520 N Park Av Ste 22  Tucson, AZ 85719-5075</p>
<p>District Manager  Desert SW Regional Office  Western Area Power Administration  P.O. Box 6457  Phoenix, AZ 85005</p>
<p>Supervisor  Tonto National Forest  USDA Forest Service  2324 E. McDowell Rd  Phoenix, AZ 85006-2440</p>
<p>Director Raymond Suazo  Arizona State Office  Bureau of Land Management  1 N. Central Ave Ste 800  Phoenix, AZ 85004-4427</p>
<p>Mr. Jim Rorabaugh  U.S. Fish and Wildlife Service  201 N Bonita Ste 141  Tucson, AZ 85745-3053</p>
<p>Mr. Steve Spangle  Arizona Ecological Services Field Office  U.S. Fish and Wildlife Service  2321 W Royal Palm Rd Ste 103  Phoenix, AZ 85021-4974</p>
<p>Jean Calhoun  US Fish &amp; Wildlife Service  Tucson Sub-Office  201 N. Bonita, Suite 141  Tucson, AZ 85745</p>
<p>Greg Beatty  US Fish &amp; Wildlife Service  2321 W. Royal Palm Road, Suite 103  Phoenix, AZ 85021</p>
<p>David Schweikert</p>



<p>U. S. House of Representatives  10603 N. Hayden Rd Ste 108  Scottsdale, AZ 85260-5571</p>
<p>Honorable Raul Grijalva  Congressman  810 East 22nd St., Suite 102  Tucson, AZ 85713</p>
<p>Honorable John McCain  Senator  407 West Congress St., Suite 103  Tucson, AZ 85701</p>
<p>The Honorable Jeff Flake  Senator  2200 East Camelback Road  Suite 120  Phoenix, AZ 85016</p>
<p>Honorable Paul Gosar  Congressman  Arizona 4<sup>th</sup> District  122 N. Cortez Street, Suite 104  Prescott, AZ 86301</p>
<p>Matt Salmon  Congressman  Arizona 5<sup>th</sup> District  207 North Gilbert Road, Suite 209  Gilbert, AZ 85234</p>
<p>Honorable Ruben Gallego  Congressman  Arizona 7<sup>th</sup> District  411 N. Central Ave  Suite 150  Phoenix, AZ 85004</p>
<p>Honorable Trent Franks  Congressman  Arizona 8<sup>th</sup> District  7121 West Bell Road Suite 200  Glendale, AZ 85308</p>
<p>Honorable Kyrsten Sinema  Congresswoman  Arizona 9<sup>th</sup> District  2944 N. 44th Street  Suite 150  Phoenix, AZ 85018</p>
<p>Director  AZ Department of Environmental Quality  1110 West Washington St.  Phoenix, AZ 85007</p>
<p>Amanda Stone  Director, Southern District  AZ Department of Environmental Quality  400 W. Congress, Suite 433  Tucson, AZ 85701</p>
<p>Director  AZ Game &amp; Fish Department  5000 West Carefree Highway</p>

Phoenix, AZ 85086-5000
Nongame Branch Chief AZ Game & Fish Department 5000 W Carefree Hwy Phoenix, AZ 85086-5000
Mr. Jeff Sorensen Native Fish and Invertebrates Program Manager AZ Game & Fish Department 5000 W Carefree Hwy Phoenix, AZ 85086-5000
Director AZ State Lands Department 1616 West Adams Phoenix, AZ 85007
Southern Arizona Office AZ State Lands Department 177 North Church Ave., Suite 1100 Tucson, AZ 85701
Governor State of Arizona State Capitol Building 1700 West Washington Phoenix, AZ 85007
State Engineer's Office AZ Dept of Transportation 206 South 17th Ave., Rm 131A, MD102A Phoenix, AZ 85007
State Historic Preservation Officer AZ State Parks 1300 W. Washington St Phoenix, AZ 85007-2828
Mr. Thomas Buschatzke Director AZ Department of Water Resources 3550 N Central Ave Phoenix, AZ 85012-2100
Mr. C. H. Huckelberry County Administrator Pima County 130 West Congress St., 10th Fl. Tucson, AZ 85701
Office of the Mayor and Council Town of Sahuarita 375 West Sahuarita Center Way Sahuarita, AZ 85629
Town Manager Town of Sahuarita P.O. Box 879 Sahuarita, AZ 85629
Michael Ortega City Manager City of Tucson 255 W. Alameda P.O. Box 27210 Tucson, AZ 85726-7210

<p>Greg Stanley  County Manager  Pinal County  31 N. Pinal Street  Florence, AZ 85132</p>
<p>Tom Manos  County Administrator  Maricopa County  301 W. Jefferson, 10th Floor  Phoenix, Arizona 85003</p>
<p>City of Goodyear  Mark Holmes, Water Resources Manager  PO Box 5100  Goodyear, AZ 85338</p>
<p>City of Goodyear  Bob Beckley, Deputy City Manager  190 North Litchfield Road  Goodyear, AZ 85338</p>
<p>City of Peoria  Robin E. Bain, Environmental Resources Manager  8401 W. Monroe Street  Peoria, AZ 85345</p>
<p>City of Peoria  Alan R. Dulaney, Water Policy Administrator  8401 W. Monroe Street  Peoria, AZ 85345</p>
<p>City of Surprise  Angela Lucci  16000 North Civic Center Plaza  Surprise, AZ 85374</p>
<p>City of Surprise  Christine Nunez  16000 North Civic Center Plaza  Surprise, AZ 85374</p>
<p>City of Tempe  Eric Kamienski, Water Resources Manager  Tempe Public Works Department – Water Utilities  255 East Marigold Lane  Tempe, AZ 85281</p>
<p>Water Utilities Community Facilities District  Frank Blanco, Water District Director  Apache Junction Water District  PO Box 4768  Apache Junction, AZ 85178-0014</p>
<p>City of Buckeye  Ron Whitler, Water Resources Department  423 Arizona Eastern Avenue  Buckeye, AZ 85326</p>
<p>Town of Gilbert  Hakon Johanson, Water Resources Manager  50 E. Civic Center Drive  Gilbert, AZ 85296</p>
<p>EPCOR-Sun City West  Jake Lenderking, Water Resources Manager  2355 W. Pinnacle Peak Road, Suite 300</p>



Phoenix, AZ 85027
Johnson Utilities Daniel Hodges 5320 E. Shea Blvd, Ste. 200 Scottsdale, AZ 85254
Johnson Utilities Copy: Carlos D. Ronstadt The Law Office of Carlos D. Ronstadt, PLLC 7000 N. 16 <sup>th</sup> St., Suite 120, No. 510 Phoenix, AZ 85020-5547
City of El Mirage Larry Dobrosky, Dep. City Manager/PW Director 12145 NW Grand Avenue El Mirage, AZ 85335
Town of Queen Creek Paul T. Gardner, Utilities Director 50 S. Ellsworth Road Queen Creek, AZ 85142
Town of Marana John Kmiec, Utilities Director 5100 W. Ina Road Marana, AZ 85743
Town of Cave Creek Jessica Marlow, PE, Utilities Manager 37622 N. Cave Creek Road Cave Creek, AZ 85331
Carefree Water Company Greg Crossman, General Manager PO Box 702 Carefree, AZ 85377
General Manager Central Arizona Water Conservation District P.O. Box 43020 Phoenix, AZ 85080-3020
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Jackson Jenkins Director Pima County Regional Wastewater Reclamation Department 201 N. Stone, 8th Floor Tucson, AZ 85701
Joe Olsen General Manager Metropolitan Domestic Water Improvement District 6265 N. La Canada Tucson, AZ 85704
Suzanne Shields Director Pima County Regional Flood Control District 97 E. Congress, 3rd Floor Tucson, AZ 85701
Dennis Rule Director Central Arizona Groundwater Replenishment District

<p>P.O. Box 43020 Phoenix, AZ 85080-3020</p>
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<p>Brian Betcher, P.E. General Manager Maricopa-Stanfield Irrigation &amp; Drainage District 41630 West Louis Johnson Drive Maricopa, AZ 85239</p>
<p>Joe Singleton Executive Director Pinal County Water Augmentation Authority PO Box 12684 Casa Grande, Arizona 85130</p>
<p>Kathleen Ferris Executive Director Arizona Municipal Water Association 3003 N. Central Ave., Suite 1550 Phoenix, AZ 85012</p>
<p>Warren Tenney President Southern Arizona Water Users' Association PO Box 35481 Tucson, AZ 85740-5481</p>
<p>Central Arizona Groundwater Replenishment District Perri Benemelis PO Box 43020 Phoenix, AZ 85080</p>
<p>Metropolitan Domestic Water Improvement District Mark R. Stratton, P.E. PO Box 36870 Tucson, AZ 85740</p>
<p>Metropolitan Domestic Water Improvement District Michael Block PO Box 36870 Tucson, AZ 85740</p>
<p>Center for Biological Diversity P.O. Box 710 Tucson, AZ 85702-0710</p>
<p>Arizona Wildlife Federation P.O. Box 51510 Mesa, AZ 85208</p>

<p>Maricopa Audubon Society  PO Box 15451  Phoenix, AZ 85060-5451</p>
<p>Arizona Riparian Council  Juile Ann Wrigley Global Institute of Sustainability  Arizona State University  PO Box 875402  Tempe, AZ 85287-5402</p>
<p>Desert Rivers Audubon  1121 N. Terrace Rd  Chandler, AZ 85266-8230</p>
<p>Kendall Kroesen  Urban Program Manager  Tucson Audubon Society  300 E University Blvd, #120  Tucson, AZ 85705</p>
<p>Emily Brott  Sonoran Institute  44 E. Broadway Blvd, Suite 350  Tucson, AZ 85701</p>
<p>Arizona Chapter  The Nature Conservancy  1510 East Fort Lowell  Tucson, AZ 85719</p>
<p>Defenders of Wildlife  1101 14th Street NW, Suite 1400  Washington, DC 20005</p>
<p>Rincon Group  Sierra Club  738 North 5th Ave., #214  Tucson, AZ 85705</p>
<p>Director  Western Regional Office  Bureau of Indian Affairs  400 North 5<sup>th</sup> Street  Two Arizona Center, 12<sup>th</sup> Floor, MS100  Phoenix, AZ 85004</p>
<p>Honorable Phyllis Juan  Chairperson  Schuk Toak District  Tohono O'odham Nation  P.O. Box 368  Sells, AZ 85634</p>
<p>Honorable Edward D. Manuel  Chairperson  Tohono O'odham Nation  P.O. Box 837  Sells, AZ 85634</p>
<p>Honorable Austin Nunez  Chairperson  Tohono O'odham Nation  San Xavier District  2018 West San Xavier Road  Tucson, AZ 85746</p>



<p>Honorable Marla Kay Henry  Chairperson  Chichut Kuk District  Tohono O'odham Nation  PO Box 837  Sells, AZ 85634-0837</p>
<p>Honorable Peter Yucupicio  Chairperson  Pascua Yaqui Tribe  7474 South Camino De Oeste  Tucson, AZ 85757</p>
<p>Honorable Delbert W. Ray, Sr.  President  Salt River Pima-Maricopa Indian Community  10005 E. Osborn Blvd  Scottsdale, AZ 85256-4019</p>
<p>Honorable Vivian L. Burdette  Chairperson  Tonto Apache Tribe  Reservation 30  Payson, AZ 85541</p>
<p>Honorable Ernest Jones, Sr.  President  Yavapai Prescott Indian Tribe  530 E. Merritt St  Prescott, AZ 86301-2038</p>
<p>Honorable Ruben Balderas  President  Fort McDowell Yavapai Nation  PO Box 17779  Fountain Hills, AZ 85269-7779</p>
<p>Honorable Thomas Beauty  Chairperson  Yavapai Apache Nation  PO Box 1248  Camp Verde, AZ 85322-1248</p>
<p>Ms. Brenda Astor  Superintendent  Bureau of Indian Affairs  San Carlos Apache Agency  PO Box 209  San Carlos, AZ 85550-0209</p>
<p>Maxine Norris-Lopez  Acting Executive Director  San Xavier Allottee Association, Inc.  325 E. Vamori St.  Tucson, AZ 85756</p>
<p>Mr. Charles Lewis  Bureau of Indian Affairs  Western Region – Environmental Quality Services  2600 N. Central Avenue, Fourth Floor Mailroom  Phoenix, AZ 85004</p>
<p>Superintendent  Hopi Agency  Bureau of Indian Affairs</p>

<p>PO Box 158 Keams Canyon, AZ 80634</p>
<p>Honorable Herman G. Honanie Chairman Hopi Tribe PO Box 123 Kykotsmovi, AZ 86039</p>
<p>Honorable Louis J. Manuel Chairman Ak Chin Indian Community 42507 W. Peters &amp; Nall Rd. Maricopa, AZ 85238</p>
<p>Honorable Gregory Mendoza Governor Gila River Indian Community P.O. Box 97 Sacaton, AZ 85147</p>
<p>Honorable Terry Rambler Chairperson San Carlos Apache Tribe PO Box 0 San Carlos, AZ 85550</p>
<p>Mr. Peter Steere Historic Preservation Officer Tohono O'odham Tribal Council PO Box 837 Sells, AZ 85634-0837</p>
<p>Barnaby V. Lewis Historic Preservation Officer Gila River Indian Community PO Box 2140 Sacaton, AZ 85147</p>
<p>Vernelda Grant, Director Historic Preservation and Arch Department San Carlos Apache Tribe PO Box 0 San Carlos, AZ 85550</p>
<p>Tim Gibson, Water Resources Manager Land and Water Department Freeport Minerals Corporation 333 N. Central Ave., Phoenix, AZ 85004</p>
<p>Ms. Rebecca Wilder Public Involvement Officer Arizona Corporate Commission 1300 West Washington 1<sup>st</sup> Floor Phoenix, AZ 85007-2929</p>
<p>Viewpoint RV and Golf Resort Scott Brown 8700 E. University Rd Mesa, AZ 85207</p>
<p>Salt River Project Marc Campbell, Sr. Water Rights Analyst PO Box 52025 PAB 110 Phoenix, AZ 85072-2025</p>

<p>Rosemont Copper Co.  James A. Sturgess, Vice President  4500 Cherry Creek Drive South, Suite 1040  Denver, CO 80246</p>
<p>Rosemont Copper Co.  Michael J. Pearce  Maguire &amp; Pearce PLLC  2999 N. 44<sup>th</sup> Street, Suite 630  Phoenix, AZ 85018</p>
<p>Resolution Copper Mining  David Stanley, Acting Manager of Infrastructure  102 Magma Heights  Superior, AZ 85173</p>
<p>New Harquahala Generating Company  Tim Wisdom, Plant Manager  Ryan DeGraff, Operations Manager  2530 N. 491<sup>st</sup> Avenue  PO Box 727  Tonopah, AZ 80246</p>
<p>New Harquahala Generating Company  Rita P. Maguire, Michael J. Pearce  Maguire &amp; Pearce PLLC  2999 N. 44<sup>th</sup> Street, Suite 630  Phoenix, AZ 85018</p>
<p>New Harquahala Generating Company  Steven W. Bloch  Capitol Strategies, LLC  1702 E. Highland Ave. Ste. 204  Phoenix, AZ 85016</p>
<p>Freeport McMoRan Sierrita Inc.  Chad D. Fretz, Sr. Administration Manager  6200 W. Duval Mine Rd.  PO Box 527  Green Valley, AZ 85622-0527</p>
<p>Alex M. Richards, Water Resources Manager  Freeport-McMoRan Copper &amp; Gold Inc.  333 N. Central Avenue  Phoenix, AZ 85004</p>
<p>Shilpa Hunter-Patel, Esq. Senior Counsel – Water  Freeport-McMoRan Copper &amp; Gold Inc.  333 N. Central Avenue  Phoenix, AZ 85004</p>
<p>Upper Santa Cruz/Providers-Users Group  17400 South Camino Confianza  Sahuarita, AZ 85629</p>
<p>Ms. Nancy Freeman  Groundwater Awareness League  P.O. Box 934  Green Valley, AZ 85622</p>



Phoenix Area Office  
Glendale, Arizona

Contact: Rose Davis (702) 293-8421 Kimberly Musser (623) 773-6216

For Immediate Release: January 5, 2016

## **Reclamation Seeking Public Comments on Proposed Reallocation of Non-Indian Agricultural Water within the Central Arizona Project System**

Phoenix, Ariz. – The Bureau of Reclamation’s Phoenix Area Office (Reclamation) announced today that it is continuing to seek public comments on the proposed reallocation of non-Indian agricultural water within the Central Arizona Project system. In October 2015, Reclamation, in cooperation with the Arizona Department of Water Resources (ADWR) and the Central Arizona Water Conservation District, began preparing an Environmental Assessment (EA) for a proposed reallocation of 46,629 acres of non-Indian agricultural water for use by municipal and industrial users in the Phoenix, Pinal, and Tucson Active Management Areas (AMAs).

The reallocation of the subject water would be used by the AMA’s to augment their existing water supplies, which are located within the Central Arizona Project service area, and to help these users meet their targets for reducing groundwater overdraft, while still developing their economies. The proposed reallocation is based on a prior recommendation provided by the ADWR.

The Arizona Water Settlements Act of 2004 outlines that this water can be reallocated to municipal and industrial users upon approval by the Secretary of the Interior (Secretary). The EA is being prepared to meet the requirements of the National Environmental Policy Act. The EA will help Reclamation and the Secretary understand the effects the proposed reallocations will have on the environment and natural resources, and will inform the Secretary’s decision on whether to approve the proposed reallocations based on ADWR’s recommendation.

Reclamation is currently seeking public input regarding the potential impacts of the proposed action, the alternatives that should be considered, and other concerns and issues that should be addressed in the EA.

Anyone desiring to submit comments on the proposed recommendations should send them by postal mail to Reclamation’s Phoenix Area Office, 6150 W. Thunderbird Rd., Glendale, AZ 85306, Attn: PXAO-1500, or via facsimile to (623) 773-6486 by January 18, 2016. Submitted comments on the proposed recommendations are available for public review at any time. A public scoping newsletter with additional information on this proposed action is available on the Phoenix Area Office website at: <http://www.usbr.gov/lc/phoenix/>

###

Reclamation is the largest wholesale water supplier and the second largest producer of hydroelectric power in the United States, with operations and facilities in the 17 Western States. Its facilities also provide substantial flood control, recreation, and fish and wildlife benefits.

**Appendix E. Proposed Recipient Meeting Materials**

**ENVIRONMENTAL ASSESSMENT TO EVALUATE ARIZONA DEPARTMENT OF WATER  
RESOURCES RECOMMENDATION FOR THE REALLOCATION OF NON-INDIAN  
AGRICULTURE WATER IN ACCORDANCE WITH THE  
ARIZONA WATER SETTLEMENTS ACT OF 2004  
PROPOSED RECIPIENT SCOPING MEETING AGENDA**

**Monday, December 7, 2015**

**1:30 – 3:30 PM MST**

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**Meeting Purpose:** Scoping meeting for the Proposed Recipients of Central Arizona Project (CAP) water to be reallocated from non-Indian agricultural (NIA) use to municipal and industrial (M&I) use, under the Arizona Water Settlement Act of 2004 (AWSA).

- 1. Introductions (Reclamation)**
- 2. Agency Briefing (Reclamation)**
- 3. Overview of NEPA Process (ERO Resources)**
- 4. EA Project Status/Schedule (ERO Resources)**
  - Where we're at in the process
    - Public Scoping Meetings
  - EA development
- 5. What the NEPA Document Covers and Does Not Cover (Reclamation)**
- 6. Proposed Recipient Costs Associated with the NEPA Process (CAWCD)**
- 7. Q&A**



November 3, 2015

Name  
Title  
Address  
Address

Dear Proposed Recipient,

The Bureau of Reclamation (Reclamation) invites you to attend a scoping meeting for the proposed recipients of Central Arizona Project (CAP) water to be reallocated from non-Indian agricultural (NIA) use to municipal and industrial (M&I) use under the Arizona Water Settlement Act of 2004 (AWSA). Proposed Recipients, which includes your entity, are the M&I applicants that the Arizona Department of Water Resources (ADWR) has recommended to receive CAP water under the proposed reallocation. The AWSA outlines that this water can be reallocated to M&I users upon approval by the Secretary of the Department of the Interior (Secretary).

As you are aware, ADWR began the process of reallocating 46,629 acre-feet annually (AFA) of the 96,295 AF of NIA priority water held in trust to non-Indian M&I water users within the State of Arizona in 2012, with scoping meetings and the opportunity for stakeholders to comment on the proposed reallocation process. ADWR received applications from M&I entities to receive the reallocated water in 2013 and has drafted its recommendation for the Secretary. This scoping meeting initiates the National Environmental Policy Act (NEPA), compliance with which is necessary for the Secretary to approve the recommendations and for the water to be reallocated to Arizona's cities, towns, and industries.

Reclamation is preparing an environmental assessment (EA) to provide the NEPA compliance needed to act upon the recommendation made by ADWR for the proposed reallocation of NIA water to M&I users in the Phoenix, Pinal, and Tucson Active Management Areas within the CAP service area. The EA will help Reclamation and the Secretary understand the effects the proposed reallocations will have on the environment and natural resources, and will inform the Secretary's decision, or her designee, whether to approve the proposed reallocations based on ADWR's recommendation.

Under NEPA, the first phase in preparing an EA is to conduct "scoping." The purpose of scoping is to identify the environmental issues associated with the proposed project. Reclamation is now asking you, the proposed recipients of the reallocated water, for comments and feedback to help determine the scope of the analysis to be included in the EA.

Meeting details are as follows:

**Date:** Monday, December 7  
**Time:** 1:30 to 3:30 PM  
**Location:** Burton Central Library, Lecture Hall  
1221 N. Central Avenue  
Phoenix, Arizona 85004

During the meeting, Reclamation, ADWR, and Central Arizona Water Conservation District will give important information about the recommended reallocations and the environmental compliance process that is ahead. You will also have the opportunity to view exhibits and provide verbal and/or written comments. Please plan on having at least one representative from your entity attend the meeting. **Please RSVP to Kimberly Musser at [kmusser@usbr.gov](mailto:kmusser@usbr.gov) by November 30, 2015.**

Sincerely,

Leslie Meyers, Area Manager  
U.S. Department of the Interior, Bureau of Reclamation

**ATTACHMENT 5**

Arizona Department of Water Resources Long-Term Storage July 2016 Statements



## Long Term Storage Account (LTSA) Summary \*

Last updated on July 26, 2016.

(Balances subject to periodic updates.)

AMA	LTSA Holder	LTSA Number	Total Recoverable LTSA Balance (ac-ft)	*Balance as of date shown below:
<b>Tucson</b>	Tohono O'odham Nation	70-084101.0000	101,125.44	12/31/2014
	City of Tucson,Tucson Water	70-411111.0000	266,421.34	12/31/2014
	CAWCD (Tucson)	70-411120.0000	4,799.63	12/31/2015
	CAGR D Subaccount (Tucson AMA)	70-411120.0001	94,137.00	12/31/2015
	CAGR D-RRA (Tucson AMA)	70-411120.0002	32,543.59	12/31/2015
	CAGR D-CDA (Tucson AMA)	75-411120.0000	77,360.22	12/31/2015
	Metropolitan Domestic Water Improvement District	70-411130.0000	23,887.48	12/31/2014
	Community Water Company of Green Valley	70-411140.0000	1,429.00	12/31/2014
	AWBA - Main (Tucson AMA)	70-411150.0000	629,469.75	12/31/2015
	AWBA - SNWA (Tucson AMA)	70-411150.0001	109,791.19	12/31/2015
	AWBA - Indian Firming (Tucson AMA)	70-411150.0002	34,101.86	12/31/2015
	Town of Oro Valley	70-411160.0000	11,563.42	12/31/2014
	Spanish Trail Water Company	70-411170.0000	133.66	12/31/2014
	Fidelity National Title/Trust #10773	70-411190.0000	0.00	12/31/2014
	U. S. Bureau of Reclamation	70-411200.0000	81,460.59	12/31/2014
	Vail Water Company	70-411210.0000	8,286.97	12/31/2014
	Town of Marana	70-411220.0000	14,602.52	12/31/2014
	Cortaro-Marana Irrigation District	70-411230.0000	0.00	12/31/2014
	Arizona State Land Department	70-411240.0000	2,033.40	12/31/2014
	Robson Ranch Quail Creek, LLC	70-411250.0000	16,745.22	12/31/2014
	City of Sierra Vista	70-411260.0000	25,135.54	12/31/2014
	Ridgeview Utility Company	70-411270.0000	0.00	12/31/2014
	Robson Communities, Inc	70-411280.0000	0.04	12/31/2014
	Canoa Ranch Golf Course, LLC	70-411290.0000	0.00	12/31/2014
	SLF-Agua, LLC	70-411300.0000	1,750.00	12/31/2014
	Del Lago Golf Course, LLC	70-411310.0000	-241.00	12/31/2014
	Flowing Wells Irrigation District	70-411320.0000	3,298.40	12/31/2014
	Robson Ranch Mtns., LLC	70-411330.0000	108.58	12/31/2013
	Green Valley Domestic Water Improvement District	70-411340.0000	0.00	12/31/2014
	Red Rock Utilities, LLC	70-411350.0000	4.92	12/31/2014

## Long Term Storage Account (LTSA) Summary \*

Last updated on July 26, 2016.

(Balances subject to periodic updates.)

AMA	LTSA Holder	LTSA Number	Total Recoverable LTSA Balance (ac-ft)	*Balance as of date shown below:
<b>Tucson</b>	Pima County Regional Wastewater Reclamation Dept	70-411370.0000	9,875.68	12/31/2014
	Town of Sahuarita Public Works	70-411380.0000	3,589.54	12/31/2014
	Augusta Resource (Arizona) Corp.	70-411390.0000	42,593.02	12/31/2014
	Aqua Capital Management, LP	70-411400.0000	0.00	12/31/2014
	Rocking K Acquisitions, LLC	70-411410.0000	0.00	12/31/2014
	Mojave Ventures, LLC	70-411420.0000	24,262.00	12/31/2014
	Pasqua Yaqui Tribe	70-411430.0000	10,838.09	12/31/2014
	Vidler Water Company	70-411440.0000	0.00	12/31/2014
	Avra Water Co-op	70-411450.0000		12/31/2014
	SaddleBrook Utility Company	70-411460.0000	0.00	12/31/2014
	Freeport Minerals Corp. LTSA - Tucson AMA	70-411470.0000	1.00	12/31/2014
	City of Phoenix LTSA - Tucson AMA	70-411480.0000	0.00	12/31/2014
	MDWID Southwest - Diablo Village	70-411490.0000	0.39	12/31/2014

## Long Term Storage Account (LTSA) Summary \*

Last updated on July 26, 2016.

(Balances subject to periodic updates.)

AMA	LTSA Holder	LTSA Number	Total Recoverable LTSA Balance (ac-ft)	*Balance as of date shown below:
Prescott	City of Prescott	70-421123.0000	23,253.61	12/31/2010
	Town of Prescott Valley	70-421124.0000	15,138.68	12/31/2014
	Chino Valley Irrigation District	70-421125.0000	0.00	12/31/2010
	North Nugget Development	70-421126.0000	527.62	12/31/2014
	Town of Chino Valley	70-421127.0000	1,663.27	12/31/2014
	Bradshaw Water Company	70-421128.0000		12/31/2014
	Fain Land & Cattle Company	70-421129.0000		12/31/2014



## Long Term Storage Account (LTSA) Summary \*

Last updated on July 26, 2016.

(Balances subject to periodic updates.)

AMA	LTSA Holder	LTSA Number	Total Recoverable LTSA Balance (ac-ft)	*Balance as of date shown below:
Phoenix	CAWCD (Phoenix)	70-441120.0000	285,221.97	12/31/2015
	CAGR Subaccount (Phoenix AMA)	70-441120.0001	105,928.95	12/31/2015
	CAGR-RRA (Phoenix AMA)	70-441120.0002	155,256.95	12/31/2015
	CAGR-CDA (Phoenix AMA)	75-441120.0000	338,673.79	12/31/2015
	City of Tempe	70-441123.0000	87,684.09	12/31/2014
	Salt River Project	70-441125.0000	118,355.30	12/31/2014
	City of Mesa	70-441127.0000	512,999.26	12/31/2014
	City of Chandler	70-441129.0000	320,033.18	12/31/2011
	City of Scottsdale	70-441131.0000	156,239.94	12/31/2014
	City of Phoenix	70-441133.0000	189,385.53	12/31/2014
	City of Avondale	70-441135.0000	73,058.91	12/31/2014
	Pima Utility Company	70-441137.0000	3,699.87	12/31/2014
	Liberty Utilities (Litchfield Park Water & Sewer) Corp	70-441139.0000	3,251.40	12/31/2014
	Town of Gilbert	70-441143.0000	92,563.51	12/31/2008
	City of Goodyear	70-441144.0000	75,232.96	12/31/2014
	City of Peoria	70-441146.0000	116,083.10	12/31/2014
	Ocotillo Management Group	70-441147.0000	7,623.08	12/31/2014
	Del Webb Home Construction	70-441148.0000	90.10	12/31/2014
	City of Glendale	70-441149.0000	123,371.23	12/31/2013
	AWBA - Main (Phoenix AMA)	70-441150.0000	1,694,189.07	12/31/2015
	AWBA - SNWA (Phoenix AMA)	70-441150.0001	51,008.92	12/31/2015
	AWBA - Indian Firming (Phoenix AMA)	70-441150.0002	88,312.95	12/31/2015
	AWBA - MCWA (Phoenix AMA)	70-441150.0003	0.00	12/31/2015
	Maricopa Water District	70-441151.0000	0.00	12/31/2009
	Apache Junction Water Utilities Community Facil. Dist.	70-441152.0000	25,498.69	12/31/2014
	City of Surprise	70-441155.0000	25,403.74	12/31/2014
	Tempe Family Golf Centers	70-441156.0000	33.46	12/31/2014
	Vidler Water Company	70-441157.0000	260,991.33	12/31/2014
	Global Water - Water Utilities of Greater Tonopah	70-441158.0000	0.00	12/31/2014
	Global Water - Santa Cruz Water Company	70-441159.0000	0.00	12/31/2014

## Long Term Storage Account (LTSA) Summary \*

Last updated on July 26, 2016.

(Balances subject to periodic updates.)

AMA	LTSA Holder	LTSA Number	Total Recoverable LTSA Balance (ac-ft)	*Balance as of date shown below:
<b>Phoenix</b>	Arizona Public Service	70-441160.0000	1,933.29	12/31/2014
	Freeport Minerals Corporation	70-441161.0000	38,987.25	12/31/2014
	Anthem Arizona, LLC	70-441162.0000	0.00	12/31/2008
	PebbleCreek Properties, LP	70-441164.0000	156.05	12/31/2014
	Briarwood Golf Course	70-441166.0000	0.00	12/31/2014
	Recreation Centers of Sun City West	70-441167.0000	301.09	12/31/2014
	Water Utility of Northern Scottsdale	70-441168.0000	5.64	12/31/2014
	Hillcrest Golf Course	70-441169.0000	2.75	12/31/2014
	San Tan Lakeside Estates	70-441174.0000	49.72	12/31/2014
	Fountain Hills Sanitary District	70-441175.0000	1,066.72	12/31/2014
	City of El Mirage	70-441176.0000	10,470.72	12/31/2014
	Valencia Water Company	70-441177.0000	41.76	12/31/2014
	Del Webb Corporation	70-441178.0000	9,984.49	12/31/2014
	Town of Queen Creek Water Company	70-441180.0000	14.00	12/31/2014
	Shea Homes, LP	70-441181.0000	658.56	12/31/2014
	Arizona - American WC (Sun City)	70-441182.0000	6,260.07	12/31/2008
	Arizona - American WC (Sun City West)	70-441183.0000	119.41	12/31/2008
	Arizona - American WC (Agua Fria)	70-441184.0000	0.00	12/31/2006
	Arizona - American (Anthem)	70-441185.0000	11,685.62	12/31/2005
	All Golf @ Rio Salado	70-441186.0000	39.88	12/31/2014
	Gold Canyon Sewer Company	70-441187.0000	406.69	12/31/2014
	Active Resource Mgmt LLC	70-441188.0000	146,830.89	12/31/2014
	DMB White Tank LLC	70-441189.0000	10.50	12/31/2014
	Basha's Inc.	70-441190.0000	218.00	12/31/2014
	Trend Homes	70-441191.0000	0.00	12/31/2011
	Sun City Grand Community Association, Inc.	70-441192.0000	0.00	12/31/2014
	Marbella Vineyards HOA	70-441193.0000	26.00	12/31/2014
	William Lyon Homes, Inc.	70-441194.0000	3,421.41	12/31/2014
	Vanderbilt Farms LLC	70-441195.0000	1,072.00	12/31/2014
	Superstition Mountains Community Facilities District No.1	70-441196.0000	2,047.40	12/31/2014

## Long Term Storage Account (LTSA) Summary \*

Last updated on July 26, 2016.

(Balances subject to periodic updates.)

AMA	LTSA Holder	LTSA Number	Total Recoverable LTSA Balance (ac-ft)	*Balance as of date shown below:
<b>Phoenix</b>	Arlington Valley LLC	70-441197.0000	0.00	12/31/2014
	City of Buckeye	70-441199.0000	1,618.48	12/31/2014
	Resolution Copper Mining LLC	70-441200.0000	220,942.70	12/31/2014
	Mohave County Water Authority	70-441201.0000	950.00	12/31/2014
	CSW Sun Valley South Holding, LLC	70-441202.0000	12.00	12/31/2014
	Roadhaven Resort HOA	70-441203.0000	58.38	12/31/2014
	Power Ranch Community	70-441204.0000	621.00	12/31/2014
	Lake Pleasant Sewer Company	70-441205.0000	0.00	12/31/2014
	Stratland Enterprises, Inc	70-441207.0000	25.00	12/31/2010
	Roosevelt Water Conservation District	70-441208.0000	2.48	12/31/2014
	Asante LH, LLC	70-441209.0000	1.00	12/31/2014
	BM3 Holdings, LLC	70-441210.0000	5.00	12/31/2014
	JF Purchase, LLC	70-441211.0000	0.00	12/31/2014
	Arizona - American Paradise Valley	70-441212.0000	0.00	12/31/2009
	US Home of AZ Construction Co	70-441213.0000	1.00	12/31/2014
	Greystone Construction Inc.	70-441214.0000	1.00	12/31/2014
	Lennar Arizona, Inc.	70-441215.0000	506.30	12/31/2014
	Winfield Water Partners LLC	70-441216.0000	9,500.00	12/31/2014
	Aqua Capital Management LP	70-441217.0000	0.41	12/31/2014
	Tohono O'odham Nation	70-441218.0000	130,604.85	12/31/2014
	Johnson Utilities Company	70-441219.0000	41.80	12/31/2014
	The Hopi Tribe	70-441220.0000		12/31/2011
	Hassayampa Ventures LLC	70-441221.0000	0.00	12/31/2014
	Mohave Ventures LLC	70-441222.0000	85,866.81	12/31/2014
	US Bureau of Reclamation	70-441223.0000	45,513.55	12/31/2014
	Recreation Centers of Sun City, Inc	70-441224.0000	1,080.00	12/31/2014
	Gila River Indian Community	70-441225.0000	166,838.40	12/31/2014
	Chaparral City Water Company	70-441226.0000	151.45	12/31/2013
	SFI Grand Vista, LLC	70-441227.0000	50.00	12/31/2014
	Tonto Hills DWID	70-441228.0000	35.15	12/31/2014



## Long Term Storage Account (LTSA) Summary \*

Last updated on July 26, 2016.

(Balances subject to periodic updates.)

AMA	LTSA Holder	LTSA Number	Total Recoverable LTSA Balance (ac-ft)	*Balance as of date shown below:
Phoenix	EPCOR Water Arizona Inc. - Sun City	70-441229.0000		12/31/2014
	EPCOR Water Arizona Inc. - Sun City West	70-441230.0000		12/31/2014
	EPCOR Water Arizona Inc. - Agua Fria	70-441231.0000		12/31/2014
	EPCOR Water Arizona Inc. - Anthem	70-441232.0000		12/31/2014
	EPCOR Water Arizona Inc. - Paradise Valley	70-441233.0000		12/31/2014
	Tonto Apache Tribe	70-441234.0000	0.00	12/31/2014
	Arizona Dept of Transportation	70-441235.0000	0.00	12/31/2014
	Gila River Water Storage, LLC	70-411236.0000	10,563.00	12/31/2014
	Arizona Water Company - White Tanks	70-441237.0000	0.00	12/31/2014
	Apache Sun Golf Course	70-441238.0000	100.00	12/31/2014
	AV Homes of Arizona, LLC	70-441239.0000	1,073.84	12/31/2014
	Pecan Creek South HOA	70-441240.0000	191.55	12/31/2014
	The Club at Encanterra	70-441241.0000		12/31/2014
	Arizona Water Company - Superstition	70-441242.0000		12/31/2014
	Recreational Center, Inc. DBA Scottsdale Shadows	70-441243.0000		12/31/2014
AK-CHIN Indian Community	70-441244.0000		12/31/2014	

## Long Term Storage Account (LTSA) Summary \*

Last updated on July 26, 2016.

(Balances subject to periodic updates.)

AMA	LTSA Holder	LTSA Number	Total Recoverable LTSA Balance (ac-ft)	*Balance as of date shown below:
<b>Pinal</b>	CAWCD (Pinal)	70-431120.0000	318,115.10	12/31/2015
	CAGR Subaccount (Pinal AMA)	70-431120.0001	0.00	12/31/2015
	CAGR-RRA (Pinal AMA)	70-431120.0002	3,823.00	12/31/2015
	CAGR-CDA (Pinal AMA)	75-431120.0000	2,164.15	12/31/2015
	Town of Florence	70-431125.0000	17,485.56	12/31/2014
	City of Eloy	70-431130.0000	40,089.04	12/31/2014
	AWBA - Main (Pinal AMA)	70-431135.0000	729,288.70	12/31/2015
	AWBA - SNWA (Pinal AMA)	70-431135.0001	440,241.03	12/31/2015
	AWBA - Indian Firming (Pinal AMA)	70-431135.0002	17,077.20	12/31/2015
	AWBA - MCWA (Pinal AMA)	70-431135.0003	256,174.00	12/31/2015
	Pinal County Water Augmentation Authority	70-431140.0000	22,627.73	12/31/2014
	Picacho Sewer Company	70-431145.0000	120.14	12/31/2014
	Arizona City Sanitary District	70-431150.0000	524.25	12/31/2014
	Global Water - Palo Verde Utilities	70-431155.0000	0.00	12/31/2014
	Global Water - Santa Cruz Water Co	70-431160.0000	212.44	12/31/2014
	Resolution Copper Mining, LLC (Pinal)	70-431165.0000	56,780.14	12/31/2014
	SRP Agriculture Improvement & Power District	70-431170.0000	25,930.87	12/31/2014
	Coolidge Power Corporation	70-431175.0000	5,642.21	12/31/2014
	Gila River Indian Community	70-431180.0000	179,478.60	12/31/2014
	Picacho Peak Gas Storage, LLC	70-431185.0000	0.00	12/31/2014
	Johnson Utilities LLC (Pinal)	70-431190.0000	2,772.14	12/31/2014
	Recharge Technologies, LLC (Pinal)	70-431195.0000	96.78	12/31/2014
	Corrections Corporation of America	70-431200.0000	2,337.61	12/31/2014
	Gila River Water Storage, LLC	70-431205.0000	429,170.15	12/31/2014
	Santa Rosa Utility Company	70-431210.0000	0.00	12/31/2014
	City of Casa Grande	70-431215.0000	0.00	12/31/2014
	Arizona Public Service Company	70-431220.0000	5,000.00	12/31/2014
City of Maricopa	70-431225.0000	1,500.00	12/31/2014	
Arizona Water Company	70-431230.0000	0.00	12/31/2014	

ARIZONA DEPARTMENT OF WATER RESOURCES  
WATER PLANNING DIVISION



ANNUAL STATUS REPORT:  
UNDERGROUND WATER STORAGE, SAVINGS  
AND REPLENISHMENT (RECHARGE) PROGRAM

July 28, 2016



**PHOENIX AMA**

**Underground Storage Facilities**

PERMIT TYPE/NO.	PERMIT HOLDER	PROJECT DESCRIPTION	ASSOCIATED
USF 71-205381.0002 (03/11/2010 to 12/31/2029)	CITY OF BUCKEYE	<u>BUCKEYE TARTESSO WATER RECLAMATION FACILITY USF</u> Annual recharge up to: 1,344.20AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 1344.2 ,Duration (03/30/2010 to ) ;Phase 2: Permit Volume (AF) 2688.4 ,Duration ( to ) ;Phase 3: Permit Volume (AF) 4032.6 ,Duration ( to ) ;Phase 4: Permit Volume (AF) 5376.8 ,Duration ( to ) ;Phase 5: Permit Volume (AF) 6721 ,Duration ( to ) ;Phase 6: Permit Volume (AF) 8065.2 ,Duration ( to ) ;Phase 7: Permit Volume (AF) 9409.4 ,Duration ( to ) ;Phase 8: Permit Volume (AF) 10753.6 ,Duration ( to ) ;Phase 9: Permit Volume (AF) ,Duration ( to )	73-205381.0001
USF 71-205388.0000 (08/25/2006 to 12/31/2016)	LAKE PLEASANT SEWER COMPANY	<u>THE ESTATES AT LAKESIDE USF</u> Annual recharge up to: 67.20AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): INJECTION/ASR WELLS Phase 1: Permit Volume (AF) 67.2 ,Duration ( to )	73-205388.0000
USF 71-207702.0002 (11/08/2011 to 01/15/2028)	CENTRAL ARIZONA WATER CONSERVATION	<u>CAWCD SUPERSTITION MOUNTAINS RECHARGE PROJECT USF</u> Annual recharge up to: 25,000.00AF Maximum storage volume: N/A Water Type(s): CAP Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 25000 ,Duration (11/08/2011 to ) ;Phase 2: Permit Volume (AF) 56500 ,Duration ( to )	73-207702.0001, 73-207702.0100, 73-207702.0200, 73-207702.0300, 73-207702.0400, 73-207702.0500, 73-207702.0600, 73-207702.0700, 73-207702.0800, 73-207702.0900, 73-207702.1100
USF 71-207708.0001 (12/16/2013 to 03/19/2027)	EPCOR (AGUA FRIA) WATER ARIZONA INC.	<u>EPCOR VERRADO RECHARGE FACILITY USF</u> Annual recharge up to: 500.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): Phase 1: Permit Volume (AF) 500 ,Duration (12/16/2013 to )	73-207708.0001
USF 71-211282.0000 (06/16/2008 to 06/16/2028)	CITY OF EL MIRAGE	<u>EL MIRAGE CONSTRUCTED RECHARGE FACILITY USF</u> Annual recharge up to: 2,240.00AF Maximum storage volume: 62,208.00AF Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 2240 ,Duration (06/23/2008 to 06/23/2012) ;Phase 2: Permit Volume (AF) 2800 ,Duration (06/24/2012 to 06/24/2017) ;Phase 3: Permit Volume (AF) 3360 ,Duration (06/25/2017 to 06/25/2024) ;Phase 4: Permit Volume (AF) 4032 ,Duration (06/26/2024 to 06/16/2028)	73-211282.0000
USF 71-211287.0001 (03/29/2010 to 12/11/2028)	JOHNSON UTILITIES - PHOENIX	<u>JOHNSON UTILITIES SECTION 11 RECHARGE FACILITY</u> Annual recharge up to: 1,680.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS	73-211287.0001

		Phase 1: Permit Volume (AF) 1277 ,Duration (04/06/2010 to ) ;Phase 2: Permit Volume (AF) 1478 ,Duration ( to ) ;Phase 3: Permit Volume (AF) 1680 ,Duration ( to ) ;Phase 4: Permit Volume (AF) 2050 ,Duration ( to ) ;Phase 5: Permit Volume (AF) 2419 ,Duration ( to ) ;Phase 6: Permit Volume (AF) 2789 ,Duration ( to ) ;Phase 7: Permit Volume (AF) 3158 ,Duration ( to ) ;Phase 8: Permit Volume (AF) 3528 ,Duration ( to ) ;Phase 9: Permit Volume (AF) 3898 ,Duration ( to ) ;Phase 10: Permit Volume (AF) 4379 ,Duration ( to ) ;Phase 11: Permit Volume (AF) 4637 ,Duration ( to ) ;Phase 12: Permit Volume (AF) 4838 ,Duration ( to ) ;Phase 13: Permit Volume (AF) 5040 ,Duration ( to )	
USF 71-216386.0001 (02/24/2012 to 11/30/2029)	CITY OF PHOENIX	<u>CITY OF PHOENIX ASR 6A-WELL 299 USF</u> Annual recharge up to: 1,882.00AF Maximum storage volume: N/A Water Type(s): CAP Recharge Method(s): INJECTION/ASR WELLS Phase 1: Permit Volume (AF) 1882 ,Duration (02/24/2012 to )	73-216386.0000
USF 71-216387.0002 (04/18/2013 to 07/29/2031)	HASSAYAMPA VENTURES, LLC	<u>HASSAYAMPA (MANAGED) RECHARGE FACILITY USF</u> Annual recharge up to: 50,000.00AF Maximum storage volume: 610,000.00AF Water Type(s): CAP Recharge Method(s): IN-CHANNEL MANAGED Phase 1: Permit Volume (AF) 80000 ,Duration (04/18/2013 to 10/12/2014) ;Phase 2: Permit Volume (AF) 50000 ,Duration (10/13/2014 to 07/29/2031)	73-216387.0100, 73-216387.0200, 73-216387.0400, 73-216387.0500, 73-216387.0600
USF 71-218760.0000 (01/09/2012 to )	CITY OF SURPRISE	<u>CITY OF SURPRISE SPA-3 WATER RECLAMATION FACILITY USF</u> Annual recharge up to: 4,256.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS,VADOSE ZONE WELLS Phase 1: Permit Volume (AF) 4256 ,Duration (01/09/2012 to )	73-218760.0000
USF 71-218761.0001 (11/22/2011 to 09/14/2031)	CITY OF SURPRISE	<u>CITY OF SURPRISE SPA-2 REGIONAL WRF USF</u> Annual recharge up to: 2,340.00AF Maximum storage volume: 71,680.00AF Water Type(s): EFFLUENT Recharge Method(s): BASINS,VADOSE ZONE WELLS Phase 1: Permit Volume (AF) 2240 ,Duration (10/20/2011 to ) ;Phase 2: Permit Volume (AF) 2340 ,Duration ( to ) ;Phase 3: Permit Volume (AF) 2755 ,Duration ( to ) ;Phase 4: Permit Volume (AF) 2170 ,Duration ( to ) ;Phase 5: Permit Volume (AF) 3584 ,Duration ( to )	73-218761.0000
USF 71-220046.0001 (02/14/2013 to 11/07/2031)	CITY OF PEORIA	<u>PEORIA VISTANCIA RECHARGE FACILITY USF</u> Annual recharge up to: 673.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): VADOSE ZONE WELLS Phase 1: Permit Volume (AF) 673 ,Duration (02/14/2013 to )	73-220046.0000
USF 71-220047.0001 (10/22/2015 to 01/10/2032)	CITY OF PHOENIX	<u>CITY OF PHOENIX ASR 9A-WELL 300 USF</u> Annual recharge up to: 1,060.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-220047.0000
USF 71-222506.0000 (07/14/2014 to 07/14/2034)	CITY OF PHOENIX	<u>CITY OF PHOENIX CAVE CREEK ASR-1 (CCASR-1) USF</u> Annual recharge up to: 2,903.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-222506.0000
USF 71-223658.0000 (08/18/2015 to 08/18/2035)	CITY OF GOODYEAR	<u>GOODYEAR VIP USF</u> Annual recharge up to: 5,000.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT	73-223658.0000

Recharge Method(s): VADOSE ZONE WELLS

Phase 1: Permit Volume (AF) 5000 ,Duration ( to ) ;Phase 2: Permit Volume (AF) 6000 ,Duration ( to ) ;Phase 3: Permit Volume (AF) 7000 ,Duration ( to ) ;Phase 4: Permit Volume (AF) 8300 ,Duration ( to )

USF 71-224000.0000 (07/17/2015 to 07/17/2035)	LIBERTY UTILITIES (LITCHFIELD PARK WATER	<u>LIBERTY AQUIFER REPLENISHMENT FACILITY (LARF) USF</u> Annual recharge up to: N/A Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 4000 ,Duration ( to ) ;Phase 2: Permit Volume (AF) 5000 ,Duration ( to ) ;Phase 3: Permit Volume (AF) 6000 ,Duration ( to )	73-224000.0000, 73-224000.0200
USF 71-224061.0000 (12/24/2015 to 12/24/2035)	JOHNSON UTILITIES - PHOENIX	<u>JOHNSON UTILITIES PECAN WATER RECLAMATION PLANT USF</u> Annual recharge up to: 4,480.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-224061.0000
USF 71-224500.0000 (07/28/2015 to 07/28/2017)	GILA RIVER INDIAN COMMUNITY	<u>GRIC OLBERG DAM PILOT SCALE USF</u> Annual recharge up to: 7,500.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-224500.0001, 73-224500.0101
USF 71-516371.0001 (03/13/2012 to 03/13/2032)	SALT RIVER PROJECT	<u>SRP GRANITE REEF UNDERGROUND STORAGE PROJECT USF</u> Annual recharge up to: 93,000.00AF Maximum storage volume: 1,230,000.00AF Water Type(s): CAP,EFFLUENT,OTHER SURFACE WATER Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 93000 ,Duration (05/31/2012 to )	73-516371.0101, 73-516371.0301, 73-516371.0501, 73-516371.0601, 73-516371.0701, 73-516371.1301, 73-516371.1400, 73-516371.1500, 73-516371.1600
USF 71-520379.0003 (11/21/2014 to 11/21/2034)	TOWN OF GILBERT	<u>TOWN OF GILBERT NEELY RECHARGE FACILITYUSF</u> Annual recharge up to: 2,240.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 2240 ,Duration (05/07/2015 to ) ;Phase 2: Permit Volume (AF) 3360 ,Duration ( to )	73-520379.0001
USF 71-534362.0004 (12/16/2013 to 04/14/2020)	EPCOR (SUN CITY WEST) WATER ARIZONA INC.	<u>EPCOR SUN CITY WEST USF</u> Annual recharge up to: 5,600.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): Phase 1: Permit Volume (AF) 5600 ,Duration (12/16/2013 to )	73-534362.0102, 73-534362.0203, 73-534362.0302
USF 71-541455.0002 (01/27/2015 to 01/27/2035)	CITY OF CHANDLER	<u>CHANDLER OCOTILLO BRINE REDUCTION FACILITY (FMLY INTEL) I</u> Annual recharge up to: 3,360.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): INJECTION/ASR WELLS Phase 1: Permit Volume (AF) 3360 ,Duration (01/27/2015 to )	73-541455.0001
USF 71-546845.0002 (05/22/2006 to 05/02/2016)	OCOTILLO MANAGEMENT GROUP	<u>OCOTILLO MANAGEMENT GROUP USF</u> Annual recharge up to: 500.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): VADOSE ZONE WELLS Phase 1: Permit Volume (AF) 500 ,Duration (05/22/2006 to 05/02/2016)	73-546844.0000



USF 71-552497.0004 (03/02/2010 to 12/31/2024)	CITY OF PEORIA	<u>PEORIA BEARDSLEY ROAD WATER RECLAMATION FACILITY USF</u> Annual recharge up to: 4,480.00AF Maximum storage volume: 210,580.00AF Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 2240 ,Duration (12/29/2004 to 05/30/2006) ;Phase 2: Permit Volume (AF) 4480 ,Duration (05/31/2006 to ) ;Phase 3: Permit Volume (AF) 6720 ,Duration ( to ) ;Phase 4: Permit Volume (AF) 13441 ,Duration ( to ) ;Phase 5: Permit Volume (AF) 17920 ,Duration ( to )	73-552498.0001
USF 71-560347.0006 (03/15/2010 to 05/06/2023)	CITY OF CHANDLER	<u>CHANDLER TUMBLEWEED REGIONAL PARK USF</u> Annual recharge up to: 11,200.00AF Maximum storage volume: 100,000.00AF Water Type(s): EFFLUENT Recharge Method(s): INJECTION/ASR WELLS Phase 1: Permit Volume (AF) 11200 ,Duration (03/15/2010 to )	73-560347.0001
USF 71-560427.0002 (04/03/2008 to 12/10/2027)	PIMA UTILITY COMPANY	<u>PIMA UTILITY SUN LAKES USF</u> Annual recharge up to: 732.00AF Maximum storage volume: 14,640.00AF Water Type(s): EFFLUENT Recharge Method(s): INJECTION/ASR WELLS Phase 1: Permit Volume (AF) 732 ,Duration (04/03/2008 to 12/31/2027)	73-560427.0001
USF 71-560648.0003 (12/07/2008 to 12/31/2025)	CITY OF SCOTTSDALE	<u>CITY OF SCOTTSDALE WATER CAMPUS USF</u> Annual recharge up to: 21,514.00AF Maximum storage volume: N/A Water Type(s): CAP,EFFLUENT Recharge Method(s): INJECTION/ASR WELLS,VADOSE ZONE WELLS Phase 1: Permit Volume (AF) 21514 ,Duration (12/07/2007 to 12/31/2010) ;Phase 2: Permit Volume (AF) 28314 ,Duration (01/01/2011 to 12/31/2025)	73-560649.0000
USF 71-562521.0004 (04/18/2013 to 11/30/2021)	CITY OF SURPRISE	<u>CITY OF SURPRISE SPA-1 (SOUTH) USF</u> Annual recharge up to: 8,066.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS,VADOSE ZONE WELLS Phase 1: Permit Volume (AF) 4500 ,Duration ( to ) ;Phase 2: Permit Volume (AF) 6500 ,Duration ( to ) ;Phase 3: Permit Volume (AF) 8066 ,Duration ( to )	73-562521.0002
USF 71-563943.0004 (09/05/2014 to 01/31/2020)	CITY OF TEMPE	<u>TEMPE KEN MCDONALD GOLF COURSE USF</u> Annual recharge up to: 567.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-563943.0001
USF 71-564416.0002 (06/08/2009 to 11/30/2018)	TOWN OF GILBERT	<u>TOWN OF GILBERT RIPARIAN PRESERVE USF</u> Annual recharge up to: 4,369.00AF Maximum storage volume: N/A Water Type(s): CAP,EFFLUENT,OTHER SURFACE WATER Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 4369 ,Duration (06/08/2009 to )	73-564416.0000
USF 71-565257.0004 (07/01/2016 to 12/31/2023)	CITY OF AVONDALE	<u>AVONDALE WETLANDS USF</u> Annual recharge up to: 20,000.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	
USF 71-566962.0009 (12/16/2013 to 07/02/2015)	EPCOR (ANTHEM) WATER ARIZONA INC.	<u>EPCOR WATER ARIZONA INC. ANTHEM USF</u> Annual recharge up to: 500.00AF Maximum storage volume: N/A Water Type(s): CAP,EFFLUENT Recharge Method(s):	73-566962.0206

		Phase 1: Permit Volume (AF) 500 ,Duration ( to )	
USF 71-569775.0006 (02/13/2012 to 05/31/2019)	CENTRAL ARIZONA WATER CONSERVATION	<u>CAWCD AGUA FRIA MANAGED USF</u> Annual recharge up to: 100,000.00AF Maximum storage volume: N/A Water Type(s): CAP Recharge Method(s): IN-CHANNEL MANAGED Phase 1: Permit Volume (AF) 100000 ,Duration (02/13/2012 to )	73-569775.0000, 73-569775.0200, 73-569775.0300, 73-569775.0400, 73-569775.0500, 73-569775.0601, 73-569775.0700, 73-569775.0800, 73-569775.0900, 73-569775.1100, 73-569775.1200, 73-569775.1300, 73-569775.1400, 73-569775.1500, 73-569775.1600, 73-569775.1700
USF 71-569776.0007 (09/04/2012 to 05/31/2019)	CENTRAL ARIZONA WATER CONSERVATION	<u>CAWCD AGUA FRIA CONSTRUCTED USF</u> Annual recharge up to: 100,000.00AF Maximum storage volume: N/A Water Type(s): CAP Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 100000 ,Duration (09/04/2012 to )	73-569776.0000, 73-569776.0200, 73-569776.0300, 73-569776.0400, 73-569776.0500, 73-569776.0601, 73-569776.0700, 73-569776.0800, 73-569776.0900, 73-569776.1100, 73-569776.1200, 73-569776.1300, 73-569776.1400, 73-569776.1500, 73-569776.1600, 73-569776.1700, 73-569776.1800
USF 71-574911.0002 (02/12/2016 to 08/17/2020)	CITY OF SCOTTSDALE	<u>CITY OF SCOTTSDALE WESTWORLD GOLF COURSE USF</u> Annual recharge up to: 1,000.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-574911.0001
USF 71-583022.0002 (06/13/2005 to 01/31/2022)	CITY OF SCOTTSDALE	<u>CITY OF SCOTTSDALE NORTH SCOTTSDALE AS&amp;R PROJECT USF</u> Annual recharge up to: 3,642.00AF Maximum storage volume: N/A Water Type(s): CAP Recharge Method(s): VADOSE ZONE WELLS Phase 1: Permit Volume (AF) 3642 ,Duration (06/13/2005 to 01/31/2022)	73-583022.0200, 73-583022.0300
USF 71-583023.0002 (01/28/2010 to 10/04/2024)	CITY OF CHANDLER	<u>CITY OF CHANDLER OCOTILLO RECHARGE AND RECOVERY FACIL</u> Annual recharge up to: 11,200.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): INJECTION/ASR WELLS Phase 1: Permit Volume (AF) 11200 ,Duration (01/28/2010 to )	73-583023.0001
USF 71-584466.0003 (09/04/2012 to 12/31/2021)	CENTRAL ARIZONA WATER CONSERVATION	<u>CAWCD HIEROGLYPHIC MTNS RECHARGE PROJECT USF</u> Annual recharge up to: 35,000.00AF	

Maximum storage volume: N/A  
 Water Type(s): CAP  
 Recharge Method(s): BASINS  
 Phase 1: Permit Volume (AF) 35000 ,Duration (09/04/2012 to )

73-584466.0000,  
 73-584466.0200,  
 73-584466.0300,  
 73-584466.0400,  
 73-584466.0500,  
 73-584466.0600,  
 73-584466.0700,  
 73-584466.0800,  
 73-584466.0900,  
 73-584466.1100,  
 73-584466.1200,  
 73-584466.1300,  
 73-584466.1400,  
 73-584466.1500,  
 73-584466.1600,  
 73-584466.1700,  
 73-584466.1800,  
 73-584466.1900

USF 71-584469.0002 (06/03/2016 to 03/07/2025)	SUPERSTITION MOUNTAIN COMMUNITY FACILITIES	<u>SUPERSTITION MOUNTAINS COMMUNITY FACILITIES DISTRICT #1</u> Annual recharge up to: 2,352.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-584469.0000
USF 71-586730.0000 (03/12/2003 to 03/31/2023)	CITY OF GLENDALE	<u>GLENDALE WESTERN AREA RECHARGE FACILITY USF</u> Annual recharge up to: 7,841.00AF Maximum storage volume: 124,226.00AF Water Type(s): EFFLUENT Recharge Method(s): BASINS,TRENCHES,VADOSE ZONE WELLS Phase 1: Permit Volume (AF) 7841 ,Duration (03/12/2003 to )	73-586730.0000
USF 71-588551.0001 (10/29/2009 to 11/30/2023)	CITY OF CHANDLER	<u>CITY OF CHANDLER/CHANDLER HEIGHTS RECHARGE PROJECT US</u> Annual recharge up to: 2,240.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 2240 ,Duration (10/29/2009 to )	73-588551.0000
USF 71-588558.0005 (06/30/2011 to 12/22/2025)	SALT RIVER PROJECT	<u>SRP NEW RIVER AGUA FRIA UNDERGROUND STORAGE PROJECT</u> Annual recharge up to: 75,000.00AF Maximum storage volume: 1,250,000.00AF Water Type(s): EFFLUENT,CAP,OTHER SURFACE WATER Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 30000 ,Duration ( to ) ;Phase 2: Permit Volume (AF) 50000 ,Duration ( to ) ;Phase 3: Permit Volume (AF) 75000 ,Duration ( to )	73-588558.0002, 73-588558.0201, 73-588558.0301, 73-588558.0402, 73-588558.0500, 73-588558.0600
USF 71-591929.0000 (04/14/2003 to 04/30/2023)	GOLD CANYON SEWER COMPANY	<u>GOLD CANYON WWTP USF</u> Annual recharge up to: 1,120.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 1120 ,Duration (04/14/2003 to )	73-591929.0000
USF 71-591934.0001 (09/08/2010 to 01/31/2024)	CITY OF GLENDALE	<u>GLENDALE ARROWHEAD RANCH RECHARGE FACILITY USF</u> Annual recharge up to: 2,300.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): INJECTION/ASR WELLS,VADOSE ZONE WELLS Phase 1: Permit Volume (AF) 2300 ,Duration (09/08/2010 to )	73-591934.0000
USF 71-591935.0000 (11/30/2004 to 11/30/2024)	TOWN OF GILBERT	<u>TOWN OF GILBERT MUNICIPAL CENTER USF</u> Annual recharge up to: 2,240.00AF	



Maximum storage volume: N/A  
 Water Type(s): EFFLUENT  
 Recharge Method(s): VADOSE ZONE WELLS  
 Phase 1: Permit Volume (AF) 2240 ,Duration (12/19/2005 to )

USF 71-591940.0001 (04/24/2008 to 08/10/2024)	FOUNTAIN HILLS SANITARY DISTRICT	<u>FOUNTAIN HILLS SANITARY DISTRICT USF</u> Annual recharge up to: 2,240.60AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): INJECTION/ASR WELLS Phase 1: Permit Volume (AF) 2241 ,Duration (04/24/2008 to 08/10/2024)	73-591940.0000
USF 71-593305.0002 (07/27/2009 to 09/01/2025)	CENTRAL ARIZONA WATER CONSERVATION	<u>CAWCD TONOPAH DESERT RECHARGE PROJECT</u> Annual recharge up to: 150,000.00AF Maximum storage volume: 2,000,000.00AF Water Type(s): CAP Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 150000 ,Duration (07/27/2009 to )	73-593305.0001, 73-593305.0201, 73-593305.0300, 73-593305.0400, 73-593305.0500, 73-593305.0601, 73-593305.0701, 73-593305.0800, 73-593305.0901, 73-593305.1100, 73-593305.1200, 73-593305.1300, 73-593305.1400, 73-593305.1600, 73-593305.1700, 73-593305.1800, 73-593305.1900, 73-593305.2100, 73-593305.2200
USF 71-595198.0001 (09/09/2008 to 11/30/2024)	TOWN OF GILBERT	<u>TOWN OF GILBERT SOUTH RECHARGE FACILITY USF</u> Annual recharge up to: 4,032.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS,VADOSE ZONE WELLS Phase 1: Permit Volume (AF) 4032 ,Duration (09/09/2008 to ) ;Phase 2: Permit Volume (AF) 8400 ,Duration ( to ) ;Phase 3: Permit Volume (AF) 10080 ,Duration ( to )	73-595198.0001
USF 71-595199.0003 (10/06/2008 to 12/17/2024)	CITY OF PHOENIX	<u>CITY OF PHOENIX CAVE CREEK WASTEWATER FACILITY USF</u> Annual recharge up to: 8,961.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): VADOSE ZONE WELLS Phase 1: Permit Volume (AF) 8961 ,Duration (10/06/2008 to 12/17/2024)	73-595199.0000
GSF 72-534439.0004 (08/02/2012 to 11/16/2016)	TONOPAH IRRIGATION DISTRICT	<u>TONOPAH IRRIGATION DISTRICT</u> Annual recharge up to: 15,000.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s): INDIRECT	73-534439.0001, 73-534439.0201, 73-534439.0300, 73-534439.0400
GSF 72-534550.0005 (08/03/2012 to 12/27/2015)	QUEEN CREEK IRRIGATIO DISTRICT	<u>QUEEN CREEK IRRIGATION DISTRICT GSF</u> Annual recharge up to: 22,000.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s): INDIRECT	73-534550.0101, 73-534550.0301, 73-534550.0400, 73-534550.0500
GSF 72-534888.0005		<u>NEW MAGMA IRRIGATION &amp; DRAINAGE DISTRICT GSF</u>	

NEW MAGMA IRRIGATION  
& DRAINAGE DISTRICT

Annual recharge up to: 75,000.00AF  
Maximum storage volume: N/A  
Water Type(s):  
Recharge Method(s): INDIRECT

73-534888.0101,  
73-534888.0301,  
73-534888.0500,  
73-534888.0604,  
73-534888.0700,  
73-534888.0800,  
73-534888.0900

<p>GSF 72-534978.0000 (12/30/1994 to 12/31/2022)</p>	<p>LITCHFIELD PARK SERVICE CO DBA LIBERTY WATER</p>	<p><u>LPSCO GSF</u> Annual recharge up to: 840.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s): INDIRECT</p>	<p>73-534978.0000</p>
<p>GSF 72-545695.0006 (01/11/2016 to 12/31/2020)</p>	<p>ROOSEVELT WATER CONSERVATION DISTRICT</p>	<p><u>ROOSEVELT WATER CONSERVATION DISTRICT GSF</u> Annual recharge up to: 85,000.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s): INDIRECT</p>	<p>73-545695.0201, 73-545695.0900, 73-545695.1100, 73-545695.1300, 73-545695.1400, 73-545695.1500, 73-545695.1600, 73-545695.1700, 73-545695.1801, 73-545695.1900, 73-545695.2100, 73-545695.2200</p>
<p>GSF 72-553133.0005 (01/25/2013 to 04/23/2019)</p>	<p>SALT RIVER PROJECT</p>	<p><u>SALT RIVER VALLEY WATER USERS' ASSOCIATION GSF</u> Annual recharge up to: 89,000.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s): INDIRECT</p>	<p>73-553133.0101, 73-553133.0201, 73-553133.0301, 73-553133.0401, 73-553133.0501, 73-553133.0601, 73-553133.0701, 73-553133.0900, 73-553133.1200, 73-553133.1300, 73-553133.1400, 73-553133.1500, 73-553133.1600, 73-553133.1700, 73-553133.1800, 73-553133.1900</p>
<p>GSF 72-558246.0007 (06/19/2015 to 06/19/2025)</p>	<p>MARICOPA WATER DISTRICT</p>	<p><u>MARICOPA WATER DISTRICT GSF</u> Annual recharge up to: 40,000.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s): INDIRECT</p>	<p>73-558246.0303, 73-558246.0403, 73-558246.0503, 73-558246.0601, 73-558246.0701, 73-558246.0800, 73-558246.0901, 73-558246.1101, 73-558246.1200, 73-558246.1300, 73-558246.1400, 73-558246.1500, 73-558246.1600</p>
<p>GSF 72-572386.0004 (09/25/2014 to 10/26/2020)</p>	<p>ROOSEVELT IRRIGATION DISTRICT</p>	<p><u>ROOSEVELT IRRIGATION DISTRICT GSF</u> Annual recharge up to: 60,000.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s): INDIRECT</p>	<p>73-572386.0002, 73-572386.0200, 73-572386.0300</p>

## Water Storage Permits

PERMIT NO.	PERMIT HOLDER	PROJECT DESCRIPTION	ASSOCIATED
73-205381.0001 (03/11/2010 to upon expiration of facility)	CITY OF BUCKEYE	<u>CITY OF BUCKEYE</u> Allotment: 20,163.00AF	71-205381.0002
73-205388.0000 (08/25/2006 to upon expiration of facility)	LAKE PLEASANT SEWER COMPANY	<u>LAKE PLEASANT SEWER COMPANY</u> Allotment: 67.20AF	71-205388.0000
73-207702.0001 (01/28/2010 to upon expiration of facility)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 25,000.00AF	71-207702.0002
73-207702.0100 (05/26/2011 to upon expiration of facility)	TOWN OF GILBERT	<u>TOWN OF GILBERT</u> Allotment: 56,500.00AF	71-207702.0002
73-207702.0200 (05/26/2011 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 56,500.00AF	71-207702.0002
73-207702.0300 (08/09/2011 to upon expiration of facility)	CITY OF CHANDLER	<u>CITY OF CHANDLER</u> Allotment: 56,500.00AF	71-207702.0002
73-207702.0400 (12/14/2011 to upon expiration of facility)	VIDLER WATER COMPANY	<u>VIDLER WATER COMPANY</u> Allotment: 25,000.00AF	71-207702.0002
73-207702.0500 (07/06/2012 to upon expiration of facility)	APACHE JUNCTION WATER DISTRICT	<u>APACHE JUNCTION WATER DISTRICT</u> Allotment: 2,919.00AF	71-207702.0002
73-207702.0600 (02/21/2014 to upon expiration of facility)	GILA RIVER INDIAN COMMUNITY	<u>GILA RIVER INDIAN COMMUNITY</u> Allotment: 56,500.00AF	71-207702.0002
73-207702.0700 (03/31/2014 to upon expiration of facility)	CITY OF GOODYEAR	<u>CITY OF GOODYEAR</u> Allotment: 56,500.00AF	71-207702.0002
73-207702.0800 (08/25/2014 to upon expiration of facility)	CITY OF GLENDALE	<u>CITY OF GLENDALE</u> Allotment: 56,500.00AF	71-207702.0002
73-207702.0900 (08/04/2014 to upon expiration of facility)	CITY OF SCOTTSDALE	<u>CITY OF SCOTTSDALE</u> Allotment: 56,500.00AF	71-207702.0002
73-207702.1100 (07/16/2015 to upon expiration of facility)	ARIZONA WATER COMPANY - SUPERSTITION	<u>ARIZONA WATER COMPANY - SUPERSTITION</u> Allotment: 4,000.00AF	71-207702.0002
73-207708.0001 (12/16/2013 to upon expiration of facility)	EPCOR (AGUA FRIA) WATER ARIZONA INC.	<u>EPCOR (AGUA FRIA) WATER ARIZONA INC.</u> Allotment: 500.00AF	71-207708.0001
73-211282.0000 (06/16/2008 to upon expiration of facility)	CITY OF EL MIRAGE	<u>CITY OF EL MIRAGE</u> Allotment: 2,800.00AF	71-211282.0000
73-211287.0001 (03/29/2010 to upon expiration of facility)	JOHNSON UTILITIES - PHOENIX	<u>JOHNSON UTILITIES - PHOENIX</u> Allotment: 5,040.00AF	71-211287.0001
73-216386.0000 (11/30/2009 to upon expiration of facility)	CITY OF PHOENIX	<u>CITY OF PHOENIX</u> Allotment: 1,882.00AF	71-216386.0001
73-216387.0100 (07/29/2011 to upon expiration of facility)	HASSAYAMPA VENTURES, LLC	<u>HASSAYAMPA VENTURES, LLC</u> Allotment: 80,000.00AF	71-216387.0002



73-216387.0200 (11/28/2011 to upon expiration of facility)	GLOBAL WATER-WATER UTILITY OF GREATER TONOPAH	<u>GLOBAL WATER-WATER UTILITY OF GREATER TONOPAH</u> Allotment: 25,000.00AF	71-216387.0002
73-216387.0400 (11/28/2011 to upon expiration of facility)	GLOBAL WATER-SANTA CRUZ WATER CO-PHX	<u>GLOBAL WATER-SANTA CRUZ WATER CO-PHX</u> Allotment: 25,000.00AF	71-216387.0002
73-216387.0500 (11/30/2011 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 25,000.00AF	71-216387.0002
73-216387.0600 (10/21/2015 to upon expiration of facility)	DEL WEBB CORPORATION	<u>DEL WEBB CORPORATION</u> Allotment: 5,000.00AF	71-216387.0002
73-218760.0000 ( to upon expiration of facility)	CITY OF SURPRISE	<u>CITY OF SURPRISE</u> Allotment: 4,256.00AF	71-218760.0000
73-218761.0000 (10/20/2011 to upon expiration of facility)	CITY OF SURPRISE	<u>CITY OF SURPRISE</u> Allotment: 3,584.00AF	71-218761.0001
73-220046.0000 (11/07/2011 to 11/07/2031)	CITY OF PEORIA	<u>CITY OF PEORIA</u> Allotment: 673.00AF	71-220046.0001
73-220047.0000 (01/10/2012 to upon expiration of facility)	CITY OF PHOENIX	<u>CITY OF PHOENIX</u> Allotment: 1,060.00AF	71-220047.0001
73-222506.0000 (07/14/2014 to upon expiration of facility)	CITY OF PHOENIX	<u>CITY OF PHOENIX</u> Allotment: 2,903.00AF	71-222506.0000
73-223658.0000 (08/18/2015 to upon expiration of facility)	CITY OF GOODYEAR	<u>CITY OF GOODYEAR</u> Allotment: 5,000.00AF	71-223658.0000
73-224000.0000 (07/17/2015 to upon expiration of facility)	LIBERTY UTILITIES (LITCHFIELD PARK WATER & SEWER) CORP.	<u>LIBERTY UTILITIES (LITCHFIELD PARK WATER &amp; SEWER) CORP.</u> Allotment: N/A	71-224000.0000
73-224000.0200 ( to upon expiration of facility)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: N/A	71-224000.0000
73-224061.0000 (12/24/2015 to upon expiration of facility)	JOHNSON UTILITIES - PHOENIX	<u>JOHNSON UTILITIES - PHOENIX</u> Allotment: 4,480.00AF	71-224061.0000
73-224500.0001 (08/28/2015 to upon expiration of facility)	GILA RIVER INDIAN COMMUNITY	<u>GILA RIVER INDIAN COMMUNITY</u> Allotment: N/A	71-224500.0000
73-516371.0101 ( to upon expiration of facility)	SRP	<u>SRP</u> Allotment: 93,000.00AF	71-516371.0001
73-516371.0301 (04/28/2014 to upon expiration of facility)	CITY OF MESA	<u>CITY OF MESA</u> Allotment: 93,000.00AF	71-516371.0001
73-516371.0501 (10/24/2005 to upon expiration of facility)	TOWN OF GILBERT	<u>TOWN OF GILBERT</u> Allotment: 10,235.00AF	71-516371.0001
73-516371.0601 (07/31/2006 to upon expiration of facility)	CITY OF PHOENIX	<u>CITY OF PHOENIX</u> Allotment: 80,000.00AF	71-516371.0001
73-516371.0701 (09/08/2005 to upon expiration of facility)	CITY OF TEMPE	<u>CITY OF TEMPE</u> Allotment: 7,000.00AF	71-516371.0001
73-516371.1301 (12/22/2014 to upon expiration of facility)	CITY OF SCOTTSDALE	<u>CITY OF SCOTTSDALE</u> Allotment: 10,000.00AF	71-516371.0001

73-516371.1400 (07/06/2012 to upon expiration of facility)	CITY OF CHANDLER	<u>CITY OF CHANDLER</u> Allotment: 93,000.00AF	71-516371.0001
73-516371.1500 (10/15/2013 to upon expiration of facility)	GILA RIVER INDIAN COMMUNITY	<u>GILA RIVER INDIAN COMMUNITY</u> Allotment: 93,000.00AF	71-516371.0001
73-516371.1600 (08/11/2015 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 93,000.00AF	71-516371.0001
73-520379.0001 (11/21/2014 to upon expiration of facility)	TOWN OF GILBERT	<u>TOWN OF GILBERT</u> Allotment: 3,360.00AF	71-520379.0003
73-534362.0102 (12/16/2013 to upon expiration of facility)	EPCOR (SUN CITY) WATER ARIZONA INC.	<u>EPCOR (SUN CITY) WATER ARIZONA INC.</u> Allotment: 3,041.50AF	71-534362.0004
73-534362.0203 (12/16/2013 to upon expiration of facility)	EPCOR (AGUA FRIA) WATER ARIZONA INC.	<u>EPCOR (AGUA FRIA) WATER ARIZONA INC.</u> Allotment: 5,600.00AF	71-534362.0004
73-534362.0302 (12/16/2013 to upon expiration of facility)	EPCOR (SUN CITY WEST) WATER ARIZONA INC.	<u>EPCOR (SUN CITY WEST) WATER ARIZONA INC.</u> Allotment: 3,041.50AF	71-534362.0004
73-534439.0001 (02/26/2007 to upon expiration of facility)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 15,000.00AF	72-534439.0004
73-534439.0201 (01/29/2007 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 15,000.00AF	72-534439.0004
73-534439.0300 (03/19/2007 to upon expiration of facility)	CITY OF GOODYEAR	<u>CITY OF GOODYEAR</u> Allotment: 10,000.00AF	72-534439.0004
73-534439.0400 (12/15/2011 to upon expiration of facility)	CITY OF BUCKEYE	<u>CITY OF BUCKEYE</u> Allotment: 15,000.00AF	72-534439.0004
73-534550.0101 (07/08/2011 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 20,000.00AF	72-534550.0005
73-534550.0301 (05/18/2009 to upon expiration of facility)	TOWN OF GILBERT	<u>TOWN OF GILBERT</u> Allotment: 28,000.00AF	72-534550.0005
73-534550.0400 (12/27/2005 to upon expiration of facility)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 28,000.00AF	72-534550.0005
73-534550.0500 (10/15/2013 to upon expiration of facility)	GILA RIVER INDIAN COMMUNITY	<u>GILA RIVER INDIAN COMMUNITY</u> Allotment: 22,000.00AF	72-534550.0005
73-534888.0101 (02/25/2008 to upon expiration of facility)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 54,000.00AF	72-534888.0005
73-534888.0301 (10/15/1997 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 54,000.00AF	72-534888.0005
73-534888.0500 (08/05/2004 to upon expiration of facility)	CITY OF CHANDLER	<u>CITY OF CHANDLER</u> Allotment: 20,000.00AF	72-534888.0005
73-534888.0604 (10/31/2008 to upon expiration of facility)	RESOLUTION COPPER MINING LLC	<u>RESOLUTION COPPER MINING LLC</u> Allotment: 54,000.00AF	72-534888.0005
73-534888.0700 (08/25/2009 to upon expiration of facility)	TOWN OF GILBERT	<u>TOWN OF GILBERT</u> Allotment: 20,000.00AF	72-534888.0005

73-534888.0800 (01/09/2012 to upon expiration of facility)	GILA RIVER INDIAN COMMUNITY	<u>GILA RIVER INDIAN COMMUNITY</u> Allotment: 54,000.00AF	72-534888.0005
73-534888.0900 (07/27/2012 to upon expiration of facility)	TOHONO O'ODHAM NATION	<u>TOHONO O'ODHAM NATION</u> Allotment: 26,000.00AF	72-534888.0005
73-534978.0000 (01/01/1995 to 12/31/2022)	LITCHFIELD PARK SERVICE CO DBA LIBERTY WATER	<u>LITCHFIELD PARK SERVICE CO DBA LIBERTY WATER</u> Allotment: 840.00AF	72-534978.0000
73-541455.0001 (01/27/2015 to upon expiration of facility)	CITY OF CHANDLER	<u>CITY OF CHANDLER</u> Allotment: N/A	71-541455.0002
73-545695.0201 (02/03/2010 to upon expiration of facility)	CITY OF CHANDLER	<u>CITY OF CHANDLER</u> Allotment: 40,000.00AF	72-545695.0006
73-545695.0900 (01/14/2003 to upon expiration of facility)	VIDLER WATER COMPANY	<u>VIDLER WATER COMPANY</u> Allotment: 50,000.00AF	72-545695.0006
73-545695.1100 (01/13/2010 to upon expiration of facility)	TOWN OF GILBERT	<u>TOWN OF GILBERT</u> Allotment: 20,000.00AF	72-545695.0006
73-545695.1300 (09/10/2010 to upon expiration of facility)	U.S. DEPARTMENT OF THE INTERIOR BUREAU OF RECLAMATION	<u>U.S. DEPARTMENT OF THE INTERIOR BUREAU OF RECLAMATION</u> Allotment: 50,000.00AF	72-545695.0006
73-545695.1400 (07/11/2011 to upon expiration of facility)	RESOLUTION COPPER MINING LLC	<u>RESOLUTION COPPER MINING LLC</u> Allotment: 25,000.00AF	72-545695.0006
73-545695.1500 (12/27/2011 to upon expiration of facility)	FREEMPORT-MCMORAN CORP	<u>FREEMPORT-MCMORAN CORP</u> Allotment: 85,000.00AF	72-545695.0006
73-545695.1600 (01/09/2012 to upon expiration of facility)	GILA RIVER INDIAN COMMUNITY	<u>GILA RIVER INDIAN COMMUNITY</u> Allotment: 85,000.00AF	72-545695.0006
73-545695.1700 (08/14/2013 to upon expiration of facility)	TONTO HILLS DOMESTIC WATER IMPROVEMENT DISTRICT	<u>TONTO HILLS DOMESTIC WATER IMPROVEMENT DISTRICT</u> Allotment: 71.00AF	72-545695.0006
73-545695.1801 (06/04/2015 to upon expiration of facility)	ARIZONA WATER COMPANY - SUPERSTITION	<u>ARIZONA WATER COMPANY - SUPERSTITION</u> Allotment: 85,000.00AF	72-545695.0006
73-545695.1900 (10/08/2015 to upon expiration of facility)	APACHE JUNCTION WATER DISTRICT	<u>APACHE JUNCTION WATER DISTRICT</u> Allotment: 3,919.00AF	72-545695.0006
73-545695.2100 (01/26/2016 to upon expiration of facility)	SALT RIVER PROJECT AG IMP & POWER DIST	<u>SALT RIVER PROJECT AG IMP &amp; POWER DIST</u> Allotment: 4,000.00AF	72-545695.0006
73-545695.2200 (05/03/2016 to upon expiration of facility)	TOWN OF QUEEN CREEK	<u>TOWN OF QUEEN CREEK</u> Allotment: 2,800.00AF	72-545695.0006
73-546844.0000 (05/02/1996 to 05/02/2016)	OCOTILLO MANAGEMENT GROUP	<u>OCOTILLO MANAGEMENT GROUP</u> Allotment: 2,500.00AF	71-546845.0002
73-552498.0001 (12/29/2004 to upon expiration of facility)	CITY OF PEORIA	<u>CITY OF PEORIA</u> Allotment: 210,580.00AF	71-552497.0004
73-553133.0101 (07/05/2006 to upon expiration of facility)	CITY OF SCOTTSDALE	<u>CITY OF SCOTTSDALE</u> Allotment: 20,000.00AF	72-553133.0005
73-553133.0201 (07/17/2006 to upon expiration of facility)	CITY OF PEORIA	<u>CITY OF PEORIA</u> Allotment: 100,000.00AF	72-553133.0005



73-553133.0301 (06/21/2006 to upon expiration of facility)	CITY OF TEMPE	<u>CITY OF TEMPE</u> Allotment: 25,000.00AF	72-553133.0005
73-553133.0401 (10/12/2006 to upon expiration of facility)	CITY OF CHANDLER	<u>CITY OF CHANDLER</u> Allotment: 30,000.00AF	72-553133.0005
73-553133.0501 (07/05/2006 to upon expiration of facility)	CITY OF MESA	<u>CITY OF MESA</u> Allotment: 30,000.00AF	72-553133.0005
73-553133.0601 (07/31/2006 to upon expiration of facility)	CITY OF PHOENIX	<u>CITY OF PHOENIX</u> Allotment: 100,000.00AF	72-553133.0005
73-553133.0701 (06/21/2006 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 100,000.00AF	72-553133.0005
73-553133.0900 (03/29/2002 to upon expiration of facility)	TOWN OF GILBERT	<u>TOWN OF GILBERT</u> Allotment: 50,000.00AF	72-553133.0005
73-553133.1200 (06/26/2006 to upon expiration of facility)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 100,000.00AF	72-553133.0005
73-553133.1300 (07/17/2006 to upon expiration of facility)	CITY OF GLENDALE	<u>CITY OF GLENDALE</u> Allotment: 100,000.00AF	72-553133.0005
73-553133.1400 (07/17/2006 to upon expiration of facility)	DEL WEBB HOME CONSTRUCTION INC	<u>DEL WEBB HOME CONSTRUCTION INC</u> Allotment: 50,000.00AF	72-553133.0005
73-553133.1500 (01/18/2013 to upon expiration of facility)	GILA RIVER INDIAN COMMUNITY	<u>GILA RIVER INDIAN COMMUNITY</u> Allotment: 89,000.00AF	72-553133.0005
73-553133.1600 (03/17/2014 to upon expiration of facility)	TONTO APACHE TRIBE	<u>TONTO APACHE TRIBE</u> Allotment: 128.00AF	72-553133.0005
73-553133.1700 (07/24/2014 to upon expiration of facility)	FREEMPORT MINERALS CORPORATION	<u>FREEMPORT MINERALS CORPORATION</u> Allotment: 89,000.00AF	72-553133.0005
73-553133.1800 (01/30/2015 to upon expiration of facility)	APACHE JUNCTION WATER DISTRICT	<u>APACHE JUNCTION WATER DISTRICT</u> Allotment: 3,919.00AF	72-553133.0005
73-553133.1900 (01/07/2016 to upon expiration of facility)	DEL WEBB CORPORATION	<u>DEL WEBB CORPORATION</u> Allotment: 10,000.00AF	72-553133.0005
73-558246.0303 (12/16/2013 to upon expiration of facility)	EPCOR (SUN CITY) WATER ARIZONA INC.	<u>EPCOR (SUN CITY) WATER ARIZONA INC.</u> Allotment: 4,189.00AF	72-558246.0007
73-558246.0403 (12/16/2013 to upon expiration of facility)	EPCOR (SUN CITY WEST) WATER ARIZONA INC.	<u>EPCOR (SUN CITY WEST) WATER ARIZONA INC.</u> Allotment: 2,372.00AF	72-558246.0007
73-558246.0503 (12/16/2013 to upon expiration of facility)	EPCOR (AGUA FRIA) WATER ARIZONA INC.	<u>EPCOR (AGUA FRIA) WATER ARIZONA INC.</u> Allotment: 11,093.00AF	72-558246.0007
73-558246.0601 (01/01/2004 to upon expiration of facility)	CITY OF GOODYEAR	<u>CITY OF GOODYEAR</u> Allotment: 10,000.00AF	72-558246.0007
73-558246.0701 (07/26/2004 to upon expiration of facility)	DEL WEBB CORPORATION	<u>DEL WEBB CORPORATION</u> Allotment: 10,000.00AF	72-558246.0007
73-558246.0800 (07/05/2006 to upon expiration of facility)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 40,000.00AF	72-558246.0007

73-558246.0901 (12/16/2013 to upon expiration of facility)	EPCOR (PARADISE VALLEY) WATER ARIZONA INC.	<u>EPCOR (PARADISE VALLEY) WATER ARIZONA INC.</u> Allotment: 3,231.00AF	72-558246.0007
73-558246.1101 (12/16/2013 to upon expiration of facility)	EPCOR (ANTHEM) WATER ARIZONA INC.	<u>EPCOR (ANTHEM) WATER ARIZONA INC.</u> Allotment: 7,500.00AF	72-558246.0007
73-558246.1200 (09/24/2010 to upon expiration of facility)	CITY OF GLENDALE	<u>CITY OF GLENDALE</u> Allotment: 20,000.00AF	72-558246.0007
73-558246.1300 (02/21/2014 to upon expiration of facility)	GILA RIVER INDIAN COMMUNITY	<u>GILA RIVER INDIAN COMMUNITY</u> Allotment: 40,000.00AF	72-558246.0007
73-558246.1400 (07/28/2014 to upon expiration of facility)	CHAPARRAL CITY WATER CO	<u>CHAPARRAL CITY WATER CO</u> Allotment: 40,000.00AF	72-558246.0007
73-558246.1500 (08/22/2014 to upon expiration of facility)	ARIZONA WATER COMPANY - WHITE TANKS	<u>ARIZONA WATER COMPANY - WHITE TANKS</u> Allotment: 40,000.00AF	72-558246.0007
73-558246.1600 (03/31/2016 to upon expiration of facility)	CITY OF SURPRISE	<u>CITY OF SURPRISE</u> Allotment: 20,000.00AF	72-558246.0007
73-560347.0001 (05/11/2004 to 05/23/2017)	CITY OF CHANDLER	<u>CITY OF CHANDLER</u> Allotment: 5,600.00AF	71-560347.0006
73-560427.0001 (12/10/2007 to upon expiration of facility)	PIMA UTILITY COMPANY	<u>PIMA UTILITY COMPANY</u> Allotment: 732.00AF	71-560427.0002
73-560649.0000 (09/08/1998 to 09/08/2018)	CITY OF SCOTTSDALE	<u>CITY OF SCOTTSDALE</u> Allotment: 16,800.00AF	71-560648.0003
73-562521.0002 (11/19/2001 to 11/30/2021)	CITY OF SURPRISE	<u>CITY OF SURPRISE</u> Allotment: 8,066.00AF	71-562521.0004
73-563943.0001 (07/25/2013 to upon expiration of facility)	CITY OF TEMPE	<u>CITY OF TEMPE</u> Allotment: 3,400.00AF	71-563943.0004
73-564416.0000 (12/30/1998 to 11/30/2018)	TOWN OF GILBERT	<u>TOWN OF GILBERT</u> Allotment: 4,369.00AF	71-564416.0002
73-565257.0003 (11/13/2012 to upon expiration of facility)	CITY OF AVONDALE	<u>CITY OF AVONDALE</u> Allotment: 20,000.00AF	71-565257.0003
73-566962.0206 (12/16/2013 to upon expiration of facility)	EPCOR (ANTHEM) WATER ARIZONA INC.	<u>EPCOR (ANTHEM) WATER ARIZONA INC.</u> Allotment: 10,000.00AF	71-566962.0009
73-569775.0000 (06/03/1999 to 05/31/2019)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 100,000.00AF	71-569775.0006
73-569775.0200 (01/06/2000 to 05/31/2019)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 100,000.00AF	71-569775.0006
73-569775.0300 (03/17/2005 to upon expiration of facility)	ARLINGTON VALLEY LLC	<u>ARLINGTON VALLEY LLC</u> Allotment: 1,000.00AF	71-569775.0006
73-569775.0400 (09/29/2002 to upon expiration of facility)	CITY OF PEORIA	<u>CITY OF PEORIA</u> Allotment: 9,000.00AF	71-569775.0006
73-569775.0500 (11/19/2002 to upon expiration of facility)	CITY OF GOODYEAR	<u>CITY OF GOODYEAR</u> Allotment: 13,000.00AF	71-569775.0006

73-569775.0601 (09/30/2008 to upon expiration of facility)	TOWN OF GILBERT	<u>TOWN OF GILBERT</u> Allotment: 100,000.00AF	71-569775.0006
73-569775.0700 (09/17/2004 to upon expiration of facility)	CITY OF AVONDALE	<u>CITY OF AVONDALE</u> Allotment: 20,000.00AF	71-569775.0006
73-569775.0800 (09/13/2005 to upon expiration of facility)	CITY OF CHANDLER	<u>CITY OF CHANDLER</u> Allotment: 30,000.00AF	71-569775.0006
73-569775.0900 (03/02/2006 to upon expiration of facility)	DEL WEBB CORPORATION	<u>DEL WEBB CORPORATION</u> Allotment: 10,000.00AF	71-569775.0006
73-569775.1100 (08/06/2008 to upon expiration of facility)	CITY OF SURPRISE	<u>CITY OF SURPRISE</u> Allotment: 10,000.00AF	71-569775.0006
73-569775.1200 (09/22/2008 to upon expiration of facility)	AQUA CAPITAL MANAGEMENT LP	<u>AQUA CAPITAL MANAGEMENT LP</u> Allotment: 100,000.00AF	71-569775.0006
73-569775.1300 (09/29/2008 to upon expiration of facility)	CITY OF EL MIRAGE	<u>CITY OF EL MIRAGE</u> Allotment: 100,000.00AF	71-569775.0006
73-569775.1400 (04/13/2009 to upon expiration of facility)	TOHONO O'ODHAM NATION OF ARIZONA	<u>TOHONO O'ODHAM NATION OF ARIZONA</u> Allotment: 100,000.00AF	71-569775.0006
73-569775.1500 (09/16/2010 to upon expiration of facility)	VIDLER WATER COMPANY	<u>VIDLER WATER COMPANY</u> Allotment: 50,000.00AF	71-569775.0006
73-569775.1600 (12/06/2010 to upon expiration of facility)	RESOLUTION COPPER MINING LLC	<u>RESOLUTION COPPER MINING LLC</u> Allotment: 20,000.00AF	71-569775.0006
73-569775.1700 (08/25/2014 to upon expiration of facility)	CITY OF GLENDALE	<u>CITY OF GLENDALE</u> Allotment: 50,000.00AF	71-569775.0006
73-569776.0000 (06/03/1999 to 05/31/2019)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 100,000.00AF	71-569776.0007
73-569776.0200 (01/06/2000 to 05/31/2019)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 100,000.00AF	71-569776.0007
73-569776.0300 (03/17/2005 to upon expiration of facility)	ARLINGTON VALLEY LLC	<u>ARLINGTON VALLEY LLC</u> Allotment: 1,000.00AF	71-569776.0007
73-569776.0400 (09/26/2002 to upon expiration of facility)	CITY OF PEORIA	<u>CITY OF PEORIA</u> Allotment: 9,000.00AF	71-569776.0007
73-569776.0500 (11/19/2002 to upon expiration of facility)	CITY OF GOODYEAR	<u>CITY OF GOODYEAR</u> Allotment: 13,000.00AF	71-569776.0007
73-569776.0601 (09/30/2008 to upon expiration of facility)	TOWN OF GILBERT	<u>TOWN OF GILBERT</u> Allotment: 100,000.00AF	71-569776.0007
73-569776.0700 (09/17/2004 to upon expiration of facility)	CITY OF AVONDALE	<u>CITY OF AVONDALE</u> Allotment: 20,000.00AF	71-569776.0007
73-569776.0800 (09/13/2005 to upon expiration of facility)	CITY OF CHANDLER	<u>CITY OF CHANDLER</u> Allotment: 30,000.00AF	71-569776.0007
73-569776.0900 (03/02/2006 to upon expiration of facility)	DEL WEBB CORPORATION	<u>DEL WEBB CORPORATION</u> Allotment: 10,000.00AF	71-569776.0007



73-569776.1100 (08/06/2008 to upon expiration of facility)	CITY OF SURPRISE	<u>CITY OF SURPRISE</u> Allotment: 100,000.00AF	71-569776.0007
73-569776.1200 (09/22/2008 to upon expiration of facility)	AQUA CAPITAL MANAGEMENT LP	<u>AQUA CAPITAL MANAGEMENT LP</u> Allotment: 100,000.00AF	71-569776.0007
73-569776.1300 (09/29/2008 to upon expiration of facility)	CITY OF EL MIRAGE	<u>CITY OF EL MIRAGE</u> Allotment: 100,000.00AF	71-569776.0007
73-569776.1400 (04/13/2009 to upon expiration of facility)	TOHONO O'ODHAM NATION OF ARIZONA	<u>TOHONO O'ODHAM NATION OF ARIZONA</u> Allotment: 100,000.00AF	71-569776.0007
73-569776.1500 (09/16/2010 to upon expiration of facility)	VIDLER WATER COMPANY	<u>VIDLER WATER COMPANY</u> Allotment: 50,000.00AF	71-569776.0007
73-569776.1600 (12/06/2012 to upon expiration of facility)	RESOLUTION COPPER MINING LLC	<u>RESOLUTION COPPER MINING LLC</u> Allotment: 20,000.00AF	71-569776.0007
73-569776.1700 (08/25/2014 to upon expiration of facility)	CITY OF GLENDALE	<u>CITY OF GLENDALE</u> Allotment: 50,000.00AF	71-569776.0007
73-569776.1800 (07/16/2015 to upon expiration of facility)	ARIZONA WATER COMPANY - WHITE TANKS	<u>ARIZONA WATER COMPANY - WHITE TANKS</u> Allotment: N/A	71-569776.0007
73-572386.0002 (10/31/2014 to upon expiration of facility)	CITY OF PHOENIX	<u>CITY OF PHOENIX</u> Allotment: 30,000.00AF	72-572386.0004
73-572386.0200 (02/05/2009 to upon expiration of facility)	LITCHFIELD PARK SERVICE CO DBA LIBERTY WATER	<u>LITCHFIELD PARK SERVICE CO DBA LIBERTY WATER</u> Allotment: 30,000.00AF	72-572386.0004
73-572386.0300 (03/28/2011 to upon expiration of facility)	CITY OF BUCKEYE	<u>CITY OF BUCKEYE</u> Allotment: 5,000.00AF	72-572386.0004
73-574911.0001 (02/12/2016 to upon expiration of facility)	CITY OF SCOTTSDALE	<u>CITY OF SCOTTSDALE</u> Allotment: 1,000.00AF	71-574911.0002
73-583022.0200 (02/13/2002 to 01/31/2022)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 3,642.00AF	71-583022.0002
73-583022.0300 (03/17/2004 to 01/31/2022)	CITY OF SCOTTSDALE	<u>CITY OF SCOTTSDALE</u> Allotment: 3,642.00AF	71-583022.0002
73-583023.0001 (10/04/2004 to 09/30/2021)	CITY OF CHANDLER	<u>CITY OF CHANDLER</u> Allotment: 1,300.00AF	71-583023.0002
73-584466.0000 (12/18/2001 to upon expiration of facility)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 35,000.00AF	71-584466.0003
73-584466.0200 (03/29/2002 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 35,000.00AF	71-584466.0003
73-584466.0300 (11/28/2003 to upon expiration of facility)	CITY OF PEORIA	<u>CITY OF PEORIA</u> Allotment: 10,000.00AF	71-584466.0003
73-584466.0400 (12/18/2003 to upon expiration of facility)	CITY OF GOODYEAR	<u>CITY OF GOODYEAR</u> Allotment: 13,000.00AF	71-584466.0003
73-584466.0500 (09/16/2004 to upon expiration of facility)	DMB White Tank, LLC, an Arizona limited liability company, a	<u>DMB White Tank, LLC, an Arizona limited liability company, a</u> Allotment: 40.00AF	71-584466.0003

73-584466.0600 (09/14/2004 to upon expiration of facility)	CITY OF AVONDALE	<u>CITY OF AVONDALE</u> Allotment: 20,000.00AF	71-584466.0003
73-584466.0700 (09/13/2005 to upon expiration of facility)	CITY OF CHANDLER	<u>CITY OF CHANDLER</u> Allotment: 30,000.00AF	71-584466.0003
73-584466.0800 (03/02/2006 to upon expiration of facility)	DEL WEBB CORPORATION	<u>DEL WEBB CORPORATION</u> Allotment: 10,000.00AF	71-584466.0003
73-584466.0900 (08/06/2008 to upon expiration of facility)	CITY OF SURPRISE	<u>CITY OF SURPRISE</u> Allotment: 35,000.00AF	71-584466.0003
73-584466.1100 (09/22/2008 to upon expiration of facility)	AQUA CAPITAL MANAGEMENT LP	<u>AQUA CAPITAL MANAGEMENT LP</u> Allotment: 35,000.00AF	71-584466.0003
73-584466.1200 (09/29/2008 to upon expiration of facility)	CITY OF EL MIRAGE	<u>CITY OF EL MIRAGE</u> Allotment: 35,000.00AF	71-584466.0003
73-584466.1300 (04/13/2009 to upon expiration of facility)	TOHONO O'ODHAM NATION OF ARIZONA	<u>TOHONO O'ODHAM NATION OF ARIZONA</u> Allotment: 35,000.00AF	71-584466.0003
73-584466.1400 (09/16/2010 to upon expiration of facility)	VIDLER WATER COMPANY	<u>VIDLER WATER COMPANY</u> Allotment: 35,000.00AF	71-584466.0003
73-584466.1500 (12/06/2010 to upon expiration of facility)	RESOLUTION COPPER MINING LLC	<u>RESOLUTION COPPER MINING LLC</u> Allotment: 20,000.00AF	71-584466.0003
73-584466.1600 (08/25/2014 to upon expiration of facility)	CITY OF GLENDALE	<u>CITY OF GLENDALE</u> Allotment: 35,000.00AF	71-584466.0003
73-584466.1700 (07/16/2015 to upon expiration of facility)	ARIZONA WATER COMPANY - SUPERSTITIO	<u>ARIZONA WATER COMPANY - SUPERSTITION</u> Allotment: N/A	71-584466.0003
73-584466.1800 (07/16/2015 to upon expiration of facility)	ARIZONA WATER COMPANY - WHITE TANKS	<u>ARIZONA WATER COMPANY - WHITE TANKS</u> Allotment: 968.00AF	71-584466.0003
73-584466.1900 (12/14/2015 to upon expiration of facility)	AK-CHIN INDIAN COMMUNITY (PHOENIX AMA)	<u>AK-CHIN INDIAN COMMUNITY (PHOENIX AMA)</u> Allotment: 5,000.00AF	71-584466.0003
73-584469.0000 (03/07/2005 to upon expiration of facility)	SUPERSTITION MOUNTAIN COMMUNITY FACILITIES DIST. NO. 1	<u>SUPERSTITION MOUNTAINS COMMUNITY FACILITIES DIST. NO. 1</u> Allotment: 2,352.00AF	71-584469.0002
73-586730.0000 (03/12/2003 to 03/31/2023)	CITY OF GLENDALE	<u>CITY OF GLENDALE</u> Allotment: 7,841.00AF	71-586730.0000
73-588551.0000 (11/24/2003 to 11/30/2023)	CITY OF CHANDLER	<u>CITY OF CHANDLER</u> Allotment: 2,240.00AF	71-588551.0001
73-588558.0002 (09/27/2006 to upon expiration of facility)	SALT RIVER PROJECT	<u>SALT RIVER PROJECT</u> Allotment: 30,000.00AF	71-588558.0005
73-588558.0201 (09/27/2006 to upon expiration of facility)	CITY OF CHANDLER	<u>CITY OF CHANDLER</u> Allotment: 30,000.00AF	71-588558.0005
73-588558.0301 (09/27/2006 to upon expiration of facility)	CITY OF GLENDALE	<u>CITY OF GLENDALE</u> Allotment: 30,000.00AF	71-588558.0005
73-588558.0402 (07/27/2007 to upon expiration of facility)	CITY OF AVONDALE	<u>CITY OF AVONDALE</u> Allotment: 3,000.00AF	71-588558.0005

73-588558.0500 (07/09/2007 to upon expiration of facility)	CITY OF PEORIA	<u>CITY OF PEORIA</u> Allotment: 14,600.00AF	71-588558.0005
73-588558.0600 (10/15/2013 to upon expiration of facility)	GILA RIVER INDIAN COMMUNITY	<u>GILA RIVER INDIAN COMMUNITY</u> Allotment: 75,000.00AF	71-588558.0005
73-591929.0000 (04/14/2003 to 04/30/2023)	GOLD CANYON SEWER COMPANY	<u>GOLD CANYON SEWER COMPANY</u> Allotment: 1,120.00AF	71-591929.0000
73-591934.0000 (01/23/2004 to 01/31/2024)	CITY OF GLENDALE	<u>CITY OF GLENDALE</u> Allotment: 2,300.00AF	71-591934.0001
73-591935.0000 (11/30/2004 to upon expiration of facility)	TOWN OF GILBERT	<u>TOWN OF GILBERT</u> Allotment: 2,240.00AF	71-591935.0000
73-591940.0000 (08/10/2004 to 08/10/2024)	FOUNTAIN HILLS SANITARY DIST.	<u>FOUNTAIN HILLS SANITARY DIST.</u> Allotment: 2,240.60AF	71-591940.0001
73-593305.0001 (07/27/2009 to upon expiration of facility)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 150,000.00AF	71-593305.0002
73-593305.0201 (09/30/2008 to upon expiration of facility)	TOWN OF GILBERT	<u>TOWN OF GILBERT</u> Allotment: 150,000.00AF	71-593305.0002
73-593305.0300 (09/01/2005 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 87,500.00AF	71-593305.0002
73-593305.0400 (09/13/2005 to upon expiration of facility)	CITY OF CHANDLER	<u>CITY OF CHANDLER</u> Allotment: 30,000.00AF	71-593305.0002
73-593305.0500 (03/02/2006 to upon expiration of facility)	DEL WEBB CORPORATION	<u>DEL WEBB CORPORATION</u> Allotment: 10,000.00AF	71-593305.0002
73-593305.0601 (12/16/2013 to upon expiration of facility)	EPCOR (AGUA FRIA) WATER ARIZONA INC.	<u>EPCOR (AGUA FRIA) WATER ARIZONA INC.</u> Allotment: 30,000.00AF	71-593305.0002
73-593305.0701 (01/18/2011 to 09/01/2025)	CITY OF BUCKEYE	<u>CITY OF BUCKEYE</u> Allotment: 10,000.00AF	71-593305.0002
73-593305.0800 (11/27/2007 to upon expiration of facility)	GLOBAL WATER-WATER UTILITY OF GREATER TONOPAH	<u>GLOBAL WATER-WATER UTILITY OF GREATER TONOPAH</u> Allotment: 50,000.00AF	71-593305.0002
73-593305.0901 (12/16/2013 to upon expiration of facility)	EPCOR (PARADISE VALLEY) WATER ARIZONA INC.	<u>EPCOR (PARADISE VALLEY) WATER ARIZONA INC.</u> Allotment: 10,000.00AF	71-593305.0002
73-593305.1100 (05/19/2008 to upon expiration of facility)	CSW Sun Valley South Holdings, L.L.C., an Arizona limited li	<u>CSW Sun Valley South Holdings, L.L.C., an Arizona limited li</u> Allotment: 250.00AF	71-593305.0002
73-593305.1200 (06/25/2008 to upon expiration of facility)	CITY OF SURPRISE	<u>CITY OF SURPRISE</u> Allotment: 150,000.00AF	71-593305.0002
73-593305.1300 (09/22/2008 to upon expiration of facility)	AQUA CAPITAL MANAGEMENT LP	<u>AQUA CAPITAL MANAGEMENT LP</u> Allotment: 150,000.00AF	71-593305.0002
73-593305.1400 (09/29/2008 to upon expiration of facility)	CITY OF EL MIRAGE	<u>CITY OF EL MIRAGE</u> Allotment: 150,000.00AF	71-593305.0002
73-593305.1600 (02/24/2009 to upon expiration of facility)	VIDLER WATER COMPANY	<u>VIDLER WATER COMPANY</u> Allotment: 50,000.00AF	71-593305.0002



73-593305.1700 (07/28/2009 to upon expiration of facility)	THE HOPI TRIBE	<u>THE HOPI TRIBE</u> Allotment: 10,000.00AF	71-593305.0002
73-593305.1800 (12/06/2010 to upon expiration of facility)	RESOLUTION COPPER MINING LLC	<u>RESOLUTION COPPER MINING LLC</u> Allotment: 20,000.00AF	71-593305.0002
73-593305.1900 (06/25/2012 to upon expiration of facility)	CHAPARRAL CITY WATER CO	<u>CHAPARRAL CITY WATER CO</u> Allotment: 8,909.00AF	71-593305.0002
73-593305.2100 ( to upon expiration of facility)	CITY OF SCOTTSDALE	<u>CITY OF SCOTTSDALE</u> Allotment: 20,000.00AF	71-593305.0002
73-593305.2200 (03/31/2014 to upon expiration of facility)	CITY OF GOODYEAR	<u>CITY OF GOODYEAR</u> Allotment: 17,000.00AF	71-593305.0002
73-595198.0001 (09/09/2008 to upon expiration of facility)	TOWN OF GILBERT	<u>TOWN OF GILBERT</u> Allotment: 4,032.00AF	71-595198.0001
73-595199.0000 (12/17/2004 to upon expiration of facility)	CITY OF PHOENIX	<u>CITY OF PHOENIX</u> Allotment: 8,961.00AF	71-595199.0003

## Recovery Well Permits

PERMIT NO	PERMIT HOLDER	PROJECT DESCRIPTION
74-205382.0000	WILLIAM LYON HOMES, INC.	Number of wells: 2 Water Uses: IRRIGATION,NO USE CODE ON NOI
74-205389.0003	CITY OF PHOENIX	Number of wells: 4 Water Uses: RECOVERY,MUNICIPAL USES
74-207701.0001	GLOBAL WATER-VALENCIA WATER COMPANY	Number of wells: 6 Water Uses: TEST,DOMESTIC,INDUSTRIAL,UTILITY (WATER CO),MUNICIPAL USES
74-207706.0001	CITY OF EL MIRAGE	Number of wells: 11 Water Uses: DOMESTIC,IRRIGATION,MUNICIPAL USES
74-207707.0000	CSW SUN VALLEY SOUTH HOLDING LLC	Number of wells: 1 Water Uses: RESERVED,COMMERCIAL
74-208997.0000	POWER RANCH COMMUNITY ASSN	Number of wells: 1 Water Uses: INDUSTRIAL,IRRIGATION
74-208998.0000	ROADHAVEN RESORT HOA	Number of wells: 1 Water Uses: INDUSTRIAL
74-211289.0000	CITY OF CHANDLER	Number of wells: 1 Water Uses: TEST,MUNICIPAL USES
74-216372.0000	ROOSEVELT WATER CONSERVATION DISTRICT	Number of wells: 43 Water Uses: INDUSTRIAL,IRRIGATION,MUNICIPAL USES,NO USE CODE ON NOI
74-216373.0000	ASANTE LH, LLC	Number of wells: 1 Water Uses: TEST
74-216375.0001	EPCOR (PARADISE VALLEY) WATER ARIZONA INC.	Number of wells: 7 Water Uses: MUNICIPAL USES,UTILITY (WATER CO)

74-216376.0000	GREYSTONE CONSTRUCTION INC	Number of wells: 1 Water Uses: TEST,MUNICIPAL USES
74-216377.0000	US HOME OF ARIZONA CONSTRUCTION COMPAMY	Number of wells: 1 Water Uses: TEST
74-216378.0000	LENNAR ARIZONA, INC.	Number of wells: 1 Water Uses: TEST
74-216380.0000	JF PURCHASE, LLC	Number of wells: 1 Water Uses: TEST,INDUSTRIAL,MUNICIPAL USES
74-216385.0000	JOHNSON UTILITIES - PHOENIX	Number of wells: 15 Water Uses: TEST,STOCK,DOMESTIC,IRRIGATION,MUNICIPAL USES,INDUSTRIAL
74-218764.0003	CITY OF BUCKEYE	Number of wells: 22 Water Uses: DOMESTIC,IRRIGATION,MUNICIPAL USES,UTILITY (WATER CO)
74-221563.0000	CHAPARRAL CITY WATER CO	Number of wells: 2 Water Uses: MUNICIPAL USES
74-221742.0004	SFI GRAND VISTA LLC	Number of wells: Water Uses:
74-223960.0000	PECAN CREEK SOUTH HOA, C/O AAM, LLC.	Number of wells: 1 Water Uses: IRRIGATION
74-224132.0000	A.S. 45, L.L.C. DOING BUSINESS AS APACHE SUN GOLF COURSE	Number of wells: Water Uses:
74-224269.0000	ARIZONA WATER COMPANY - SUPERSTITIO	Number of wells: Water Uses:
74-224271.0001	AV HOMES OF ARIZONA, LLC	Number of wells: 3 Water Uses: TEST,IRRIGATION
74-224731.0000	ARIZONA WATER COMPANY - WHITE TANKS	Number of wells: 7 Water Uses: DOMESTIC,INDUSTRIAL,MUNICIPAL USES,UTILITY (WATER CO)
74-224801.0000	THE CLUB AT ENCANTERRA	Number of wells: Water Uses:
74-224871.0000	RECREATIONAL CENTER, INC	Number of wells: Water Uses:
74-225606.0000	VULCAN MATERIALS COMPANY	Number of wells: 1 Water Uses: DOMESTIC,RECOVERY,IRRIGATION
74-225766.0000	CITY OF TEMPE	Number of wells: Water Uses:
74-545657.0000	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	Number of wells: 15 Water Uses: DOMESTIC,INDUSTRIAL,NO WATER USE,MUNICIPAL USES
74-545931.0000	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	Number of wells: 10 Water Uses: DOMESTIC,INDUSTRIAL,IRRIGATION,MUNICIPAL USES
74-547295.0001	PIMA UTILITY COMPANY	Number of wells: 8 Water Uses: TEST,RECOVERY,INDUSTRIAL,UTILITY (WATER CO),IRRIGATION

74-547332.0002	CITY OF TEMPE	Number of wells: 12 Water Uses: DOMESTIC,MUNICIPAL USES
74-548263.0006	CITY OF CHANDLER	Number of wells: 35 Water Uses: TEST,COMMERCIAL,INDUSTRIAL,MUNICIPAL USES
74-548930.0005	SALT RIVER PROJECT	Number of wells: 294 Water Uses: TEST,MINING,UNKNOWN,RESERVED,IRRIGATION,NO WATER USE,OTH
74-549614.0005	CITY OF MESA	Number of wells: 43 Water Uses: INDUSTRIAL,MONITORING,RECREATION,UTILITY (WATER CO),MUNICIPAL
74-551729.0002	CITY OF CHANDLER	Number of wells: 15 Water Uses: INDUSTRIAL,IRRIGATION,MUNICIPAL USES
74-553413.0000	CITY OF TEMPE	Number of wells: 9 Water Uses: TEST,INDUSTRIAL,IRRIGATION,MUNICIPAL USES
74-553414.0001	LITCHFIELD PARK SERVICE DBA LIBERTY WATER	Number of wells: 13 Water Uses: DOMESTIC,INDUSTRIAL,IRRIGATION,UTILITY (WATER CO),MUNICIPAL
74-553424.0012	CITY OF AVONDALE	Number of wells: 25 Water Uses: DOMESTIC,INDUSTRIAL,IRRIGATION,MUNICIPAL USES
74-553884.0000	MARICOPA WATER DISTRICT	Number of wells: 1 Water Uses: IRRIGATION,MUNICIPAL USES
74-555844.0001	OCOTILLO MANAGEMENT GROUP	Number of wells: 2 Water Uses: IRRIGATION
74-556122.0000	MARICOPA WATER DISTRICT	Number of wells: 12 Water Uses: DOMESTIC,INDUSTRIAL,IRRIGATION
74-563944.0000	CITY OF TEMPE	Number of wells: 1 Water Uses: INDUSTRIAL,MUNICIPAL USES
74-564007.0004	CITY OF SCOTTSDALE	Number of wells: 30 Water Uses: DOMESTIC,INDUSTRIAL,NO WATER USE,MUNICIPAL USES
74-564545.0008	CITY OF GOODYEAR	Number of wells: 12 Water Uses: TEST,RECOVERY,INDUSTRIAL,MUNICIPAL USES,UTILITY (WATER
74-565003.0013	CITY OF SURPRISE	Number of wells: 20 Water Uses: TEST,RECOVERY,INDUSTRIAL,MUNICIPAL USES,UTILITY (WATER
74-567343.0000	WATER UTILITY OF GREATER TONOPAH, INC	Number of wells: 1 Water Uses: DOMESTIC,MUNICIPAL USES
74-571067.0000	PEBBLECREEK PROPERTIES L.P.	Number of wells: 4 Water Uses: INDUSTRIAL,IRRIGATION
74-572707.0012	CITY OF PEORIA	Number of wells: 46 Water Uses: TEST,DOMESTIC,RECOVERY,IRRIGATION,MUNICIPAL USES,UTILITY
74-573575.0000	BRIARWOOD COUNTRY CLUB	Number of wells: 1 Water Uses: INDUSTRIAL
74-573576.0000	RECREATION CENTERS/SUN CITY WEST	Number of wells: 7 Water Uses: INDUSTRIAL,IRRIGATION



74-574912.0000	CITY OF SCOTTSDALE	Number of wells: 1 Water Uses: MUNICIPAL USES
74-575348.0000	WATER UTILITY OF NORTHERN SCOTTSDALE	Number of wells: 1 Water Uses: TEST,DOMESTIC,SUBDIVISION
74-575985.0002	FOUNTAIN HILLS SANITARY DISTRICT	Number of wells: 5 Water Uses: DRAINAGE,RECOVERY,INDUSTRIAL,MUNICIPAL USES
74-576703.0001	APACHE JUNCTION WATE UTILITIES COMMUNITY FACILITIES DIST	Number of wells: 3 Water Uses: INDUSTRIAL,MUNICIPAL USES
74-578319.0001	MCCORMICK LAND DEVELOPMENT	Number of wells: 2 Water Uses: INDUSTRIAL,IRRIGATION,NO USE CODE ON NOI
74-581371.0002	CITY OF GLENDALE	Number of wells: 66 Water Uses: UNKNOWN,DOMESTIC,RECOVERY,IRRIGATION,MUNICIPAL USES,UTILI
74-583023.0002	CITY OF CHANDLER	Number of wells: 4 Water Uses: RECOVERY,MUNICIPAL USES
74-583025.0000	TOWN OF QUEEN CREEK WATER	Number of wells: 1 Water Uses: DOMESTIC,MUNICIPAL USES
74-584460.0001	CITY OF PHOENIX	Number of wells: 5 Water Uses: INDUSTRIAL,MUNICIPAL USES,OTHER - PRODUCTION
74-584461.0003	CITY OF CHANDLER	Number of wells: 8 Water Uses: TEST,RECOVERY,INDUSTRIAL,MUNICIPAL USES
74-584468.0000	CITY OF TEMPE	Number of wells: 1 Water Uses: INDUSTRIAL,MUNICIPAL USES
74-586724.0008	TOWN OF GILBERT	Number of wells: 58 Water Uses: TEST,INDUSTRIAL,IRRIGATION,RECREATION,NO USE CODE ON NOI,UT
74-586724.0010	TOWN OF GILBERT	Number of wells: 59 Water Uses: TEST,INDUSTRIAL,IRRIGATION,RECREATION,NO USE CODE ON NOI,UT
74-588552.0000	SEVILLE GOLF & COUNTRY CLUB	Number of wells: 1 Water Uses: INDUSTRIAL,IRRIGATION
74-590281.0002	CITY OF SCOTTSDALE	Number of wells: 5 Water Uses: INDUSTRIAL,MONITORING,MUNICIPAL USES
74-590631.0001	CITY OF TEMPE	Number of wells: 14 Water Uses: INDUSTRIAL,IRRIGATION,MUNICIPAL USES,UTILITY (WATER CO)
74-590633.0002	EPCOR (ANTHEM) WATER ARIZONA INC.	Number of wells: 3 Water Uses: INDUSTRIAL,MUNICIPAL USES
74-590634.0002	EPCOR (SUN CITY) WATE ARIZONA INC.	Number of wells: 19 Water Uses: INDUSTRIAL,MUNICIPAL USES,UTILITY (WATER CO)
74-590635.0002	EPCOR (SUN CITY WEST) WATER ARIZONA INC.	Number of wells: 11 Water Uses: INDUSTRIAL,IRRIGATION,MUNICIPAL USES,UTILITY (WATER CO)
74-590636.0002	EPCOR (AGUA FRIA) WATER ARIZONA INC.	Number of wells: 22 Water Uses: TEST,DOMESTIC,INDUSTRIAL,MUNICIPAL USES,UTILITY (WATER

74-590641.0000	CITY OF CHANDLER	Number of wells: 1 Water Uses: TEST,RECOVERY,INDUSTRIAL,MUNICIPAL USES
74-591931.0001	KLAK TEMPE LLC A DELAWARE LIMITED LIABILITY CO. DOING	Number of wells: 1 Water Uses: COMMERCIAL,INDUSTRIAL,MUNICIPAL USES
74-593303.0001	EPCOR (AGUA FRIA) WATER ARIZONA INC.	Number of wells: 2 Water Uses: INDUSTRIAL,MUNICIPAL USES
74-595203.0000	DMB WHITE TANK LLC	Number of wells: 1 Water Uses: INDUSTRIAL
74-595210.0000	TREND HOMES, INC.	Number of wells: 1 Water Uses: TEST,INDUSTRIAL
74-595213.0001	MARBELLA VINEYARDS HOMEOWNERS ASS.	Number of wells: 2 Water Uses: INDUSTRIAL,IRRIGATION
74-595214.0000	CITY OF TEMPE	Number of wells: 1 Water Uses: RECOVERY,MUNICIPAL USES

### Permits Issued In Year 2016

TYPE OF PERMIT	NUMBER / PERMITTEE	EFFECTIVE DATE
GROUNDWATER SAVINGS FACILITY	72-545695.0006 ROOSEVELT WATER CONSERVATION DISTRICT	1/11/2016
RECOVERY WELLS	74-586724.0010 TOWN OF GILBERT	3/10/2016
WATER STORAGE PERMIT	73-558246.1600 CITY OF SURPRISE	3/31/2016
WATER STORAGE PERMIT	73-545695.2200 TOWN OF QUEEN CREEK	5/3/2016
RECOVERY WELLS	74-225766.0000 CITY OF TEMPE	5/19/2016
UNDERGROUND STORAGE FACILIT	71-584469.0002 SUPERSTITION MOUNTAINS COMMUNITY FACILITIES DIST. NO. 1	6/3/2016
UNDERGROUND STORAGE FACILIT	71-565257.0004 CITY OF AVONDALE	7/1/2016

### Long Term Storage Account (LTSA) and Permit Cross-Reference by Entity

LTSA No.	LTSA HOLDER	STORAGE FACILITY PERMITS	WATER STORAGE PERMITS	RECOVERY WELL PERMITS
70-441120.0000	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	71-207702.0002, 71-569775.0006, 71-569776.0007, 71-593305.0002, 71-584466.0003	73-207702.0001, 73-224000.0200, 73-534439.0001, 73-534888.0101, 73-558246.0800, 73-569776.0000, 73-584466.0000, 73-593305.0001, 73-583022.0200, 73-569775.0000, 73-553133.1200, 73-534550.0400	74-545657.0000, 74-545931.0000
70-441120.0001	CENTRAL ARIZONA GROUNDWATER REPLENISHMENT			
70-441120.0002	CENTRAL ARIZONA GROUNDWATER REPLENISHMENT			
70-441123.0000	CITY OF TEMPE	71-563943.0004	73-516371.0701, 73-553133.0301,	74-547332.0001, 74-547332.0002,

70-441125.0000	SALT RIVER PROJECT	71-516371.0001, 71-588558.0005, 72-553133.0005	73-516371.0101, 73-545695.2100, 73-588558.0002	74-548930.0005
70-441127.0000	CITY OF MESA		73-516371.0301, 73-553133.0501	74-549614.0005
70-441129.0000	CITY OF CHANDLER	71-541455.0002, 71-560347.0006, 71-583023.0002, 71-588551.0001	73-207702.0300, 73-516371.1400, 73-534888.0500, 73-545695.0201, 73-553133.0401, 73-569775.0800, 73-583023.0001, 73-588551.0000, 73-593305.0400, 73-588558.0201, 73-584466.0700, 73-569776.0800, 73-560347.0001, 73-547123.0000, 73-541455.0001	74-211289.0000, 74-548263.0006, 74-551729.0002, 74-584461.0003, 74-590641.0000, 74-583023.0002
70-441131.0000	CITY OF SCOTTSDALE	71-560648.0003, 71-574911.0002, 71-583022.0002	73-207702.0900, 73-516371.1301, 73-553133.0101, 73-574911.0001, 73-593305.2100, 73-583022.0300, 73-560649.0000	74-564007.0004, 74-574912.0000, 74-590281.0002
70-441133.0000	CITY OF PHOENIX	71-216386.0001, 71-220047.0001, 71-222506.0000, 71-595199.0003	73-216386.0000, 73-220047.0000, 73-222506.0000, 73-553133.0601, 73-595199.0000, 73-572386.0002, 73-516371.0601	74-205389.0003, 74-584460.0001
70-441135.0000	CITY OF AVONDALE	71-565257.0003	73-565257.0003, 73-569775.0700, 73-569776.0700, 73-588558.0402, 73-584466.0600	74-553424.0011, 74-553424.0012
70-441137.0000	PIMA UTILITY COMPANY	71-560427.0002	73-560427.0001	74-547295.0001
70-441139.0000	LIBERTY UTILITIES (LITCHFIELD PARK WATER &	71-224000.0000, 72-534978.0000	73-224000.0000, 73-534978.0000, 73-572386.0200	74-553414.0001
70-441143.0000				



71-520379.0003,  
71-564416.0002,  
71-591935.0000,  
71-595198.0001

73-207702.0100,  
73-516371.0501,  
73-520379.0001,  
73-534888.0700,  
73-553133.0900,  
73-569775.0601,  
73-591935.0000,  
73-595198.0001,  
73-593305.0201,  
73-569776.0601,  
73-564416.0000,  
73-545695.1100,  
73-534550.0301

74-586724.0008,  
74-586724.0009,  
74-586724.0010

70-441144.0000	CITY OF GOODYEAR	71-223658.0000	73-207702.0700, 73-223658.0000, 73-534439.0300, 73-569775.0500, 73-584466.0400, 73-593305.2200, 73-569776.0500, 73-558246.0601	74-564545.0008, 74-564545.0009
70-441146.0000	CITY OF PEORIA	71-220046.0001, 71-552497.0004	73-220046.0000, 73-552498.0001, 73-553133.0201, 73-569776.0400, 73-588558.0500, 73-584466.0300, 73-569775.0400	74-572707.0009, 74-572707.0012
70-441147.0000	OCOTILLO MANAGEMENT GROUP	71-546845.0002	73-546844.0000	74-555844.0001
70-441148.0000	DEL E WEBB HOME CONSTRUCTION		73-553133.1400	
70-441149.0000	CITY OF GLENDALE	71-586730.0000, 71-591934.0001	73-207702.0800, 73-553133.1300, 73-558246.1200, 73-569776.1700, 73-586730.0000, 73-591934.0000, 73-588558.0301, 73-584466.1600, 73-569775.1700	74-581371.0002
70-441150.0000	ARIZONA WATER BANKING AUTHORITY		73-207702.0200, 73-216387.0500, 73-516371.1600, 73-534550.0101, 73-553133.0701, 73-569776.0200, 73-584466.0200, 73-593305.0300, 73-576699.0200, 73-569775.0200, 73-534888.0301, 73-534439.0201	
70-441150.0001	ARIZONA WATER BANKING AUTHORITY			
70-441150.0002	ARIZONA WATER BANKING AUTHORITY			

70-441150.0003	ARIZONA WATER BANKING AUTHORITY			
70-441151.0000	MARICOPA WATER DISTRICT	72-558246.0007		74-553884.0000, 74-556122.0000
70-441152.0000	APACHE JUNCTION WATER DISTRICT		73-207702.0500, 73-545695.1900, 73-553133.1800	74-576703.0001
70-441155.0000	CITY OF SURPRISE	71-218760.0000, 71-218761.0001, 71-562521.0004	73-218760.0000, 73-218761.0000, 73-558246.1600, 73-569775.1100, 73-584466.0900, 73-593305.1200, 73-569776.1100, 73-562521.0002	74-565003.0013
70-441156.0000	TEMPE FAMILY GOLF CENTERS INC			74-562635.0000
70-441157.0000	VIDLER WATER CO INC	71-576699.0004	73-207702.0400, 73-569775.1500, 73-569776.1500, 73-584466.1400, 73-593305.1600, 73-576699.0100	74-205390.0003
70-441158.0000	GLOBAL WATER-WATER UTILITY OF GREATER		73-216387.0200, 73-593305.0800	74-567343.0000
70-441159.0000	GLOBAL WATER-SANTA CRUZ WATER CO-PHX		73-216387.0400	
70-441160.0000	ARIZONA PUBLIC SERVICE CO			
70-441161.0000	FREEPORT MINERALS CORPORATION		73-545695.1500, 73-553133.1700	
70-441164.0000	PEBBLECREEK PROPERTIES L.P.			74-571067.0000
70-441166.0000	BRIARWOOD COUNTRY CLUB			74-573575.0000
70-441167.0000	RECREATION CTRS/SUN CITY WEST			74-573576.0000
70-441168.0000	WATER UTILITY OF NORTHERN SCOTTSDALE			74-575348.0000
70-441169.0000	HILLCREST GOLF COURSE			
70-441174.0000	SAN TAN LAKESIDE ESTATES HOA			74-578319.0001
70-441175.0000	FOUNTAIN HILLS SANITARY DISTRICT	71-591940.0001	73-591940.0000	74-575985.0002
70-441176.0000	CITY OF EL MIRAGE			

		71-211282.0000	73-211282.0000, 73-569775.1300, 73-569776.1300, 73-593305.1400, 73-584466.1200	74-207706.0001
70-441177.0000	GLOBAL WATER-VALENCIA WATER COMPANY			74-207701.0001
70-441178.0000	DEL WEBB CORPORATION		73-216387.0600, 73-553133.1900, 73-558246.0701, 73-569776.0900, 73-593305.0500, 73-584466.0800, 73-569775.0900	
70-441180.0000	TOWN OF QUEEN CREEK		73-545695.2200	74-583025.0000
70-441181.0000	SEVILLE GOLF & COUNTRY CLUB			74-588552.0000
70-441186.0000	KLAK TEMPE LLC A DELAWARE LIMITED LIABILITY CO			74-591931.0001
70-441187.0000	GOLD CANYON SEWER COMPANY	71-591929.0000	73-591929.0000	
70-441188.0000	VIDLER WATER COMPANY		73-545695.0900	
70-441189.0000	DMB White Tank, LLC, an Arizona limited liability		73-584466.0500	74-595203.0000
70-441190.0000	BASHA'S INC			
70-441191.0000	TREND HOMES, INC.			74-595210.0000
70-441192.0000	SUN CITY GRAND COMMUNITY ASSOCIATION, INC.			
70-441193.0000	MARBELLA VINEYARDS HOA			74-595213.0001
70-441194.0000	CIRCLE G AT THE CHURCH FARM NORTH JOINT			74-205382.0000
70-441195.0000	VANDERBILT FARMS LLC			
70-441196.0000	SUPERSTITION MOUNTAINS COMMUNITY FACILITIES	71-584469.0002	73-584469.0000	
70-441197.0000	ARLINGTON VALLEY LLC		73-569775.0300, 73-569776.0300	
70-441199.0000	CITY OF BUCKEYE	71-205381.0002	73-205381.0001, 73-534439.0400, 73-572386.0300, 73-593305.0701	74-218764.0003
70-441200.0000				



70-441201.0000	MOHAVE COUNTY WATER AUTHORITY (MCWA)			
70-441202.0000	CSW SUN VALLEY SOUTH HOLDING LLC		73-593305.1100	74-207707.0000
70-441203.0000	ROADHAVEN RESORT HOA			74-208998.0000
70-441204.0000	POWER RANCH COMMUNITY ASSN			74-208997.0000
70-441205.0000	LAKE PLEASANT SEWER COMPANY	71-205388.0000	73-205388.0000	
70-441208.0000	ROOSEVELT WATER CONSERVATION DISTRICT	72-545695.0006		74-216372.0000
70-441209.0000	ASANTE LH, LLC			74-216373.0000
70-441210.0000	BM3 HOLDINGS, LLC			
70-441211.0000	JF PURCHASE, LLC			74-216380.0000
70-441213.0000	US HOME OF ARIZONA CONSTRUCTION COMPAMY			74-216377.0000
70-441214.0000	GREYSTONE CONSTRUCTION INC			74-216376.0000
70-441215.0000	LENNAR ARIZONA, INC.			74-216378.0000
70-441216.0000	WINFIELD WATER PARTNERS, LLC			
70-441217.0000	AQUA CAPITAL MANAGEMENT LP		73-569775.1200, 73-569776.1200, 73-584466.1100, 73-593305.1300	
70-441218.0000	TOHONO O'ODHAM NATION OF ARIZONA		73-534888.0900, 73-569775.1400, 73-569776.1400, 73-584466.1300	
70-441219.0000	JOHNSON UTILITIES - PHOENIX	71-211287.0001, 71-224061.0000	73-211287.0001, 73-224061.0000	74-216385.0000
70-441220.0000	THE HOPI TRIBE		73-593305.1700	
70-441221.0000	HASSAYAMPA VENTURES, LLC	71-216387.0002	73-216387.0100	

70-441222.0000	MOJAVE VENTURES LLC			
70-441223.0000	U.S. BUREAU OF RECLAMATION		73-545695.1300	
70-441224.0000	RECREATION CENTERS OF SUN CITY INC			
70-441225.0000	GILA RIVER INDIAN COMMUNITY	71-224500.0000	73-207702.0600, 73-224500.0001, 73-516371.1500, 73-534888.0800, 73-553133.1500, 73-588558.0600, 73-558246.1300, 73-545695.1600, 73-534550.0500	
70-441226.0000	CHAPARRAL CITY WATER CO		73-558246.1400, 73-593305.1900	74-221563.0000
70-441227.0000	SFI GRAND VISTA LLC			74-221742.0004
70-441228.0000	TONTO HILLS DOMESTIC WATER IMPROVEMENT		73-545695.1700	
70-441229.0000	EPCOR (SUN CITY) WATER ARIZONA INC.		73-534362.0102, 73-558246.0303	74-590634.0002
70-441230.0000	EPCOR (SUN CITY WEST) WATER ARIZONA INC.	71-534362.0004	73-534362.0302, 73-558246.0403	74-590635.0002
70-441231.0000	EPCOR (AGUA FRIA) WATER ARIZONA INC.	71-207708.0001	73-207708.0001, 73-534362.0203, 73-558246.0503, 73-593305.0601	74-590636.0002, 74-593303.0001
70-441232.0000	EPCOR (ANTHEM) WATER ARIZONA INC.	71-566962.0009	73-558246.1101, 73-566962.0206	74-590633.0002
70-441233.0000	EPCOR (PARADISE VALLEY) WATER ARIZONA INC.		73-558246.0901, 73-593305.0901	74-216375.0001
70-441234.0000	TONTO APACHE TRIBE		73-553133.1600	
70-441235.0000	ARIZONA DEPT OF TRANSPORTATION	71-579155.0003	73-579155.0000	
70-441236.0000	GILA RIVER WATER STORAGE, L.L.C.			
70-441237.0000	ARIZONA WATER COMPANY - WHITE TANKS		73-558246.1500, 73-569776.1800, 73-584466.1800	
70-441238.0000	AS 45, LLC DBA APACHE SUN GOLF COURSE			74-224132.0000

70-441239.0000	AV HOMES OF ARIZONA, LLC			74-224271.0000
70-441240.0000	PECAN CREEK SOUTH HOA			74-223960.0000
70-441241.0000	THE CLUB AT ENCANTERA, LLC			
70-441242.0000	ARIZONA WATER COMPANY - SUPERSTITION		73-207702.1100, 73-545695.1801, 73-584466.1700	74-224269.0000
70-441243.0000	RECREATIONAL CENTER, INC DBA SCOTTSDALE			
70-441244.0000	AK-CHIN INDIAN COMMUNITY (PHOENIX AMA)		73-584466.1900	
70-441245.0000	VULCAN MATERIALS COMPANY			
75-441120.0000	CENTRAL ARIZONA GROUNDWATER REPLENISHMENT			



# PINAL AMA

## Underground Storage Facilities

PERMIT TYPE/NO.	PERMIT HOLDER	PROJECT DESCRIPTION	ASSOCIATED
USF 71-209000.0002 (05/23/2012 to 07/25/2028)	ARIZONA CITY SANITARY DISTRICT	<u>ARIZONA CITY SANITARY DISTRICT USF</u> Annual recharge up to: 1,120.00AF Maximum storage volume: 30,000.00AF Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 1120 ,Duration (05/23/2012 to ) ;Phase 2: Permit Volume (AF) 2240 ,Duration ( to )	73-209000.0000
USF 71-211279.0000 (07/25/2007 to 07/25/2027)	GLOBAL WATER - PALO VERDE UTILITIES CO	<u>GLOBAL WATER - PALO VERDE UTILITIES COMPANY</u> Annual recharge up to: 1,120.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): INJECTION/ASR WELLS Phase 1: Permit Volume (AF) 1120 ,Duration ( to )	73-211279.0000
USF 71-211285.0000 (11/25/2011 to 11/25/2031)	SANTA ROSA UTILITY COMPANY	<u>SANTA ROSA UTILITY COMPANY USF</u> Annual recharge up to: 2,577.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS,INJECTION/ASR WELLS Phase 1: Permit Volume (AF) 4817 ,Duration ( to )	73-211285.0000
USF 71-211286.0000 (11/25/2011 to 11/25/2031)	PICACHO SEWER CO	<u>EJR RANCH USF</u> Annual recharge up to: 272.00AF Maximum storage volume: 41,840.00AF Water Type(s): EFFLUENT Recharge Method(s): INJECTION/ASR WELLS Phase 1: Permit Volume (AF) 272 ,Duration ( to ) ;Phase 2: Permit Volume (AF) 727 ,Duration ( to ) ;Phase 3: Permit Volume (AF) 1182 ,Duration ( to ) ;Phase 4: Permit Volume (AF) 1637 ,Duration ( to ) ;Phase 5: Permit Volume (AF) 2092 ,Duration ( to )	73-211286.0000
USF 71-211290.0000 (03/29/2010 to 03/29/2030)	JOHNSON UTILITIES - PINAL	<u>ANTHEM AT MERRILL RANCH RECHARGE FACILITY</u> Annual recharge up to: 3,360.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS,VADOSE ZONE WELLS Phase 1: Permit Volume (AF) 3360 ,Duration (04/06/2010 to )	73-211290.0000
USF 71-216374.0000 (10/17/2008 to 10/17/2028)	GLOBAL WATER - PALO VERDE UTILITIES CO	<u>SOUTHWEST WATR RECLAMATION FACILITY (CAMPUS 2)</u> Annual recharge up to: 1,120.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): INJECTION/ASR WELLS Phase 1: Permit Volume (AF) 1120 ,Duration (10/17/2008 to 10/17/2028)	73-216374.0000
USF 71-220045.0000 ( to )	CORRECTIONS CORPORATION OF	<u>ELOY DETENTION CENTER USF</u> Annual recharge up to: 2,726.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 1357 ,Duration (12/01/2011 to 07/28/2013) ;Phase 2: Permit Volume (AF) 2726 ,Duration (07/29/2013 to )	73-220045.0000
USF 71-221491.0000 (04/18/2013 to 04/18/2033)	CITY OF CASA GRANDE	<u>CASA GRANDE CONSTRUCTED RECHARGE FACILITY</u> Annual recharge up to: 2,100.00AF	

Maximum storage volume: N/A

Water Type(s):

Recharge Method(s):

USF 71-221492.0000 (12/16/2013 to 12/16/2033)	CITY OF CASA GRANDE	<u>CASA GRANDE MANAGED RECHARGE FACILITY USF</u> Annual recharge up to: 3,500.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-221492.0000
USF 71-224242.0001 (04/28/2016 to 01/19/2036)	ARIZONA WATER COMPANY - PINAL	<u>AWC PINAL VALLEY RECHARGE USF</u> Annual recharge up to: 10,884.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-224242.0000
USF 71-591932.0001 (04/09/2012 to 02/03/2024)	CITY OF ELOY	<u>ELOY RECLAIMED WATER RECHARGE PROJECT</u> Annual recharge up to: 2,240.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-591932.0000
USF 71-591938.0002 (02/25/2008 to 12/31/2023)	PICACHO SEWER CO	<u>SUN LAKES AT CASA GRANDE EFFLUENT RECHARGE FACILITY</u> Annual recharge up to: 340.40AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS,VADOSE ZONE WELLS Phase 1: Permit Volume (AF) 340.4 ,Duration (02/25/2008 to )	73-591938.0000
GSF 72-531381.0005 (09/20/2012 to 12/31/2019)	MARICOPA STANFIELD IRRIGATION DISTRICT	<u>MARICOPA-STANFIELD IRRIGATION &amp; DRAINAGE DISTRICT GSF</u> Annual recharge up to: 120,000.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s): INDIRECT	73-531381.0101, 73-531381.0201, 73-531381.0300, 73-531381.0400, 73-531381.0500, 73-531381.0600, 73-531381.0700
GSF 72-531382.0005 (07/31/2012 to 12/31/2017)	CENTRAL ARIZONA IRRIGATION AND	<u>CENTRAL ARIZONA IRRIGATION &amp; DRAINAGE DISTRICT GSF</u> Annual recharge up to: 110,000.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s): INDIRECT	73-531382.0001, 73-531382.0101, 73-531382.0201, 73-531382.0400, 73-531382.0500, 73-531382.0600, 73-531382.0700
GSF 72-534489.0005 (07/25/2014 to 07/25/2019)	HOHOKAM IRRIGATION AND DRAINAGE DISTRICT	<u>HOHOKAM IRRIGATION AND DRAINAGE DISTRICT GSF</u> Annual recharge up to: 82,000.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s): INDIRECT	73-534489.0001, 73-534489.0201, 73-534489.0300, 73-534489.0400, 73-534489.0500, 73-534489.0600, 73-534489.0700, 73-534489.0800

## Water Storage Permits

PERMIT NO.	PERMIT HOLDER	PROJECT DESCRIPTION	ASSOCIATED
73-209000.0000 (06/01/2007 to upon expiration of facility)	ARIZONA CITY SANITARY DISTRICT	<u>ARIZONA CITY SANITARY DISTRICT</u> Allotment: 2,240.00AF	71-209000.0002

73-211279.0000 (07/25/2007 to upon expiration of facility)	GLOBAL WATER - PALO VERDE UTILITIES CO	<u>GLOBAL WATER - PALO VERDE UTILITIES CO</u> Allotment: 1,120.00AF	71-211279.0000
73-211285.0000 ( to upon expiration of facility)	SANTA ROSA UTILITY COMPANY	<u>SANTA ROSA UTILITY COMPANY</u> Allotment: 2,577.00AF	71-211285.0000
73-211286.0000 ( to upon expiration of facility)	PICACHO SEWER CO	<u>PICACHO SEWER CO</u> Allotment: 2,092.00AF	71-211286.0000
73-211290.0000 (03/29/2010 to 03/29/2030)	JOHNSON UTILITIES - PINAL	<u>JOHNSON UTILITIES - PINAL</u> Allotment: 3,360.00AF	71-211290.0000
73-216374.0000 (10/17/2008 to upon expiration of facility)	GLOBAL WATER - PALO VERDE UTILITIES CO	<u>GLOBAL WATER - PALO VERDE UTILITIES CO</u> Allotment: 1,120.00AF	71-216374.0000
73-220045.0000 ( to upon expiration of facility)	CORRECTIONS CORPORATION OF AMERICA	<u>CORRECTIONS CORPORATION OF AMERICA</u> Allotment: 2,726.00AF	71-220045.0000
73-221491.0000 ( to upon expiration of facility)	CITY OF CASA GRANDE	<u>CITY OF CASA GRANDE</u> Allotment: 2,100.00AF	71-221491.0000
73-221492.0000 ( to upon expiration of facility)	CITY OF CASA GRANDE	<u>CITY OF CASA GRANDE</u> Allotment: 3,500.00AF	71-221492.0000
73-224242.0000 (01/19/2016 to upon expiration of facility)	ARIZONA WATER COMPANY - PINAL VALLEY	<u>ARIZONA WATER COMPANY - PINAL VALLEY</u> Allotment: 10,884.00AF	71-224242.0001
73-224500.0101 (08/28/2015 to upon expiration of facility)	GILA RIVER INDIAN COMMUNITY	<u>GILA RIVER INDIAN COMMUNITY</u> Allotment: N/A	71-224500.0000
73-531381.0101 (06/07/2011 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 120,000.00AF	72-531381.0005
73-531381.0201 (03/09/2010 to upon expiration of facility)	PINAL COUNTY WATER AUGMENTATION AUTHORITY	<u>PINAL COUNTY WATER AUGMENTATION AUTHORITY</u> Allotment: 25,000.00AF	72-531381.0005
73-531381.0300 (12/27/2005 to upon expiration of facility)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 120,000.00AF	72-531381.0005
73-531381.0400 (12/17/2007 to upon expiration of facility)	SALT RIVER PROJECT	<u>SALT RIVER PROJECT</u> Allotment: 20,000.00AF	72-531381.0005
73-531381.0500 (11/05/2007 to upon expiration of facility)	GLOBAL WATER-SANTA CRUZ WATER CO-PINAL	<u>GLOBAL WATER-SANTA CRUZ WATER CO-PINAL</u> Allotment: 120,000.00AF	72-531381.0005
73-531381.0600 (12/03/2009 to upon expiration of facility)	GILA RIVER INDIAN COMMUNITY	<u>GILA RIVER INDIAN COMMUNITY</u> Allotment: 120,000.00AF	72-531381.0005
73-531381.0700 (08/22/2014 to upon expiration of facility)	ARIZONA WATER COMPANY - PINAL VALLEY	<u>ARIZONA WATER COMPANY - PINAL VALLEY</u> Allotment: 120,000.00AF	72-531381.0005
73-531382.0001 (04/14/2009 to upon expiration of facility)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 110,000.00AF	72-531382.0005
73-531382.0101 (06/07/2011 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 110,000.00AF	72-531382.0005
73-531382.0201 (03/09/2010 to upon expiration of facility)	PINAL COUNTY WATER AUGMENTATION AUTHORITY	<u>PINAL COUNTY WATER AUGMENTATION AUTHORITY</u> Allotment: 25,000.00AF	72-531382.0005



73-531382.0400 (12/17/2007 to upon expiration of facility)	SALT RIVER PROJECT	<u>SALT RIVER PROJECT</u> Allotment: 20,000.00AF	72-531382.0005
73-531382.0500 (01/27/2010 to upon expiration of facility)	PICACHO PEAK GAS STORAGE, LLC	<u>PICACHO PEAK GAS STORAGE, LLC</u> Allotment: 110,000.00AF	72-531382.0005
73-531382.0600 (12/03/2009 to upon expiration of facility)	GILA RIVER INDIAN COMMUNITY	<u>GILA RIVER INDIAN COMMUNITY</u> Allotment: 110,000.00AF	72-531382.0005
73-531382.0700 (08/22/2014 to upon expiration of facility)	ARIZONA WATER COMPANY - PINAL VALLEY	<u>ARIZONA WATER COMPANY - PINAL VALLEY</u> Allotment: 110,000.00AF	72-531382.0005
73-534489.0001 (02/26/2007 to upon expiration of facility)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 55,000.00AF	72-534489.0005
73-534489.0201 (03/09/2010 to upon expiration of facility)	PINAL COUNTY WATER AUGMENTATION AUTHORITY	<u>PINAL COUNTY WATER AUGMENTATION AUTHORITY</u> Allotment: 25,000.00AF	72-534489.0005
73-534489.0300 (10/12/2006 to upon expiration of facility)	CITY OF ELOY	<u>CITY OF ELOY</u> Allotment: 55,000.00AF	72-534489.0005
73-534489.0400 (09/20/2007 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 55,000.00AF	72-534489.0005
73-534489.0500 (11/26/2007 to upon expiration of facility)	RESOLUTION COPPER MINING, LLC	<u>RESOLUTION COPPER MINING, LLC</u> Allotment: 55,000.00AF	72-534489.0005
73-534489.0600 (09/29/2008 to upon expiration of facility)	COOLIDGE POWER CORPORATION	<u>COOLIDGE POWER CORPORATION</u> Allotment: 55,000.00AF	72-534489.0005
73-534489.0700 (12/03/2009 to upon expiration of facility)	GILA RIVER INDIAN COMMUNITY	<u>GILA RIVER INDIAN COMMUNITY</u> Allotment: 55,000.00AF	72-534489.0005
73-534489.0800 (08/22/2014 to upon expiration of facility)	ARIZONA WATER COMPANY - PINAL VALLEY	<u>ARIZONA WATER COMPANY - PINAL VALLEY</u> Allotment: 82,000.00AF	72-534489.0005
73-591932.0000 (02/03/2004 to 02/03/2024)	CITY OF ELOY	<u>CITY OF ELOY</u> Allotment: 2,240.00AF	71-591932.0001
73-591938.0000 (12/10/2003 to 12/31/2023)	PICACHO SEWER CO	<u>PICACHO SEWER CO</u> Allotment: 340.40AF	71-591938.0002

## Recovery Well Permits

PERMIT NO	PERMIT HOLDER	PROJECT DESCRIPTION
74-208996.0000	PICACHO SEWER COMPANY	Number of wells: 1 Water Uses: TEST,IRRIGATION,MUNICIPAL USES
74-218759.0000	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	Number of wells: 4 Water Uses: IRRIGATION,OTHER - PRODUCTION
74-218765.0001	COOLIDGE POWER CORPORATION	Number of wells: 2 Water Uses: INDUSTRIAL,UTILITY (WATER CO)
74-221189.0000	ARIZONA PUBLIC SERVICE CO	Number of wells: 4 Water Uses:

74-222749.0000	CITY OF MARICOPA	Number of wells: 9 Water Uses: DOMESTIC,IRRIGATION,MUNICIPAL USES
74-224234.0000	ARIZONA WATER COMPANY - PINAL VALLEY	Number of wells: 38 Water Uses: DOMESTIC,COMMERCIAL,INDUSTRIAL,MUNICIPAL USES,UTILITY (WAT
74-224245.0000	JOHNSON UTILITIES, INC.	Number of wells: 4 Water Uses: TEST,DOMESTIC,COMMERCIAL,MUNICIPAL USES
74-224623.0000	SOUTHWEST ENVIRONMENTAL UTILITIES, LLC	Number of wells: 1 Water Uses: TEST
74-224721.0000	CORRECTIONS CORPORATION OF AMERICA, INC.	Number of wells: 4 Water Uses: DOMESTIC,RECOVERY,COMMERCIAL,INDUSTRIAL
74-545930.0000	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	Number of wells: 1 Water Uses: INDUSTRIAL,MUNICIPAL USES
74-552884.0001	CITY OF ELOY	Number of wells: 4 Water Uses: DOMESTIC,MUNICIPAL USES
74-567690.0001	TOWN OF FLORENCE	Number of wells: 4 Water Uses: RECOVERY,MONITORING,MUNICIPAL USES,UTILITY (WATER CO)
74-595197.0001	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	Number of wells: 23 Water Uses: DOMESTIC,IRRIGATION,MUNICIPAL USES
74-595202.0001	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	Number of wells: 16 Water Uses: IRRIGATION,MUNICIPAL USES

### Permits Issued In Year 2016

TYPE OF PERMIT	NUMBER / PERMITTEE	EFFECTIVE DATE
UNDERGROUND STORAGE FACILIT	71-224242.0001 ARIZONA WATER COMPANY - PINAL VALLEY	4/28/2016

### Long Term Storage Account (LTSA) and Permit Cross-Reference by Entity

LTSA No.	LTSA HOLDER	STORAGE FACILITY PERMITS	WATER STORAGE PERMITS	RECOVERY WELL PERMITS
70-431120.0000	CENTRAL ARIZONA WATER CONSERVATION DISTRICT		73-531381.0300, 73-531382.0001, 73-534489.0001	74-218759.0000, 74-545930.0000, 74-595197.0001, 74-595202.0001
70-431120.0001	CENTRAL ARIZONA GROUNDWATER REPLENISHMENT			
70-431120.0002	CENTRAL ARIZONA GROUNDWATER REPLENISHMENT			
70-431125.0000	TOWN OF FLORENCE			74-567690.0001
70-431130.0000	CITY OF ELOY	71-591932.0001	73-534489.0300, 73-591932.0000	74-552884.0001
70-431135.0000	ARIZONA WATER BANKING AUTHORITY		73-531381.0101,	

70-431135.0001	ARIZONA WATER BANKING AUTHORITY			
70-431135.0002	ARIZONA WATER BANKING AUTHORITY			
70-431135.0003	ARIZONA WATER BANKING AUTHORITY			
70-431140.0000	PINAL COUNTY WATER AUGMENTATION AUTHORITY		73-531381.0201, 73-531382.0201, 73-534489.0201	
70-431145.0000	PICACHO SEWER CO	71-211286.0000, 71-591938.0002	73-211286.0000, 73-591938.0000	74-208996.0000
70-431150.0000	ARIZONA CITY SANITARY DISTRICT	71-209000.0002	73-209000.0000	
70-431155.0000	GLOBAL WATER - PALO VERDE UTILITIES CO	71-211279.0000, 71-216374.0000	73-211279.0000, 73-216374.0000	
70-431160.0000	GLOBAL WATER-SANTA CRUZ WATER CO-PINAL		73-531381.0500	
70-431165.0000	RESOLUTION COPPER MINING LLC		73-534489.0500	
70-431170.0000	SALT RIVER PROJECT		73-531381.0400, 73-531382.0400	
70-431175.0000	COOLIDGE POWER CORPORATION		73-534489.0600	74-218765.0001
70-431180.0000	GILA RIVER INDIAN COMMUNITY		73-224500.0101, 73-531381.0600, 73-531382.0600, 73-534489.0700	
70-431185.0000	PICACHO PEAK GAS STORAGE, LLC		73-531382.0500	
70-431190.0000	JOHNSON UTILITIES - PINAL	71-211290.0000	73-211290.0000	74-224245.0000
70-431195.0000	RECHARGE TECHNOLOGIES, LLC			
70-431200.0000	CORRECTIONS CORPORATION OF AMERICA	71-220045.0000	73-220045.0000	74-224721.0000
70-431205.0000	GILA RIVER WATER STORAGE, L.L.C.			
70-431210.0000	SANTA ROSA UTILITY COMPANY	71-211285.0000	73-211285.0000	
70-431215.0000	CITY OF CASA GRANDE	71-221491.0000, 71-221492.0000	73-221491.0000, 73-221492.0000	
70-431220.0000	ARIZONA PUBLIC SERVICE CO			



74-221189.0000				
70-431225.0000	CITY OF MARICOPA			74-222749.0000
70-431230.0000	ARIZONA WATER COMPANY - PINAL VALLEY	71-224242.0001	73-224242.0000, 73-531381.0700, 73-531382.0700, 73-534489.0800	74-224234.0000
70-431235.0000	SOUTHWEST ENVIRONMENTAL UTILITIES, LLC			74-224623.0000
75-431120.0000	CENTRAL ARIZONA GROUNDWATER REPLENISHMENT			

# PRESCOTT AMA

## Underground Storage Facilities

PERMIT TYPE/NO.	PERMIT HOLDER	PROJECT DESCRIPTION	ASSOCIATED
USF 71-220048.0001 (08/20/2014 to 05/21/2032)	TOWN OF PRESCOTT VALLEY	<u>UPPER AGUA FRIA RECHARGE PROJECT</u> Annual recharge up to: 1,200.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s):	73-220048.0000
USF 71-519567.0002 (10/05/2015 to 10/05/2035)	CITY OF PRESCOTT	<u>CITY OF PRESCOTT RECHARGE FACILITY</u> Annual recharge up to: 12,000.00AF Maximum storage volume: N/A Water Type(s): OTHER SURFACE WATER,EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 12000 ,Duration (10/05/2015 to )	73-519567.0002, 73-519567.0200, 73-528737.0002
USF 71-595206.0001 (05/22/2006 to 03/03/2025)	TOWN OF CHINO VALLEY	<u>OLD HOME MANOR RECHARGE PROJECT</u> Annual recharge up to: 1,120.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 1120 ,Duration (05/22/2006 to )	73-595206.0000

## Water Storage Permits

PERMIT NO.	PERMIT HOLDER	PROJECT DESCRIPTION	ASSOCIATED
73-205386.0000 (05/25/2006 to 05/25/2026)	TOWN OF PRESCOTT VALLEY	<u>TOWN OF PRESCOTT VALLEY</u> Allotment: 5,150.00AF	
73-220048.0000 ( to upon expiration of facility)	TOWN OF PRESCOTT VALLEY	<u>TOWN OF PRESCOTT VALLEY</u> Allotment: 4,200.00AF	71-220048.0001
73-519567.0002 (10/05/2015 to upon expiration of facility)	CITY OF PRESCOTT	<u>CITY OF PRESCOTT</u> Allotment: 12,000.00AF	71-519567.0002
73-519567.0200 (07/14/2009 to upon expiration of facility)	CHINO VALLEY IRRIGATION DISTRICT	<u>CHINO VALLEY IRRIGATION DISTRICT</u> Allotment: 23.30AF	71-519567.0002
73-528737.0002 (10/05/2015 to upon expiration of facility)	CITY OF PRESCOTT	<u>CITY OF PRESCOTT</u> Allotment: 12,000.00AF	71-519567.0002
73-595206.0000 (03/03/2005 to upon expiration of facility)	TOWN OF CHINO VALLEY	<u>TOWN OF CHINO VALLEY</u> Allotment: 1,120.00AF	71-595206.0001

## Recovery Well Permits

PERMIT NO	PERMIT HOLDER	PROJECT DESCRIPTION
74-207704.0000	TOWN OF CHINO VALLEY	Number of wells: 2 Water Uses: IRRIGATION,MUNICIPAL USES
74-211283.0000	TOWN OF PRESCOTT VALLEY	Number of wells: 2 Water Uses: TEST,DOMESTIC,IRRIGATION,MUNICIPAL USES
74-561500.0000	CITY OF PRESCOTT	Number of wells: 1 Water Uses: MUNICIPAL USES,NO USE CODE ON NOI

74-569302.0002	CITY OF PRESCOTT	Number of wells: 7 Water Uses: MUNICIPAL USES
74-571073.0002	CHINO VALLEY IRRIGATION DISTRICT	Number of wells: 13 Water Uses: STOCK,DOMESTIC,RECOVERY,IRRIGATION,MUNICIPAL USES,INDUSTF

**Long Term Storage Account (LTSA) and Permit Cross-Reference by Entity**

LTSA No.	LTSA HOLDER	STORAGE FACILITY PERMITS	WATER STORAGE PERMITS	RECOVERY WELL PERMITS
70-421123.0000	CITY OF PRESCOTT	71-519567.0002	73-519567.0002, 73-528737.0002	74-561500.0000, 74-569302.0002
70-421124.0000	TOWN OF PRESCOTT VALLEY	71-220048.0001	73-220048.0000	74-211283.0000
70-421125.0000	CHINO VALLEY IRRIGATION DISTRICT		73-519567.0200	74-571073.0002
70-421126.0000	NORTH NUGGET DEVELOPMENT, LLC			74-590639.0000
70-421127.0000	TOWN OF CHINO VALLEY	71-595206.0001	73-595206.0000	74-207704.0000
70-421128.0000	BRADSHAW WATER COMPANY			
70-421129.0000	FAIN LAND AND CATTLE COMPANY			



**SANTA CRUZ AMA**  
**TUCSON AMA**

**Underground Storage Facilities**

PERMIT TYPE/NO.	PERMIT HOLDER	PROJECT DESCRIPTION	ASSOCIATED
USF 71-211276.0004 (06/11/2015 to 12/24/2034)	CITY OF TUCSON/TUCSON WATER	<u>SOUTHERN AVRA VALLEY STORAGE AND RECOVERY (SAVSARP) I</u> Annual recharge up to: 75,000.00AF Maximum storage volume: 847,967.00AF Water Type(s): CAP Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 75000 ,Duration (06/11/2015 to ) ;Phase 2: Permit Volume (AF) 115000 ,Duration ( to )	73-211276.0001, 73-211276.0200, 73-211276.0302, 73-211276.0400, 73-211276.0600, 73-211276.0700, 73-211276.0800
USF 71-211284.0002 (06/19/2015 to 02/10/2029)	PIMA COUNTY REGIONAL WASTEWATER	<u>PCRWRD CORONA DE TUCSON RECHARGE FACILITY USF</u> Annual recharge up to: 1,120.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 1120 ,Duration (06/19/2015 to ) ;Phase 2: Permit Volume (AF) 2240 ,Duration ( to )	73-211284.0000
USF 71-221721.0000 (12/02/2013 to 12/02/2033)	SADDLEBROOKE UTILITY COMPANY	<u>SADDLEBROOKE WATER RECLAMATION PLANT CONSTRUCTED U</u> Annual recharge up to: 2,090.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-221721.0001
USF 71-222410.0000 (11/25/2014 to 11/25/2034)	JPAR, LLC	<u>PROJECT RENEWS CONSTRUCTED UNDERGROUND STORAGE FA</u> Annual recharge up to: 3,000.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-222410.0000
USF 71-224073.0000 (09/14/2015 to 09/14/2033)	PIMA COUNTY REGIONAL WASTEWATER	<u>BLACK WASH USF - PIMA COUNTY RWRD</u> Annual recharge up to: 4,480.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 4480 ,Duration (09/14/2015 to )	73-224073.0000
USF 71-224578.0000 (04/07/2016 to 04/07/2036)	TOWN OF MARANA	<u>MARANA WRF RECHARGE PROJECT USF</u> Annual recharge up to: 3,920.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-224578.0000
USF 71-225060.0000 (06/03/2016 to 06/03/2036)	CITY OF TUCSON/TUCSON WATER	<u>TUCSON WATER SHARP USF</u> Annual recharge up to: 4,000.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-225060.0000
USF 71-520083.0002 (08/19/2014 to 05/19/2028)	CITY OF TUCSON/TUCSON WATER	<u>SWEETWATER RECHARGE FACILITIES USF</u> Annual recharge up to: 13,000.00AF Maximum storage volume: 26,000.00AF Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 13000 ,Duration (08/19/2014 to )	73-520083.0002
USF 71-545944.0002 (02/11/2013 to 05/31/2019)	CITY OF TUCSON/TUCSON WATER	<u>SANTA CRUZ MANAGED USF</u> Annual recharge up to: 9,307.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): IN-CHANNEL MANAGED	73-545943.0100, 73-545943.0200

		Phase 1: Permit Volume (AF) 9307 ,Duration (02/11/2013 to )	
USF 71-561366.0003 (04/29/2009 to 02/28/2019)	PIMA COUNTY REGIONAL FLOOD CONTROL DISTRICT	<u>LOWER SANTA CRUZ REPLENISHMENT PROJECT USF</u> Annual recharge up to: 50,000.00AF Maximum storage volume: 600,000.00AF Water Type(s): CAP Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 50000 ,Duration (04/29/2009 to )	73-561366.0000, 73-561366.0201, 73-561366.0300, 73-561366.0400, 73-561366.0500, 73-561366.0600, 73-561366.0700, 73-561366.0800, 73-561366.0900, 73-561366.1100, 73-561366.1200, 73-561366.1300, 73-561366.1400, 73-561366.1500, 73-561366.1600
USF 71-561366.0003 (04/29/2009 to 02/28/2019)	CENTRAL ARIZONA WATER CONSERVATION	<u>LOWER SANTA CRUZ REPLENISHMENT PROJECT USF</u> Annual recharge up to: 50,000.00AF Maximum storage volume: 600,000.00AF Water Type(s): CAP Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 50000 ,Duration (04/29/2009 to )	73-561366.0000, 73-561366.0201, 73-561366.0300, 73-561366.0400, 73-561366.0500, 73-561366.0600, 73-561366.0700, 73-561366.0800, 73-561366.0900, 73-561366.1100, 73-561366.1200, 73-561366.1300, 73-561366.1400, 73-561366.1500, 73-561366.1600
USF 71-563876.0007 (06/10/2009 to 11/24/2028)	PIMA COUNTY REGIONAL FLOOD CONTROL DISTRICT	<u>MARANA HIGH PLAINS EFFLUENT RECHARGE PROJECT USF</u> Annual recharge up to: 600.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT,OTHER SURFACE WATER Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 350 ,Duration (11/24/2008 to 12/13/2009) ;Phase 2: Permit Volume (AF) 450 ,Duration (12/14/2009 to 04/19/2010) ;Phase 3: Permit Volume (AF) 600 ,Duration (04/20/2010 to )	73-563876.0102, 73-563876.0200
USF 71-564896.0004 (07/26/2012 to 03/27/2018)	METROPOLITAN DOM WATER IMPR DIST	<u>AVRA VALLEY RECHAGE PROJECT (FULL SCALE) USF</u> Annual recharge up to: 11,000.00AF Maximum storage volume: N/A Water Type(s): CAP Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 11000 ,Duration (07/26/2012 to )	73-564896.0000, 73-564896.0100, 73-564896.0200, 73-564896.0300, 73-564896.0400, 73-564896.0500, 73-564896.0600, 73-564896.0700, 73-564896.0800, 73-564896.0900
USF 71-577501.0002 (06/16/2008 to 09/06/2020)	CENTRAL ARIZONA WATER CONSERVATION	<u>PIMA MINE ROAD FULL SCALE USF</u> Annual recharge up to: 30,000.00AF Maximum storage volume: 500,000.00AF Water Type(s): CAP	73-577501.0100, 73-577501.0200,

Recharge Method(s): BASINS  
Phase 1: Permit Volume (AF) 30000 ,Duration (06/16/2008 to )

73-577501.0300,  
73-577501.0401,  
73-577501.0500,  
73-577501.0600,  
73-577501.0700,  
73-577501.0800,  
73-577501.0900,  
73-577501.1100,  
73-577501.1200

USF 71-578806.0003 (07/07/2015 to 07/07/2035)	CITY OF TUCSON/TUCSON WATER	<u>CAVSARP FULL SCALE USF</u> Annual recharge up to: 75,000.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-578806.0103, 73-578806.0201, 73-578806.0300, 73-578806.0400, 73-578806.0500
USF 71-581379.0001 (12/17/2003 to 04/02/2021)	ROBSON RANCH QUAIL CREEK, LLC	<u>ROBSON RANCH QUAIL CREEK, LLC USF</u> Annual recharge up to: 2,240.30AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 2240.3 ,Duration (12/17/2003 to )	73-581379.0000
USF 71-591928.0001 (02/11/2013 to 11/30/2023)	CORTARO-MARANA IRRIGATION DISTRICT	<u>LOWER SANTA CRUZ RIVER MANAGED USF</u> Annual recharge up to: 43,000.00AF Maximum storage volume: 680,000.00AF Water Type(s): EFFLUENT Recharge Method(s): IN-CHANNEL MANAGED Phase 1: Permit Volume (AF) 43000 ,Duration (02/11/2013 to )	73-591928.0000, 73-591928.0200, 73-591928.0300, 73-591928.0400, 73-591928.0500, 73-591928.0700, 73-591928.0800, 73-591928.0900
USF 71-591928.0001 (02/11/2013 to 11/30/2023)	CORTARO-MARANA IRRIGATION DISTRICT	<u>LOWER SANTA CRUZ RIVER MANAGED USF</u> Annual recharge up to: 43,000.00AF Maximum storage volume: 680,000.00AF Water Type(s): EFFLUENT Recharge Method(s): IN-CHANNEL MANAGED Phase 1: Permit Volume (AF) 43000 ,Duration (02/11/2013 to )	73-591928.0000, 73-591928.0200, 73-591928.0300, 73-591928.0400, 73-591928.0500, 73-591928.0700, 73-591928.0800, 73-591928.0900
USF 71-595209.0000 (11/30/2007 to 11/30/2027)	TOWN OF SAHUARITA PUBLIC WORKS	<u>TOWN OF SAHUARITA</u> Annual recharge up to: 896.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 896 ,Duration (11/30/2007 to )	73-595209.0000
GSF 72-084101.0000 (02/11/2008 to )	ASARCO LLC	<u>ASARCO FACILITY</u> Annual recharge up to: N/A Maximum storage volume: N/A Water Type(s): CAP Recharge Method(s): INDIRECT	73-084101.0000
GSF 72-538100.0007 (03/25/2014 to 03/25/2019)	CORTARO MARANA IRRIGATION DIST	<u>CORTARO MARANA IRRIGATION DISTRICT GSF</u> Annual recharge up to: 20,000.00AF Maximum storage volume: N/A Water Type(s): CAP,EFFLUENT Recharge Method(s): INDIRECT	73-538100.0101, 73-538100.0302, 73-538100.0401, 73-538100.0600, 73-538100.0700, 73-538100.0800,



			73-538100.0900
GSF 72-538133.0005 (03/31/2015 to 03/31/2020)	BKW FARMS, INC.	<u>BKW Farms (expansion) GSF</u> Annual recharge up to: 14,316.66AF Maximum storage volume: N/A Water Type(s): CAP, EFFLUENT Recharge Method(s): INDIRECT	73-538133.0301, 73-538133.0401, 73-538133.0600, 73-538133.0700, 73-555750.0002
GSF 72-558092.0003 (08/06/2012 to 11/01/2016)	HERB KAI	<u>KAI FARMS GSF (RED ROCK)</u> Annual recharge up to: N/A Maximum storage volume: N/A Water Type(s): Recharge Method(s): INDIRECT	73-558092.0101, 73-558092.0201, 73-558092.0301, 73-558092.0401, 73-558092.0701, 73-558092.0801, 73-558092.0900
GSF 72-563502.0004 (02/24/2015 to 02/24/2020)	BKW FARMS, INC.	<u>BKW MILEWIDE GSF</u> Annual recharge up to: 612.80AF Maximum storage volume: N/A Water Type(s): Recharge Method(s): INDIRECT	73-563502.0201
GSF 72-584465.0002 (08/03/2012 to 12/31/2016)	FARMERS INVESTMENT COMPANY	<u>FARMERS INVESTMENT COMPANY GSF</u> Annual recharge up to: 22,000.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s): INDIRECT	73-584465.0100

## Water Storage Permits

PERMIT NO.	PERMIT HOLDER	PROJECT DESCRIPTION	ASSOCIATED
73-084101.0000 (02/11/2008 to upon expiration of facility)	TOHONO O'ODHAM NATION OF ARIZONA	<u>TOHONO O'ODHAM NATION OF ARIZONA</u> Allotment: 10,000.00AF	72-084101.0000
73-211276.0001 (12/24/2014 to upon expiration of facility)	CITY OF TUCSON/TUCSON WATER	<u>CITY OF TUCSON/TUCSON WATER</u> Allotment: 115,000.00AF	71-211276.0004
73-211276.0200 (01/01/2008 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 60,000.00AF	71-211276.0004
73-211276.0302 (12/18/2013 to upon expiration of facility)	PASCUA YAQUI TRIBE	<u>PASCUA YAQUI TRIBE</u> Allotment: 5,000.00AF	71-211276.0004
73-211276.0400 (10/18/2011 to upon expiration of facility)	TOWN OF ORO VALLEY	<u>TOWN OF ORO VALLEY</u> Allotment: 4,000.00AF	71-211276.0004
73-211276.0600 (10/07/2014 to upon expiration of facility)	VAIL WATER COMPANY	<u>VAIL WATER COMPANY</u> Allotment: 4,000.00AF	71-211276.0004
73-211276.0700 (10/31/2014 to upon expiration of facility)	CITY OF PHOENIX	<u>CITY OF PHOENIX</u> Allotment: 50,000.00AF	71-211276.0004
73-211276.0800 (09/03/2015 to upon expiration of facility)	METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT	<u>METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT</u> Allotment: 2,725.80AF	71-211276.0004
73-211284.0000 (02/10/2009 to upon expiration of facility)	PIMA COUNTY REGIONAL WASTEWATER RECLAMATION	<u>PIMA COUNTY REGIONAL WASTEWATER RECLAMATION DEPARTMENT</u> Allotment: 1,120.00AF	71-211284.0002

73-221721.0001 (05/09/2014 to upon expiration of facility)	SADDLEBROOKE UTILITY COMPANY	<u>SADDLEBROOKE UTILITY COMPANY</u> Allotment: 2,090.00AF	71-221721.0000
73-222410.0000 (12/12/2014 to upon expiration of facility)	COMMUNITY WATER CO OF GREEN VALLEY	<u>COMMUNITY WATER CO OF GREEN VALLEY</u> Allotment: 3,000.00AF	71-222410.0000
73-224073.0000 (09/14/2015 to upon expiration of facility)	PIMA COUNTY REGIONAL WASTEWATER RECLAMATION	<u>PIMA COUNTY REGIONAL WASTEWATER RECLAMATION DEPARTMENT</u> Allotment: 4,480.00AF	71-224073.0000
73-224578.0000 (04/07/2016 to upon expiration of facility)	TOWN OF MARANA	<u>TOWN OF MARANA</u> Allotment: 3,920.00AF	71-224578.0000
73-225060.0000 ( to upon expiration of facility)	CITY OF TUCSON/TUCSON WATER	<u>CITY OF TUCSON/TUCSON WATER</u> Allotment: 4,000.00AF	71-225060.0000
73-520083.0002 (01/27/2016 to upon expiration of facility)	CITY OF TUCSON/TUCSON WATER	<u>CITY OF TUCSON/TUCSON WATER</u> Allotment: 13,000.00AF	71-520083.0002
73-538100.0101 (12/17/2008 to upon expiration of facility)	SPANISH TRAIL WATER COMPANY	<u>SPANISH TRAIL WATER COMPANY</u> Allotment: 20,000.00AF	72-538100.0007
73-538100.0302 (07/06/2012 to upon expiration of facility)	METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT	<u>METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT</u> Allotment: 15,000.00AF	72-538100.0007
73-538100.0401 (11/24/2008 to upon expiration of facility)	TOWN OF MARANA	<u>TOWN OF MARANA</u> Allotment: 5,000.00AF	72-538100.0007
73-538100.0600 (12/22/2008 to upon expiration of facility)	AQUA CAPITAL MANAGEMENT LP	<u>AQUA CAPITAL MANAGEMENT LP</u> Allotment: 20,000.00AF	72-538100.0007
73-538100.0700 (01/04/2010 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 20,000.00AF	72-538100.0007
73-538100.0800 (07/12/2012 to upon expiration of facility)	US BUREAU OF RECLAMATION	<u>US BUREAU OF RECLAMATION</u> Allotment: 20,000.00AF	72-538100.0007
73-538100.0900 (02/20/2015 to upon expiration of facility)	FREEPORT MINERALS CORPORATION	<u>FREEPORT MINERALS CORPORATION</u> Allotment: 20,000.00AF	72-538100.0007
73-538133.0301 (10/21/2009 to upon expiration of facility)	CITY OF TUCSON/TUCSON WATER	<u>CITY OF TUCSON/TUCSON WATER</u> Allotment: 14,613.66AF	72-538133.0005
73-538133.0401 (06/07/2011 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 16,614.60AF	72-538133.0005
73-538133.0600 (07/07/2015 to upon expiration of facility)	BKW FARMS, INC.	<u>BKW FARMS, INC.</u> Allotment: N/A	72-538133.0005
73-538133.0700 (09/22/2015 to upon expiration of facility)	TOWN OF MARANA	<u>TOWN OF MARANA</u> Allotment: 14,351.00AF	72-538133.0005
73-545943.0100 (05/07/1999 to 05/31/2019)	CITY OF TUCSON/TUCSON WATER	<u>CITY OF TUCSON/TUCSON WATER</u> Allotment: 9,307.00AF	71-545944.0002
73-545943.0200 (05/07/1999 to 05/31/2019)	U.S. BUREAU OF RECLAMATION	<u>U.S. BUREAU OF RECLAMATION</u> Allotment: 9,307.00AF	71-545944.0002
73-555750.0002 (06/07/2011 to upon expiration of facility)	METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT	<u>METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT</u> Allotment: 14,316.66AF	72-538133.0005

73-558092.0101 (11/17/2006 to upon expiration of facility)	METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT	<u>METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT</u> Allotment: 11,231.00AF	72-558092.0003
73-558092.0201 (01/18/2007 to upon expiration of facility)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 11,231.00AF	72-558092.0003
73-558092.0301 (01/23/2007 to upon expiration of facility)	SPANISH TRAIL WATER COMPANY	<u>SPANISH TRAIL WATER COMPANY</u> Allotment: 2,000.00AF	72-558092.0003
73-558092.0401 (01/04/2007 to upon expiration of facility)	TOWN OF ORO VALLEY	<u>TOWN OF ORO VALLEY</u> Allotment: 6,748.00AF	72-558092.0003
73-558092.0701 (12/12/2005 to upon expiration of facility)	VAIL WATER COMPANY	<u>VAIL WATER COMPANY</u> Allotment: 11,231.00AF	72-558092.0003
73-558092.0801 (11/03/2006 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 11,231.00AF	72-558092.0003
73-558092.0900 (09/23/2008 to upon expiration of facility)	AQUA CAPITAL MANAGEMENT LP	<u>AQUA CAPITAL MANAGEMENT LP</u> Allotment: 11,213.00AF	72-558092.0003
73-561366.0000 (02/24/1999 to 02/28/2019)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 30,000.00AF	71-561366.0003
73-561366.0201 (12/18/2003 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 50,000.00AF	71-561366.0003
73-561366.0300 (12/06/2000 to upon expiration of facility)	METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT	<u>METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT</u> Allotment: 15,000.00AF	71-561366.0003
73-561366.0400 (03/28/2001 to upon expiration of facility)	ROBSON COMMUNITIES, INC	<u>ROBSON COMMUNITIES, INC</u> Allotment: 4,000.00AF	71-561366.0003
73-561366.0500 (03/18/2002 to upon expiration of facility)	TOWN OF MARANA	<u>TOWN OF MARANA</u> Allotment: 30,000.00AF	71-561366.0003
73-561366.0600 (01/12/2007 to upon expiration of facility)	AUGUSTA RESOURCE (ARIZONA) CORPORATION	<u>AUGUSTA RESOURCE (ARIZONA) CORPORATION</u> Allotment: 15,000.00AF	71-561366.0003
73-561366.0700 (06/16/2008 to 06/16/2028)	FLOWING WELLS IRRIGATION DISTRICT	<u>FLOWING WELLS IRRIGATION DISTRICT</u> Allotment: 2,800.00AF	71-561366.0003
73-561366.0800 (09/23/2008 to upon expiration of facility)	SPANISH TRAIL WATER COMPANY	<u>SPANISH TRAIL WATER COMPANY</u> Allotment: 43,000.00AF	71-561366.0003
73-561366.0900 (09/22/2008 to upon expiration of facility)	AQUA CAPITAL MANAGEMENT LP	<u>AQUA CAPITAL MANAGEMENT LP</u> Allotment: 30,000.00AF	71-561366.0003
73-561366.1100 (09/29/2008 to upon expiration of facility)	TOWN OF ORO VALLEY WATER UTILITY	<u>TOWN OF ORO VALLEY WATER UTILITY</u> Allotment: 50,000.00AF	71-561366.0003
73-561366.1200 (03/26/2009 to upon expiration of facility)	CITY OF TUCSON, TUCSON WATER	<u>CITY OF TUCSON, TUCSON WATER</u> Allotment: 50,000.00AF	71-561366.0003
73-561366.1300 (04/13/2009 to upon expiration of facility)	TOHONO O'ODHAM NATION OF ARIZONA	<u>TOHONO O'ODHAM NATION OF ARIZONA</u> Allotment: 50,000.00AF	71-561366.0003
73-561366.1400 (03/30/2011 to upon expiration of facility)	VIDLER WATER COMPANY	<u>VIDLER WATER COMPANY</u> Allotment: 50,000.00AF	71-561366.0003

73-561366.1500 (10/24/2014 to upon expiration of facility)	AVRA WATER CO-OP INC	<u>AVRA WATER CO-OP INC</u> Allotment: 808.00AF	71-561366.0003
73-561366.1600 (12/14/2015 to upon expiration of facility)	AK-CHIN INDIAN COMMUNITY (TUCSON AMA)	<u>AK-CHIN INDIAN COMMUNITY (TUCSON AMA)</u> Allotment: 5,000.00AF	71-561366.0003
73-563502.0201 (10/21/2009 to upon expiration of facility)	CITY OF TUCSON/TUCSON WATER	<u>CITY OF TUCSON/TUCSON WATER</u> Allotment: 612.80AF	72-563502.0004
73-563876.0102 (09/26/2005 to upon expiration of facility)	CORTARO MARANA IRRIGATION DISTRICT	<u>CORTARO MARANA IRRIGATION DISTRICT</u> Allotment: 600.00AF	71-563876.0007
73-563876.0200 (04/12/2007 to upon expiration of facility)	PIMA COUNTY REGIONAL WASTEWATER RECLAMATION	<u>PIMA COUNTY REGIONAL WASTEWATER RECLAMATION DEPARTMENT</u> Allotment: 600.00AF	71-563876.0007
73-564896.0000 (03/27/1999 to 03/27/2018)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 11,000.00AF	71-564896.0004
73-564896.0100 (03/27/1998 to 03/27/2018)	METROPOLITAN DOM WATER IMPR DIST	<u>METROPOLITAN DOM WATER IMPR DIST</u> Allotment: 11,000.00AF	71-564896.0004
73-564896.0200 (03/27/1998 to 03/27/2018)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 11,000.00AF	71-564896.0004
73-564896.0300 (03/18/2002 to 03/27/2018)	TOWN OF MARANA	<u>TOWN OF MARANA</u> Allotment: 11,000.00AF	71-564896.0004
73-564896.0400 (01/12/2007 to upon expiration of facility)	AUGUSTA RESOURCE (ARIZONA) CORPORATION	<u>AUGUSTA RESOURCE (ARIZONA) CORPORATION</u> Allotment: 11,000.00AF	71-564896.0004
73-564896.0500 (09/02/2008 to upon expiration of facility)	AQUA CAPITAL MANAGEMENT LP	<u>AQUA CAPITAL MANAGEMENT LP</u> Allotment: 11,000.00AF	71-564896.0004
73-564896.0600 (09/29/2008 to upon expiration of facility)	TOWN OF ORO VALLEY WATER UTILITY	<u>TOWN OF ORO VALLEY WATER UTILITY</u> Allotment: 11,000.00AF	71-564896.0004
73-564896.0700 (03/26/2009 to upon expiration of facility)	CITY OF TUCSON/TUCSON WATER	<u>CITY OF TUCSON/TUCSON WATER</u> Allotment: 11,000.00AF	71-564896.0004
73-564896.0800 (04/13/2009 to upon expiration of facility)	TOHONO O'ODHAM NATION OF ARIZONA	<u>TOHONO O'ODHAM NATION OF ARIZONA</u> Allotment: 11,000.00AF	71-564896.0004
73-564896.0900 (10/31/2014 to upon expiration of facility)	CITY OF PHOENIX	<u>CITY OF PHOENIX</u> Allotment: 4,000.00AF	71-564896.0004
73-577501.0100 (09/06/2000 to 09/06/2020)	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	<u>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</u> Allotment: 30,000.00AF	71-577501.0002
73-577501.0200 (09/07/2000 to 09/06/2020)	CITY OF TUCSON/TUCSON WATER	<u>CITY OF TUCSON/TUCSON WATER</u> Allotment: 30,000.00AF	71-577501.0002
73-577501.0300 (09/07/2000 to 09/06/2020)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 30,000.00AF	71-577501.0002
73-577501.0401 (04/26/2004 to 09/06/2020)	GREEN VALLEY DWID	<u>GREEN VALLEY DWID</u> Allotment: 1,900.00AF	71-577501.0002
73-577501.0500 (09/13/2006 to upon expiration of facility)	AUGUSTA RESOURCE (ARIZONA) CORPORATION	<u>AUGUSTA RESOURCE (ARIZONA) CORPORATION</u> Allotment: 15,000.00AF	71-577501.0002



73-577501.0600 (09/23/2008 to upon expiration of facility)	SPANISH TRAIL WATER COMPANY	<u>SPANISH TRAIL WATER COMPANY</u> Allotment: 30,000.00AF	71-577501.0002
73-577501.0700 (09/22/2008 to upon expiration of facility)	AQUA CAPITAL MANAGEMENT LP	<u>AQUA CAPITAL MANAGEMENT LP</u> Allotment: 30,000.00AF	71-577501.0002
73-577501.0800 (09/29/2008 to upon expiration of facility)	TOWN OF ORO VALLEY WATER UTILITY	<u>TOWN OF ORO VALLEY WATER UTILITY</u> Allotment: 30,000.00AF	71-577501.0002
73-577501.0900 (04/13/2009 to upon expiration of facility)	TOHONO O'ODHAM NATION OF ARIZONA	<u>TOHONO O'ODHAM NATION OF ARIZONA</u> Allotment: 30,000.00AF	71-577501.0002
73-577501.1100 (03/30/2011 to upon expiration of facility)	VIDLER WATER COMPANY	<u>VIDLER WATER COMPANY</u> Allotment: 30,000.00AF	71-577501.0002
73-577501.1200 (12/14/2015 to upon expiration of facility)	AK-CHIN INDIAN COMMUNITY (TUCSON AMA)	<u>AK-CHIN INDIAN COMMUNITY (TUCSON AMA)</u> Allotment: 5,000.00AF	71-577501.0002
73-578806.0103 (07/07/2015 to upon expiration of facility)	CITY OF TUCSON/TUCSON WATER	<u>CITY OF TUCSON/TUCSON WATER</u> Allotment: 75,000.00AF	71-578806.0003
73-578806.0201 (12/08/2005 to upon expiration of facility)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 80,000.00AF	71-578806.0003
73-578806.0300 (09/30/2010 to upon expiration of facility)	PASCUA YAQUI TRIBE	<u>PASCUA YAQUI TRIBE</u> Allotment: 500.00AF	71-578806.0003
73-578806.0400 (10/18/2011 to upon expiration of facility)	TOWN OF ORO VALLEY WATER UTILITY	<u>TOWN OF ORO VALLEY WATER UTILITY</u> Allotment: 4,000.00AF	71-578806.0003
73-578806.0500 (09/03/2015 to upon expiration of facility)	METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT	<u>METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT</u> Allotment: 2,725.80AF	71-578806.0003
73-581379.0000 (04/02/2001 to 04/02/2021)	ROBSON RANCH QUAIL CREEK, LLC	<u>ROBSON RANCH QUAIL CREEK, LLC</u> Allotment: 2,240.30AF	71-581379.0001
73-584465.0100 (04/12/2016 to upon expiration of facility)	FREEPORT MINERALS CORPORATION	<u>FREEPORT MINERALS CORPORATION</u> Allotment: 10,000.00AF	72-584465.0002
73-591928.0000 (12/31/2003 to upon expiration of facility)	CITY OF TUCSON/TUCSON WATER	<u>CITY OF TUCSON/TUCSON WATER</u> Allotment: 43,000.00AF	71-591928.0001
73-591928.0200 (11/13/2003 to upon expiration of facility)	METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT	<u>METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT</u> Allotment: 4,000.00AF	71-591928.0001
73-591928.0300 (02/09/2004 to upon expiration of facility)	TOWN OF ORO VALLEY	<u>TOWN OF ORO VALLEY</u> Allotment: 2,589.00AF	71-591928.0001
73-591928.0400 (10/19/2004 to upon expiration of facility)	PIMA COUNTY REGIONAL WASTEWATER RECLAMATION DEPARTMENT	<u>PIMA COUNTY REGIONAL WASTEWATER RECLAMATION DEPARTMENT</u> Allotment: 5,980.00AF	71-591928.0001
73-591928.0500 (12/31/2004 to upon expiration of facility)	U.S. BUREAU OF RECLAMATION	<u>U.S. BUREAU OF RECLAMATION</u> Allotment: 43,000.00AF	71-591928.0001
73-591928.0700 (07/18/2011 to upon expiration of facility)	SPANISH TRAIL WATER COMPANY	<u>SPANISH TRAIL WATER COMPANY</u> Allotment: 43,000.00AF	71-591928.0001
73-591928.0800 (06/22/2011 to upon expiration of facility)	FLOWING WELLS IRRIGATION DISTRICT	<u>FLOWING WELLS IRRIGATION DISTRICT</u> Allotment: 43,000.00AF	71-591928.0001

73-591928.0900 (09/09/2015 to upon expiration of facility)	TOWN OF MARANA	<u>TOWN OF MARANA</u> Allotment: 43,000.00AF	71-591928.0001
73-595209.0000 (12/17/2007 to upon expiration of facility)	TOWN OF SAHUARITA PUBLIC WORKS	<u>TOWN OF SAHUARITA PUBLIC WORKS</u> Allotment: 896.00AF	71-595209.0000

## Recovery Well Permits

PERMIT NO	PERMIT HOLDER	PROJECT DESCRIPTION
74-207705.0000	TOWN OF SAHUARITA PUBLIC WORKS	Number of wells: 1 Water Uses: MINING,MUNICIPAL USES,NO USE CODE ON NOI
74-211278.0001	TOWN OF MARANA	Number of wells: 26 Water Uses: STOCK,DOMESTIC,IRRIGATION,MUNICIPAL USES,UTILITY (WATER
74-211288.0002	CITY OF TUCSON/TUCSON WATER	Number of wells: Water Uses:
74-218756.0000	FLOWING WELLS IRRIGATION DIST	Number of wells: 6 Water Uses: INDUSTRIAL,IRRIGATION,MUNICIPAL USES
74-223306.0001	METRO DOMESTIC WID - DIABLO	Number of wells: 8 Water Uses: INDUSTRIAL,MUNICIPAL USES,UTILITY (WATER CO)
74-225403.0000	METROPOLITAN DOM WATER IMPR DIST SW-LAZY B	Number of wells: 6 Water Uses: INDUSTRIAL,MUNICIPAL USES
74-551249.0000	CITY OF TUCSON/TUCSON WATER	Number of wells: 14 Water Uses: MUNICIPAL USES
74-552006.0006	CITY OF TUCSON/TUCSON WATER	Number of wells: 11 Water Uses: RECOVERY,INDUSTRIAL,MUNICIPAL USES
74-560621.0004	CITY OF TUCSON/TUCSON WATER	Number of wells: 212 Water Uses: TEST,DOMESTIC,RESERVED,MONITORING,OTHER - PRODUCTION,UTII
74-568133.0000	CORTARO MARANA IRRIGATION DIST	Number of wells: 17 Water Uses: STOCK,DOMESTIC,INDUSTRIAL,MUNICIPAL USES,IRRIGATION
74-568535.0000	FIDELITY NAT TITLE, TRUST 10773	Number of wells: 1 Water Uses: INDUSTRIAL,IRRIGATION
74-570180.0007	TOWN OF ORO VALLEY WATER UTILITY	Number of wells: 69 Water Uses: TEST,DOMESTIC,DRAINAGE,MONITORING,UTILITY (WATER CO),MUNIC
74-570181.0005	METROPOLITAN DOM WATER IMPR DIST	Number of wells: 35 Water Uses: TEST,DOMESTIC,IRRIGATION,NO WATER USE,OTHER -
74-580079.0009	CITY OF TUCSON/TUCSON WATER	Number of wells: 33 Water Uses: DRAINAGE,INDUSTRIAL,MONITORING,MUNICIPAL USES
74-581381.0001	ROBSON RANCH QUAIL CREEK, LLC	Number of wells: 2 Water Uses: DOMESTIC,INDUSTRIAL
74-582678.0001	CITY OF TUCSON/TUCSON WATER	Number of wells: 1 Water Uses: RECOVERY

74-583016.0004	VAIL WATER COMPANY	Number of wells: 9 Water Uses: DOMESTIC,INDUSTRIAL,MUNICIPAL USES,UTILITY (WATER CO)
74-584463.0000	RIDGEVIEW UTILITY COMPANY	Number of wells: 2 Water Uses: TEST,RECOVERY,MUNICIPAL USES
74-591933.0000	DEL LAGO GOLF COURSE	Number of wells: 1 Water Uses: DOMESTIC,INDUSTRIAL,MUNICIPAL USES,UTILITY (WATER CO)
74-593307.0002	ROBSON RANCH MOUNTAINS, LLC	Number of wells: 2 Water Uses: TEST,INDUSTRIAL
74-595212.0000	RED ROCK UTILITIES, LLC	Number of wells: 2 Water Uses: RECOVERY,MUNICIPAL USES
74-595215.0000	SPANISH TRAIL WATER COMPANY	Number of wells: 4 Water Uses: DOMESTIC,MUNICIPAL USES,UTILITY (WATER CO)

### Permits Issued In Year 2016

TYPE OF PERMIT	NUMBER / PERMITTEE	EFFECTIVE DATE
UNDERGROUND STORAGE FACILIT	71-211276.0004 CITY OF TUCSON/TUCSON WATER	6/11/2015
WATER STORAGE PERMIT	73-520083.0002 CITY OF TUCSON/TUCSON WATER	1/27/2016

### Long Term Storage Account (LTSA) and Permit Cross-Reference by Entity

LTSA No.	LTSA HOLDER	STORAGE FACILITY PERMITS	WATER STORAGE PERMITS	RECOVERY WELL PERMITS
70-084101.0000	TOHONO O'ODHAM NATION OF ARIZONA		73-084101.0000, 73-561366.1300, 73-564896.0800, 73-577501.0900	
70-411111.0000	CITY OF TUCSON/TUCSON WATER	71-211276.0004, 71-225060.0000, 71-520083.0002, 71-578806.0003, 71-545944.0002	73-211276.0001, 73-216383.0200, 73-225060.0000, 73-538133.0301, 73-561366.1200, 73-564896.0700, 73-578806.0103, 73-591928.0000, 73-577501.0200, 73-563502.0201, 73-545943.0100, 73-520083.0002	74-211288.0002, 74-551249.0000, 74-552006.0006, 74-560621.0004, 74-582678.0000, 74-582678.0001, 74-580079.0009, 74-560621.0002
70-411120.0000	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	71-561366.0003, 71-577501.0002	73-558092.0201, 73-561366.0000, 73-564896.0000, 73-577501.0100	
70-411120.0001	CENTRAL ARIZONA GROUNDWATER REPLENISHMENT			
70-411120.0002	CENTRAL ARIZONA GROUNDWATER REPLENISHMENT			
70-411130.0000	METROPOLITAN DOM WATER IMPR DIST			

		71-564896.0004	73-211276.0800, 73-216383.0100, 73-538100.0302, 73-558092.0101, 73-564896.0100, 73-591928.0200, 73-578806.0500, 73-561366.0300, 73-555750.0002	74-570181.0005
70-411140.0000	COMMUNITY WATER CO OF GREEN VALLEY		73-222410.0000	
70-411150.0000	ARIZONA WATER BANKING AUTHORITY		73-211276.0200, 73-538100.0700, 73-538133.0401, 73-561366.0201, 73-577501.0300, 73-578806.0201, 73-564896.0200, 73-558092.0801	
70-411150.0001	ARIZONA WATER BANKING AUTHORITY			
70-411150.0002	ARIZONA WATER BANKING AUTHORITY			
70-411160.0000	TOWN OF ORO VALLEY WATER UTILITY		73-211276.0400, 73-558092.0401, 73-561366.1100, 73-577501.0800, 73-591928.0300, 73-578806.0400, 73-564896.0600	74-570180.0007
70-411170.0000	SPANISH TRAIL WATER COMPANY		73-538100.0101, 73-558092.0301, 73-561366.0800, 73-591928.0700, 73-577501.0600	74-595215.0000
70-411190.0000	FIDELITY NAT TITLE, TRUST 10773			74-568535.0000
70-411200.0000	U.S. BUREAU OF RECLAMATION		73-538100.0800, 73-545943.0200, 73-591928.0500	
70-411210.0000	VAIL WATER COMPANY		73-211276.0600, 73-558092.0701	74-583016.0004
70-411220.0000	TOWN OF MARANA	71-224578.0000	73-224578.0000, 73-538100.0401, 73-538133.0700, 73-564896.0300, 73-591928.0900, 73-561366.0500	74-211278.0001
70-411230.0000	CORTARO MARANA IRRIGATION DIST	71-591928.0001, 72-538100.0007	73-563876.0102	74-568133.0000



70-411240.0000	STATE OF ARIZONA			
70-411250.0000	ROBSON RANCH QUAIL CREEK, LLC	71-581379.0001	73-581379.0000	74-581381.0001
70-411260.0000	CITY OF SIERRA VISTA	71-218762.0000, 71-583024.0001	73-218762.0000, 73-583024.0000	
70-411270.0000	RIDGEVIEW UTILITY COMPANY			74-584463.0000
70-411280.0000	ROBSON COMMUNITIES, INC		73-561366.0400	
70-411300.0000	SLF-AGUA, LLC			
70-411310.0000	DEL LAGO GOLF COURSE			74-591933.0000
70-411320.0000	FLOWING WELLS IRRIGATION DIST		73-561366.0700, 73-591928.0800	74-218756.0000
70-411330.0000	ROBSON RANCH MOUNTAINS, LLC			74-593307.0002
70-411340.0000	GREEN VALLEY DWID		73-577501.0401	74-595205.0000
70-411350.0000	RED ROCK UTILITIES, LLC			74-595212.0000
70-411370.0000	PIMA COUNTY REGIONAL WASTEWATER RECLAMAT	71-211284.0002, 71-224073.0000, 71-563876.0007	73-211284.0000, 73-224073.0000, 73-563876.0200, 73-591928.0400	
70-411380.0000	TOWN OF SAHUARITA PUBLIC WORKS	71-595209.0000	73-595209.0000	74-207705.0000
70-411390.0000	AUGUSTA RESOURCE (ARIZONA) CORPORATION		73-561366.0600, 73-564896.0400, 73-577501.0500	
70-411400.0000	AQUA CAPITAL MANAGEMENT LP		73-538100.0600, 73-558092.0900, 73-561366.0900, 73-577501.0700, 73-564896.0500	
70-411410.0000	ROCKING K ACQUISITIONS, LLC			
70-411420.0000	MOJAVE VENTURES LLC			
70-411430.0000	PASCUA YAQUI TRIBE		73-211276.0302, 73-578806.0300	
70-411440.0000	VIDLER WATER COMPANY		73-561366.1400, 73-577501.1100	

70-411450.0000	AVRA WATER CO-OP INC		73-561366.1500	
70-411460.0000	SADDLEBROOKE UTILITY COMPANY	71-221721.0000	73-221721.0001	
70-411470.0000	FREEPART MINERALS CORPORATION		73-538100.0900, 73-584465.0100	
70-411480.0000	CITY OF PHOENIX		73-211276.0700, 73-564896.0900	
70-411490.0000	METROPOLITAN DWID SW- DIABLO VILLAGE			74-223306.0001
70-411500.0000	BKW FARMS, INC.	72-538133.0005, 72-563502.0004	73-538133.0600	
70-411510.0000	METRO DWID SW - LAZY B SERVICE AREA			74-225403.0000
70-411520.0000	AK-CHIN INDIAN COMMUNITY (TUCSON AMA)		73-561366.1600, 73-577501.1200	
75-411120.0000	CENTRAL ARIZONA GROUNDWATER REPLENISHMEI			

**DOUGLAS INA**  
**HARQUAHALA VALLEY INA**  
**JOSEPH CITY INA**  
**NOT WITHIN ANY AMA OR INA**

**Underground Storage Facilities**

PERMIT TYPE/NO.	PERMIT HOLDER	PROJECT DESCRIPTION	ASSOCIATED
USF 71-218762.0000 (08/03/2011 to 08/03/2031)	CITY OF SIERRA VISTA	<u>CITY OF SIERRA VISTA TRIBUTE WATER RECLAMATION FACILITY I</u> Annual recharge up to: 2,240.00AF Maximum storage volume: N/A Water Type(s): EFFLUENT Recharge Method(s): INJECTION/ASR WELLS,VADOSE ZONE WELLS Phase 1: Permit Volume (AF) 2242 ,Duration (08/03/2011 to 08/03/2031)	73-218762.0000
USF 71-576699.0004 (09/03/2004 to 09/30/2020)	VIDLER WATER COMPANY	<u>VIDLER WATER COMPANY RECHARGE PROJECT</u> Annual recharge up to: 100,000.00AF Maximum storage volume: N/A Water Type(s): CAP Recharge Method(s): BASINS,VADOSE ZONE WELLS Phase 1: Permit Volume (AF) 100000 ,Duration (07/21/2003 to 09/30/2020)	73-576699.0100, 73-576699.0200
USF 71-579155.0003 (05/28/2014 to 12/02/2023)	ARIZONA DEPT OF TRANSPORTATION	<u>ADOT SR260 WATER SUPPLY PROJECT USF</u> Annual recharge up to: 150.00AF Maximum storage volume: N/A Water Type(s): Recharge Method(s):	73-579155.0000
USF 71-583024.0001 (04/18/2003 to 06/30/2023)	CITY OF SIERRA VISTA	<u>CITY OF SIERRA VISTA</u> Annual recharge up to: 4,149.00AF Maximum storage volume: 27,383.00AF Water Type(s): EFFLUENT Recharge Method(s): BASINS Phase 1: Permit Volume (AF) 4149 ,Duration (04/18/2003 to )	73-583024.0000

**Water Storage Permits**

PERMIT NO.	PERMIT HOLDER	PROJECT DESCRIPTION	ASSOCIATED
73-218762.0000 (08/03/2011 to upon expiration of facility)	CITY OF SIERRA VISTA	<u>CITY OF SIERRA VISTA</u> Allotment: 2,240.00AF	71-218762.0000
73-576699.0100 (01/02/2001 to 09/30/2020)	VIDLER WATER COMPANY INC	<u>VIDLER WATER COMPANY, INC</u> Allotment: 100,000.00AF	71-576699.0004
73-576699.0200 (01/03/2001 to 09/30/2020)	ARIZONA WATER BANKING AUTHORITY	<u>ARIZONA WATER BANKING AUTHORITY</u> Allotment: 100,000.00AF	71-576699.0004
73-579155.0000 (01/18/2001 to upon expiration of facility)	ARIZONA DEPT OF TRANSPORTATION	<u>ARIZONA DEPT OF TRANSPORTATION</u> Allotment: 150.00AF	71-579155.0003
73-583024.0000 (08/13/2001 to 06/30/2023)	CITY OF SIERRA VISTA	<u>CITY OF SIERRA VISTA</u> Allotment: 4,149.00AF	71-583024.0001

**Recovery Well Permits**

PERMIT NO	PERMIT HOLDER	PROJECT DESCRIPTION

74-205390.0003	VIDLER WATER COMPANY	Number of wells: 14 Water Uses: RECOVERY,IRRIGATION,MONITORING
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**ATTACHMENT 6**

Arizona Department of Water Resources Downloaded Recharge Documents

# ANNUAL UNDERGROUND WATER STORAGE REPORT

## UWS - SUMMARY 2005

INPUT

OWNER NAME

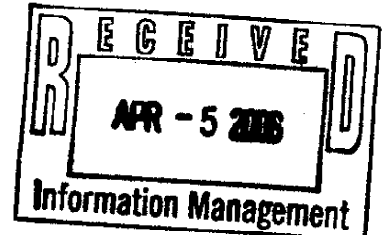
LONG TERM STORAGE ACCOUNT NO.

70-441200.0000



Phx.

REPORTING PARTY  
70-441200.0000  
RESOLUTION COPPER MINING LLC  
2525 E ARIZONA BILTMORE CIRCLE  
SUITE C-135  
PHOENIX AZ 85016



If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I PERMIT SUMMARY

Check that an annual report has been filed for each of the following permits.

73-534888.0600



### PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.

No. of months late (Maximum of 6 months)

Calculate Late Report Fee (\$25.00 for each permit X number of months)

N/A

-

\$ - 0 -

\_\_\_\_\_

\_\_\_\_\_

\$ \_\_\_\_\_

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2006. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2006.

REPORTS FILED AFTER MARCH 31, 2006 ARE SUBJECT TO LATE FEES [A.R.S. § 45-875.01.(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X

[Signature]  
AUTHORIZED SIGNATURE

VICE PRESIDENT  
TITLE

27 MARCH 2006  
DATE

W.R. WILLIAMS  
PRINTED NAME

520 689 9374  
TELEPHONE NUMBER

**NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.**

ARIZONA DEPARTMENT OF WATER RESOURCES

# UWS - SCHEDULE

## ANNUAL REPORT 2005

PERMIT HOLDER:

*Resolution Copper Mining LLC*

LTSA NO.

70-441200.0000

### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)				Total Volume of Water Delivered (Acre-feet)
			CAP	EFFLUENT	SURFACE	SPILL	
73-534888.0600	72-534888.0002	NEW MAGMA I&DD GSF	-0-	-0-	-0-	-0-	-0-
<b>TOTAL WATER DELIVERED</b>			-0-	-0-	-0-	-0-	-0-

A zero must be entered if water was not delivered pursuant to a water storage permit

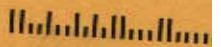
**Arizona Department  
of Water Resources**

Groundwater Management Support Section  
500 North Third Street  
Phoenix, Arizona 85004-3903

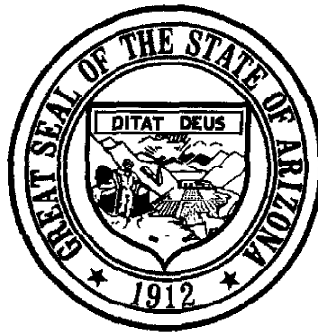
PHOENIX

04 APR 05

ARIZONA DEPARTMENT OF WATER RESOURCE  
PO BOX 458  
PHOENIX AZ 85001-0458







**ARIZONA DEPARTMENT OF WATER RESOURCES**  
**WATER STORAGE PERMIT**

PERMIT NO. 73-534888.0600

STATE OF ARIZONA     )ss.  
                               )  
COUNTY OF MARICOPA  )

This is to certify that I have examined Application No. 73-534888.0600 for a Water Storage Permit to store water in a storage facility, and I have determined that the application meets the requirements of Arizona Revised Statutes Title 45, Chapter 3.1, Article 3 for a Water Storage Permit. The Department hereby grants authority to Resolution Copper Mining, L.L.C. to store water, subject to the following limitations and conditions:

**Permit Limitations**

Permittee:	Resolution Copper Mining, L.L.C. 2525 E. Arizona Biltmore Circle, Suite C-135 Phoenix, AZ 85016
------------	-------------------------------------------------------------------------------------------------------

Storage Facility Name: New Magma Irrigation and Drainage District  
Groundwater Savings Facility

Storage Facility Permit Number: No. 72-534888

Active Management Area: Phoenix

Sub-basin: East Salt River Valley

Water To Be Stored: Central Arizona Project (CAP) water

Legal Basis for Acquiring  
Water To Be Stored: Contracts with Central Arizona Water Conservation  
District for CAP water

Maximum Permitted Storage: 20,000 acre feet per annum

Effective Date: November 1, 2005

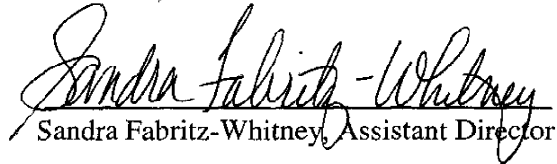
Expiration Date: Expiration of Groundwater Savings Facility  
Permit No. 72-534888

**Permit Conditions**

1. The quantity of water stored shall be reported to the Records Management Unit, Arizona Department of Water Resources, 3550 N. Central, 2<sup>nd</sup> Floor, Phoenix, Arizona, 85012 in the form of annual data reports. The annual report shall be submitted no later than March 31 following the end of each completed annual reporting period. The first annual reporting period shall be from the effective date of this permit through December 31, 2005. Subsequent annual reporting periods shall be January 1 through December 31.
2. The Permittee shall continue to meet the requirements of A.R.S. § 45-831.01 during water storage.
3. Recovery of stored water is prohibited unless a recovery well permit is obtained pursuant to A.R.S. § 45-834.01.
4. Stored water shall not be recovered in excess of the amount allowed by Title 45, Chapter 3.1, Article 4, Arizona Revised Statutes.

5. The Permittee shall report all assignments of long-term storage credits accrued pursuant to this permit to the Arizona Department of Water Resources in accordance with A.R.S. § 45-854.01.
6. Water may be stored pursuant to this permit only at Groundwater Savings Facility, Permit No. 72-534888, and any amendments thereto.
7. The Permittee shall comply with the plan of operation associated with Groundwater Savings Facility, Permit No. 72-534888, and any amendments thereto.
8. Prior to storage of water pursuant to this permit, the permittee shall submit to the Department of Water Resources a copy of any executed contract by which the permittee obtains the right to receive Central Arizona Project water for storage, and any renewals or additional Central Arizona Project water contracts necessary to continue storage pursuant to this permit.

*Witness my hand and seal of office this 1<sup>st</sup> day of  
November, 2005.*

  
Sandra Fabritz-Whitney, Assistant Director

**Appealable Agency Action Waiver**

I, F.D. Hegner, duly authorized by the Applicant for Water Storage Permit, assert that the Applicant has reviewed the Final Appealable Draft Permit of Application No. 73-534888.0600 and hereby waives all rights that the Applicant may have pursuant to Arizona Revised Statutes, Title 41, Chapter 6, Article 10, and Title 45, Chapter 3.1, Article 5, to administrative and judicial appeal, review or hearing concerning the issuance of the above listed Permit, including all limitations and conditions contained therein.

F.D. Hegner  
Signature

25 October 2005  
Date

General Manager  
Title



.....*Fax*  
*cover sheet...*



2525 E. Arizona Biltmore Circle  
Suite C-135  
Phoenix, AZ 85016

Tel.: (602) 956-0223  
Fax: (602) 956-0332

[www.resolutioncopper.com](http://www.resolutioncopper.com)  
[www.riotinto.com](http://www.riotinto.com)

DATE: 31 October 2006  
TO: S. Fabrig-Whitney ; S. Murillo  
COMPANY/LOCATION: ADWR  
FAX: 602-417-2467  
FROM: F. D. Hegner  
TOTAL No. OF PAGES:  
(including cover sheet) 2

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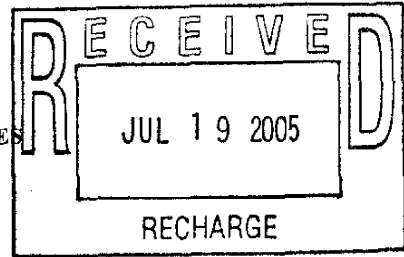
*This fax is confidential and may also be privileged. If you are not the intended recipient, please notify us immediately and you should not copy it nor use it for any purposes, nor disclose its contents to any other person.*

*If all pages are not received in their entirety please call sender.*

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*A Rio Tinto Company*

**ARIZONA DEPARTMENT OF WATER RESOURCES**  
**Water Management Division**  
 500 North Third Street, Phoenix, Arizona 85004  
 Phone (602) 417-2465 Fax (602) 417-2467



**APPLICATION FOR WATER  
 STORAGE PERMIT (A.R.S § 45-831.01)**

**APPLICATION FEE \$ 250.00 DUE UPON FILING.**

**PERMIT FEE OF \$ 100.00, PLUS  
 PUBLICATION FEES TO BE DETERMINED,  
 WILL BE DUE PRIOR TO ISSUANCE OF PERMIT.**

**PLEASE SUBMIT ONE ORIGINAL AND FOUR COPIES OF THE  
 COMPLETED APPLICATION AND ALL SUPPORTING MATERIALS**

**APPLICATION FOR: (Check one)**

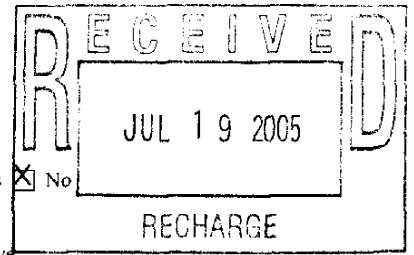
**New Water Storage Permit**       **Modification of Water Storage Permit**       **Renewal of Water Storage Permit**

No. 73-\_\_\_\_\_ No. 73-\_\_\_\_\_

FOR OFFICE USE ONLY  
 Application No.: 73-534888.0600  
 Date Received: July 19, 2005

**GENERAL INFORMATION**

1. Name of Applicant: Resolution Copper Mining LLC  
2525 E. Arizona Biltmore Circle, Suite C-135      Phoenix, AZ      85016  
 Mailing Address      City      State      Zip  
 Contact Person: Mr. F. D. Hegner, VP/GM Telephone: 602-956-0455 Fax: 602-956-0332
  
2. Name and permit number of storage facility where water storage will occur: 72-534888.0002  
New Magma Irrigation and Drainage District Groundwater Savings Facility
  
3. Name of Active Management Area or Irrigation Non-Expansion Area where the facility will be located:  
Phoenix Active Management Area  
*(If the facility is NOT located within an AMA or INA, please indicate "NONE.")*
  
4. Name of groundwater basin and subbasin where the facility will be located: East Salt River Sub-basin
  
5. If this water storage permit application is for the storage of CAP water and meets the requirements of A.R.S. §§ 45-831.01(G) or 45-871.01(E) and the applicant will not also be the holder of the storage facility permit, please submit a consent agreement signed by the facility permit holder.
  
6. The maximum annual amount of water that may be stored at the facility: 54,000  
(acre-feet per year)
  
7. The maximum annual amount of water proposed for storage pursuant to this water storage permit: 20,000  
(acre-feet per year)
  
8. Proposed duration of the permit: 10 (ten) years
  
9. The maximum amount of water proposed for storage for the duration of the permit pursuant to this water storage permit:  
200,000  
(acre-feet)



10. Will the stored water be recovered on an annual basis pursuant to A.R.S. § 45-851.01?  Yes  No

11. Type of source water to be stored:

- CAP Water       Effluent       Decreed and Appropriative Surface Water

If Decreed and Appropriative Surface Water, list river(s): \_\_\_\_\_

[NOTE: In order for the storer to accrue long-term storage credits for the stored water, the source water must comply with A.R.S. § 45-802.01(21), "Water that cannot reasonably be used directly".]

12. If the water to be stored is appurtenant to a place of use, the legal description of the location of that use: \_\_\_\_\_

*(quarter/quarter/quarter/section, township and range)*

13. What is the applicant's legal right to use the proposed source(s) of water?

- CAP Contract       Right to municipally treated effluent       Decreed and appropriative surface water right  
 Other, please explain: \_\_\_\_\_

Cite the right number, law, court decree, contract or other legal basis for acquiring and using each source of water to be stored pursuant to this permit: Interruptible Excess CAP Water Subcontract - contracting is in progress

If municipally treated effluent will be stored and the applicant is the producer of the effluent, does the applicant certify that, after meeting all contractual obligations for delivery of effluent to other parties, the applicant retains the legal right to the volume of effluent requested in item 7 of this application?  Yes  No

14. Do you own the system through which the water to be stored will be delivered to the storage/savings facility?

- Yes  No **If no**, please provide a copy of the transportation agreement that allows the proposed water delivery system to be used to carry the water to be stored to the storage/savings facility.

15. Do you want this water storage permit to be designated as storing non-recoverable water pursuant to A.R.S. § 45-833.01?

- Yes  No

16. **For NON-CAP storage:**

Is the facility where storage is to occur currently regulated under an Aquifer Protection Permit (APP) issued by the Arizona Department of Environmental Quality?  Yes  No

**If no**, will the applicant be obtaining an APP?  Yes  No

**If no to both**, please explain method of compliance with A.R.S. § 45-831.01(B)(2): \_\_\_\_\_

17. **For water storage at a Groundwater Savings Facility**, if the applicant is **not** the GSF permit holder, does the applicant agree to comply with the Plan of Operation for the GSF permit listed in Item 2 of this application?  Yes  No

NOTARIZED SIGNATURE

I (We), FRANK D. Hegner <sup>For Resolution Copper Mining LLC</sup>, the applicant(s) named in this application, do hereby certify under the penalty of perjury, that the information contained and statements made herein are to the best of my (our) knowledge and belief true, correct and complete.

602-956-0223  
Telephone

F.D. Hegner  
Signature of owner or authorized agent

Vice President - General Manager  
Title

2525 E. Arizona BICENTENNIAL Circle, C-135, Phoenix AZ 85018  
Mailing Address City State Zip

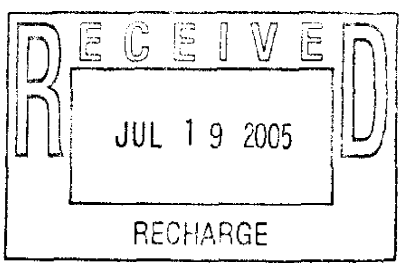
STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

Subscribed and sworn to before me this 1 day of June, 2005.

[Signature]  
Notary Public

April 7, 2007  
My commission expires

**MELISSA AYONAYON**  
Notary Public - Arizona  
Maricopa County  
My Commission Expires  
April 7, 2007





## CHECK DEPOSIT REQUEST RECHARGE APPLICATIONS AND PERMITS

SUBMITTED BY: Shells Murillo

DATE: Oct 20, 2005

APPLICANT: Resolution Copper Mining LLC

CHECK SENT BY: Snell & Wilmer L.L.P.

(NAME OF COMPANY OTHER THAN APPLICANT)

CODE	TYPE OF APPLICATION	APPLICATION NUMBER	FEE	AMA AUGMENTATION FUND	GENERAL FUND
71	Underground Storage Facility (USF) Application Fee (\$750)				N/A
71	USF Permit Fee (\$500)				N/A
71	USF Conveyance Fee (\$300)				N/A
72	Groundwater Savings Facility (GSF) Application Fee (\$500)				N/A
72	GSF Permit Fee (\$350)				N/A
72	GSF Conveyance Fee (\$300)				N/A
73	Water Storage (WS) Application Fee (\$250)				N/A
73	WS Permit Fee (\$100)	73-534888.6	100 <sup>00</sup>	PLU	N/A
73	WS Conveyance Fee (\$300)				N/A
74	Recovery Well (RW) Application Fee (\$50/well 1st 10 wells, \$10/well thereafter)				N/A
74	RW Permit Fee (Same as application fee)				N/A
	LEGAL NOTICE FEES				
	TOTAL	534888.60	100.00		N/A

**SNELL & WILMER  
L.L.P.**

ONE ARIZONA CENTER  
PHOENIX, ARIZONA 85004-2202

WITH OFFICES IN:  
TUCSON, ARIZONA  
ORANGE CO., CALIFORNIA  
SALT LAKE CITY, UTAH  
DENVER, COLORADO  
LAS VEGAS, NEVADA

**BANK ONE**

JP Morgan Chase Bank, N.A.  
Phoenix, Arizona 85073  
91-211221

CHECK NO.

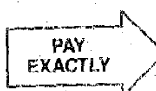
629420

VEND: 846 10/19/2005

DATE

CHECK NO.

629420



\*\*\*\*\*\$100.00

**CHECK DEPOSIT REQUEST  
RECHARGE APPLICATIONS AND PERMITS**

SUBMITTED BY: Shells Murrell

DATE: Oct 20, 2005

APPLICANT: Resolution Copper Mining LLC

CHECK SENT BY: Snell & Wilmer L.L.P.

(NAME OF COMPANY OTHER THAN APPLICANT)

CODE	TYPE OF APPLICATION	APPLICATION NUMBER	FEE	AMA AUGMENTATION FUND	GENERAL FUND
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	LEGAL NOTICE FEES				
	TOTAL	534888.0600	100 <sup>00</sup>	PLU	N/A

# Snell & Wilmer

L.L.P.  
LAW OFFICES

One Arizona Center  
Phoenix, Arizona 85004-2202  
(602) 382-6000  
Fax: (602) 382-6070  
www.swlaw.com

Kimberly A. Grouse (602) 382-6304  
kgrouse@swlaw.com

PHOENIX, ARIZONA

TUCSON, ARIZONA

IRVINE, CALIFORNIA

SALT LAKE CITY, UTAH

DENVER, COLORADO

LAS VEGAS, NEVADA

October 19, 2005

## VIA HAND DELIVERY

Stella Murillo  
Recharge Coordinator  
Arizona Department of Water Resources  
500 North Third Street  
Phoenix AZ 85004-3903

Re: *Resolution Copper Mining, LLC*

Dear Ms. Murillo:

Enclosed please find Snell & Wilmer's check no.629420 in the amount of \$100.00 for the Water Storage Permit Fees for Resolution Copper Mining, LLC. I am also enclosing a copy of your October 13, 2005 invoice.

If you have any questions or need anything further, please call me at the above direct number. Thank you.

Very truly yours,

Snell & Wilmer

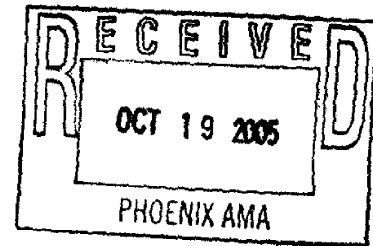


Kimberly A. Grouse

KAG:kh  
Enclosures

cc (via e-mail): George Fletcher, ERM-West  
Bruno Hegner, Resolution Copper Company  
William D. Baker  
Carlos Ronstadt

1741696.1



**Arizona Department of Water Resources  
Recharge**

**MEMORANDUM:**

**To:** File, 73-534888.0600  
**From:** Stella Murillo  
**Date:** July 20, 2005  
**Regarding:** Application for WS Permit

I received a request from the Resolution Copper Mining LLC. for a water storage permit at the New Magma Irrigation and Drainage District Ground Water Facility. . Application fees of \$250.00 have been deposited. Please review the attached documents to determine whether they are complete and correct.

The 100-day deadline for review is **October 27, 2005**.

cc: Virginia O'Connell, Phoenix AMA  
Ryan Smith, ADWR Legal

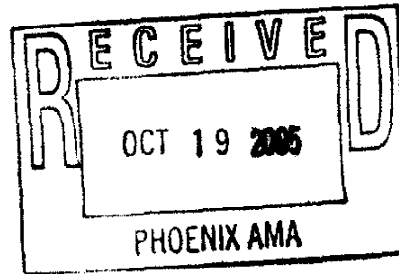
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**Snell & Wilmer**  
L.L.P.  
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One Arizona Center  
Phoenix, Arizona 85004-2202  
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Fax: (602) 382-6070  
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kgrouse@swlaw.com



PHOENIX, ARIZONA  
TUCSON, ARIZONA  
IRVINE, CALIFORNIA  
SALT LAKE CITY, UTAH  
DENVER, COLORADO  
LAS VEGAS, NEVADA

October 12, 2005

Ms. Sheila Brenneman  
Central Arizona Water Conservation District  
23636 North Seventh Street  
Phoenix, AZ 85024-3801

Re: Resolution Copper Mining, LLC Incentive Recharge Contract

Dear Ms. Brenneman:

Our client, Resolution Copper Mining, LLC ("RCM" or the "Company") hereby requests Incentive Recharge Water from the Central Arizona Water Conservation District ("CAWCD"). The Incentive Recharge Water will be used in lieu of groundwater as provided in A.R.S. ¶45-§812.01.

RCM has entered into an agreement with New Magma Irrigation and Drainage District ("NMIDD"), a groundwater savings facility within the Phoenix Active Management Area, for storage of the excess CAP water. The Company is awaiting the issuance of Permit No. 73-534888.0600 pursuant to its Application for Water Storage Permit filed with the Arizona Department of Water Resources ("ADWR"). NMIDD has confirmed acceptance of delivery up to 36,500 acre-feet on behalf of RCM. This excess CAP water will be used within the boundaries of NMIDD.

In support of this request, I have enclosed the following:

- The Excess CAP Water Storage Agreement between NMIDD and RCM;
- The letter from ADWR finding RCM's Water Storage Permit Application to be administratively complete and accurate;
- NMIDD's Revised 2006 Water Delivery Schedule;
- A map depicting the boundaries of NMIDD;
- Articles of Incorporation of Resolution Copper Mining LLC;

Ms. Sheila Brenneman

October 12, 2005

Page 2

- A Certificate of Good Standing for Resolution Copper Mining LLC issued by the State of Arizona; and
- Corporate resolution authorizing Mr. Frank D. Hegner to execute such documents on behalf of Resolution Copper Mining LLC.

If you have any questions or concerns regarding this request or the information I have provided, please call me at 602-382-6304 or Carlos Ronstadt at 602-382-6355.

Very truly yours,

Snell & Wilmer



Kimberly A. Grouse

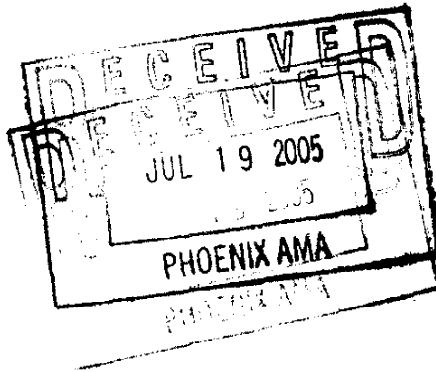
KAG:ch

cc: Stella Murillo  
Carlos Ronstadt  
Bruno Hegner  
William Baker  
George Fletcher

**Snell & Wilmer**  
LLP  
LAW OFFICES

One Arizona Center  
Phoenix, Arizona 85004-2202  
(602) 382-6000  
Fax: (602) 382-6070  
www.swlaw.com

Kimberly A. Grouse (602) 382-6304  
kgrouse@swlaw.com



PHOENIX, ARIZONA  
TUCSON, ARIZONA  
IRVINE, CALIFORNIA  
SALT LAKE CITY, UTAH  
DENVER, COLORADO  
LAS VEGAS, NEVADA

July 19, 2005

Stella Murillo  
Recharge Coordinator  
Arizona Department of Water Resources  
500 North Third Street  
Phoenix AZ 85004-3903

Re: *Resolution Copper Mining, LLC*

Dear Ms. Murillo:

You will find the following enclosed:

- Our law firm's Check No. 622297 in the amount of \$250 for the application fee;
- An original and four copies of an application for a water storage permit for Resolution Copper Mining, LLC;
- An original and four copies of an agreement between Resolution Copper Mining, LLC and the New Magma Irrigation District.

This submittal is for a groundwater savings facility that will be operated in conjunction with the New Magma Irrigation and Drainage District (NMIDD) in the Phoenix Active Management Area.

We are in the process of concurrently securing a subcontract for excess Central Arizona Project Water. You will receive a copy of the executed subcontract as soon as we are able to provide one to you.

Please do not hesitate to contact Bruno Hegner at Resolution Copper Company, at (602) 956-0455, or, in the alternative, George Fletcher at ERM-West, Inc., the consultant for the NMIDD, at (480) 998-2401. His email address is [george.fletcher@erm.com](mailto:george.fletcher@erm.com). You can also contact Carlos Ronstadt at (602) 382-6355, or NMIDD's attorney, William Baker, at (602) 956-8878.

Stella Murillo  
July 19, 2005  
Page 2

We would like to schedule a meeting at your earliest convenience to discuss the application. Please call me at (602) 382-6304 to schedule a time.

Please inform me when you will issue the public notice and the associated cost so that we may inform our client. We will transmit payment for the public notice along with the permit fee immediately after receiving notice from you.

Thank you for your review and consideration of this application.

Very truly yours,

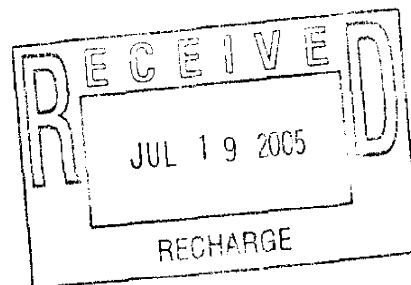
Snell & Wilmer



Kimberly A. Grouse

KAG:ch  
Enclosures

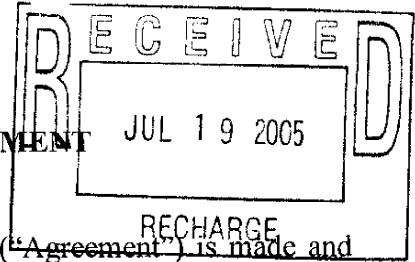
cc: George Fletcher, ERM-West, with enclosures  
Bruno Hegner, Resolution Copper Company, with enclosures  
William D. Baker  
Carlos Ronstadt





*Original*

**EXCESS CAP WATER STORAGE AGREEMENT**



THIS EXCESS CAP WATER STORAGE AGREEMENT ("Agreement") is made and entered into this <sup>1<sup>st</sup></sup> day of May 2005, by and between NEW MAGMA IRRIGATION & DRAINAGE DISTRICT, a political subdivision of the State of Arizona ("District") and RESOLUTION COPPER MINING LLC, an Arizona limited liability company ("Resolution").

RECITALS

- A. District presently uses groundwater. A.R.S. § 45-801.01 et seq. encourages the use of Central Arizona Project ("CAP") water in place of groundwater and the accumulation of water storage credits for later use by authorizing the issuance of water storage permits for the operation of Groundwater Savings Facilities ("GSF") in active management areas.
- B. District and Resolution are located within the Phoenix Active Management area.
- C. District holds GSF permit number 72-534888.0002 ("GSF Permit") granted by the Arizona Department of Water Resources ("ADWR"). The GSF Permit authorizes storage of up to 54,000 acre feet ("AF") of water annually.
- D. Resolution desires to reduce its use of groundwater and is willing to use CAP water instead of groundwater.
- E. The Central Arizona Water Conservation District ("CAWCD") has offered to contract with Resolution for the sale of excess CAP water for use pursuant to this Agreement.
- F. Resolution and District desire to enter into this Agreement providing for District's storage of the Resolution's excess CAP water purchased from the CAWCD.

AGREEMENT

In consideration of the respective rights, privileges and obligations of the parties, it is agreed as follows:

1. Definitions. The following terms shall have the meanings described to them by A.R.S. § 45-802.01: Aquifer, Groundwater Savings Facility, In-Lieu Water, Recipient, Storage Account and Stored Water.
2. Effective Date. This Agreement shall become effective upon the execution by the parties and the receipt by Resolution of a water storage permit issued by ADWR in accordance with A.R.S. § 45-831.01.

3. Term; Renewal; Cancellation. The initial term of this Agreement shall expire on December 31, 2005 ("Initial Term"). This Agreement shall automatically renew for periods of one year after that ("Renewal Terms") unless either party delivers to the other party written notice of the cancellation of this Agreement on or before ninety (90) days of the expiration of the then current term. This Agreement may be cancelled pursuant to the provisions of A.R.S. § 38-511.

4. Permits and Reports.

4.1 Resolution and District agree to comply with the operating requirements of the GSF Permit and the GSF plan of operation.

4.2 Resolution shall also apply for, obtain, maintain in effect and operate under a water storage permit issued by ADWR which entitles Resolution to store water at the District's GSF. The parties agree that District and resolution shall cooperate in the undertaking of all actions necessary for Resolution to acquire and maintain its water storage permit.

4.3 Each party issued a permit by ADWR shall be primarily responsible for the filing of the reports required by each permit. Each party shall cooperate and provide information required by the other party to obtain or conform to the requirements of either the GSF permit or the water storage permit.

4.4 Resolution agrees to pay the groundwater withdrawal fee payable to ADWR pursuant to A.R.S. § 45-873.01 and all other water charges or additional fees, including, but not limited to, the long-term storage credit recovery fee collectable pursuant to A.R.S. § 45-874.01(A).

5. In-lieu Water.

5.1 Resolution shall enter into an agreement with CAWCD ("CAWCD Agreement") to purchase or caused to be purchased: (a) for the Initial Term, up to 20,000 AF of excess CAP water for in-lieu water for delivery to the District's GSF; and (b) for the Renewal Terms, an amount of excess CAP water for in-lieu water for delivery to the District's GSF, as determined by Resolution at the beginning of each Renewal Term. The CAWCD Agreement shall permit District to order excess CAP water directly from CAWCD in accordance with CAWCD's water ordering procedures. Prior to delivery of in-lieu water, Resolution shall pay all fees necessary to fulfill its obligations under the CAWCD agreement. Resolution shall notify District of its contract amount for calendar year 2005 if the CAWCD Agreement provides that Resolution can purchase more than 20,000 AF, but nothing set forth herein shall obligate the District to take more than 20,000 AF during either 2005 or any Renewal Term. By no later than December 15 of 2005, or December 15 of any Renewal Term thereafter, Resolution shall notify the District of the volume of water made available to it under the CAWCD Agreement (or any successor agreement) for the next successive Renewal Term hereunder. In the event that Resolution fails or otherwise is unable to execute the CAWCD Agreement of whatever reason, then this Agreement shall be of no further legal force or effect, and the parties hereto shall be discharged from any and all obligations hereunder.

5.2 District's share of the cost of water delivered by CAWCD pursuant to the CAWCD Agreement shall be \$25.00 per AF. This amount shall be District's obligation and in consideration of foregoing groundwater pumping and in consideration of foregoing groundwater pumping and preservation of groundwater within the aquifer under District's lands.

5.3 The District shall be solely responsible for the conveyance of excess CAP from the point of delivery for such water as designated in the CAWCD Agreement to the District's irrigation water distribution system.

6. Reduction in Pumping.

6.1 District has represented that approximately 20,000 AF of groundwater will be displaced within the GSF on an acre foot for acre foot basis by the receipt of in-lieu water for use in the GSF.

6.2 District shall be responsible for the in-lieu water and its delivery for use on District lands.

6.3 Should ADWR later determine that in-lieu water used by District pursuant to this Agreement was not used by District on an acre foot for acre foot substitute basis, District shall reimburse Resolution the unreimbursed portion of the cost paid to CAWCD by Resolution for each acre foot determined by ADWR to be ineligible for stored water credit.

7. Water Quality. Neither party guarantees the quality of in-lieu water delivered, received or used pursuant to this Agreement. Each party waives its right to make a claim against the other party for the effect on the quality of surface or underground water as a result of this Agreement, unless such effect on water quality is the result of such other party's neglect or wrongful action or inaction.

8. Stored Water Credits.

8.1 The parties agree that Resolution has a right to assign by grant, gift, sale, lease or exchange, all or part of the stored water credits accumulated as a result of this Agreement to any other person or entity.

8.2 Unless the parties to this Agreement agree otherwise, Resolution agrees that it will recover its stored water credits from wells or other facilities located outside the boundaries of the District.

9. Indemnification. Each party to this Agreement shall indemnify and hold harmless the other party and its governing bodies, agents, directors, officers, and employees for, from and against any loss, damage, or liability, including reasonable attorneys' fees, caused by a negligent or intentionally willful action or inaction on the part of the Indemnitor and its governing bodies, agents, directors, officers, and employees, including without limitation, claims for bodily injury, illness, death, or damage to property. Each party shall assume liability for its own negligent or intentionally willful action or inaction arising under the terms and conditions of this Agreement.

10. Uncontrollable Forces. Neither party shall be considered to be in default in the performance of any of its obligations hereunder (other than obligations of the parties to make payments due hereunder) when a failure of performance shall be due to an act of God, force majeure or force beyond the control of the parties hereto (collectively, "Uncontrollable Force"). The term "Uncontrollable Force" shall mean any natural or artificial force beyond the control of a party to this Agreement that renders the party unable to perform its obligations hereunder, including, but not limited to, failure of or threat of failure of facilities, flood, earthquake, storm, fire, lightening and other natural catastrophes, epidemic, war, riot, civil disturbance or disobedience, strike, labor dispute, labor or material shortage, sabotage, government priorities and restraint by court order or public authority, and action or inaction by, or failure to obtain the necessary authorizations or approvals from, any governmental agency or authority, which by exercise of due diligence the party could not reasonably have been expected to avoid and which by exercise of due diligence it shall be unable to overcome. Nothing contained herein shall be construed to require either party to settle any strike or labor dispute in which it is involved.

11. Dispute Resolution Process; Remedies. If any party hereto breaches this Agreement, or if a dispute arises between the parties to this Agreement, then the following shall apply:

11.1 Cure Periods. Resolution and District agree that in the event that either breaches the terms and conditions of this Agreement, or otherwise defaults in the performance of any obligation set forth herein, the defaulting party shall have thirty (30) days to cure such breach or default following the receipt of written notice from the non-breaching party to the breaching party stating the nature of the breach.

11.2 Dispute Resolution Process. A party having a dispute under this Agreement that cannot be resolved by the Parties during the applicable Cure Period as set forth immediately above, may submit the dispute to arbitration. Arbitration shall be binding only upon the written consent of both Parties. Arbitration shall be subject to the following provisions:

11.2.1 A Party wishing to submit a dispute to arbitration shall provide thirty (30) days written notice to the other Party of its intent to pursue arbitration and shall name one arbitrator at that time. Within fifteen (15) days of receiving such notice, the other Party to the dispute shall name one arbitrator and give its written notice to the other party of its selection. Within five (5) days of selection of the second arbitrator, the two selected arbitrators shall jointly select a third arbitrator.

11.2.2 Within thirty (30) days from the selection of the third arbitrator, the arbitrators shall hold a hearing. Within thirty (30) days from the conclusion of the hearing, the arbitrators shall render a decision on the dispute.

11.2.3 Arbitration shall be subject to the Arizona Arbitration Act, Arizona Revised Statutes title 12, chapter 9, article 1 and any amendments thereto. In the event of a conflict between this Agreement and the Act, the provisions of this Agreement shall prevail.

11.2.4 A party that is dissatisfied with the results of non-binding arbitration may pursue any other legal or equitable remedy not expressly provided for herein.



11.3 Remedies. Subject to the limitations set forth in this Agreement, the rights and remedies expressly provided herein are cumulative and not exclusive of any other rights or remedies that a party would otherwise have at law or in equity; provided, however, that in no event shall a non-breaching party be entitled to assert, claim or demand special, incidental, or consequential damages which may otherwise be attributable to any default by the defaulting party.

12. Assignment of Agreement. No assignment, transfer of interest or other voluntary transfer of this Agreement, or the rights or obligations of either party set forth hereunder, shall be made without the written consent and approval of the other party. Prior to any such assignment, the party who desires to assign its rights hereunder shall give the other party written notice of its intent to assign or transfer its interest hereunder. Thereafter, the non-assigning party shall have thirty (30) days to provide written objections to the terms and conditions of the proposed assignment or to request financial assurances of the proposed assignee's ability to perform the obligations set forth hereunder. In the event that a non-assigning party fails to provide any such objections, then it will be deemed to have consented to the terms and conditions of the proposed assignment. If a non-assigning party provides written objections to the assignment, then such objections shall be resolved in accordance with the arbitration provisions set forth in this Agreement. Upon such assignment, this Agreement shall be binding upon the parties hereto, their successors, assigns, personal representatives and heirs (if any).

13. General Provisions.

13.1 Authorized Agent. The individuals name below shall be authorized and directed to act as authorized agents for their respective parties and shall serve as the primary contact person for such entity.

For District: William Van Allen, Manager  
New Magma Irrigation & Drainage District  
34630 North Schnepf Road  
Queen Creek, AZ 85242  
(480) 987-3570

For Resolution: Bruno Hegner, Vice President and General Manager  
c/o Resolution Copper Company  
2525 east Biltmore Circle  
Suite C-135  
Phoenix, Arizona 85016

Without limiting the generality of the foregoing, the authorized agents are hereby specifically authorized and directed to approve the water accounting and adjustments of accounts which may be necessary to implement this Agreement. Written notice of a change of agent shall be provided at least thirty (30) days before such change becomes effective.

13.2 Notices. Any notice given pursuant to this Agreement shall be in writing, and shall be personally delivered or deposited in the United States mail, postage prepaid, certified and return receipt requested, to the parties as follows:

To District: New Magma Irrigation & Drainage District  
34630 North Schnepf Road  
Queen Creek, AZ 85242  
Attn: William Van Allen, Manager

With a copy to: Ellis & Baker P.C.  
7310 North 16th Street, Suite 320  
Phoenix, Arizona 85020-5276  
Attn: William D. Baker, Esq.

To Resolution: Resolution Copper Mining LLC  
2525 east Biltmore Circle  
Suite C-135  
Phoenix, Arizona 85016

With a copy to: Snell & Wilmer  
One Arizona Center  
Phoenix, Arizona 850004  
Attn: Carlos Ronstadt

Notices shall be deemed given when personally delivered or, if mailed, five (5) days after the deposit of the notice in the U.S. Mail. If a notice initiates the running of a time period for performance of, or compliance with, any obligation or duty set forth in the terms of this Agreement, the notice, if mailed, shall be sent certified, return receipt requested. Any party hereto may give written notice of a change of address to the other party as provided above.

13.3 Good Standing; Authority. Each of the parties represents and warrants to this other (i) that it is duly formed, validly existing and in good standing under all applicable laws; and (ii) that the individual(s) executing this Agreement on behalf of the respective parties are authorized and empowered to bind the party on whose behalf each such individual is signing.

13.4 Headings. The descriptive headings of the sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

13.5 Exhibits. Any exhibit attached hereto shall be deemed to have been incorporated herein by this reference with the same force and effect as if fully set forth in the body hereof.

13.6 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one (1) or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signatures of all parties may be physically attached to a single document.

13.7 Entire Agreement. The terms, covenants and conditions of this Agreement constitute the entire agreement between the parties, and no understandings or obligations not herein expressly set forth shall be binding upon them. All prior and contemporaneous

agreements, representations and understandings of the parties, oral or written, are hereby superseded and merged herein.

13.8 Further Acts; Additional Documents. The parties shall execute, deliver, acknowledge and record all and any such further documentation, conveyances, writings, approvals and consents as are required, necessary, proper or desirable in order to effectuate the agreement of the parties herein contained.

13.9 Amendments and Modifications. This Agreement shall not be modified, amended, rescinded, canceled or waived, in whole or in part, except by a written instrument signed by all parties.

13.10 Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by any party to this Agreement of the breach of any covenant of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

13.11 No Partnership or Third Party Beneficiaries. It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture or other arrangement between Resolution and District. No term or provision of this Agreement is intended to, or shall, be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

13.12 Severability. If any provision of this Agreement is held invalid under any applicable statute or rule of law, such provision shall be deemed null and void, but the remainder of this Agreement will remain in full force and effect.

13.13 Governing Law. This Agreement is intended to be made under and shall be construed in accordance with the laws of the State of Arizona. Subject to the provisions of Section 11, all proceedings relating to its subject matter shall be maintained in the courts of the State of Arizona (including the United States District Court for the District of Arizona), which courts shall have jurisdiction over those proceedings.

\* \* \* \* \*  
\* \* \* \* \*  
\* \* \* \* \*  
\* \* \* \* \*  
\* \* \* \* \*  
\* \* \* \* \*  
\* \* \* \* \*

13.14 Attorneys' Fees and Costs. The prevailing party in any dispute arising under this Agreement will be entitled to recover its costs and expense including reasonable attorneys' fees, from the losing party or parties.

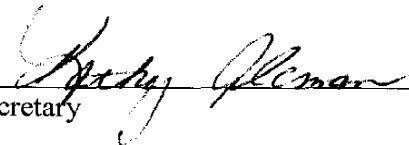
13.15 Time of Essence. Time is of the essence of this Agreement.

IN WITNESS WHEREOF this Agreement is executed on the date first written above by the parties hereto.

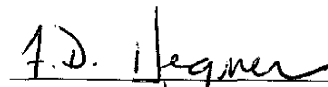
NEW MAGMA IRRIGATION & DRAINAGE  
DISTRICT, a political subdivision of the State  
of Arizona

By:   
Its: President

Attest:

By:   
Its: Secretary

RESOLUTION COPPER MINING LLC,  
an Arizona limited liability company

By:   
Name: F. D. Hegner  
Its: General Manager



ARIZONA DEPARTMENT OF WATER RESOURCES  
PHOENIX ACTIVE MANAGEMENT AREA

**MEMORANDUM**

**TO:** File, 73-534888.0600  
**FROM:** Virginia O'Connell *VP*  
**DATE:** August 1, 2005  
**RE:** Complete and Correct Determination for Resolution Copper Mining, L.L.C. Water Storage Permit Application 73-534888.0600

I have reviewed the above referenced permit application submitted by Resolution Copper Mining, L.L.C. on July 19, 2005. The applicant proposes to store a maximum volume of 20,000 acre-feet per year of CAP water at the New Magma Irrigation and Drainage District GSF, Permit No. 72-534888.0002, until expiration of the facility, currently December 31, 2007.

The Phoenix AMA finds the application to be complete and correct pursuant to A.R.S. § 45-831.01(B) based on the following review:

- The applicant is in the process of obtaining a subcontract for excess CAP water. If the contract is not executed before issuance of the permit, the permit will have a condition that states that water storage will not be permitted at Groundwater Savings Facility (GSF) No. 72-534888.0002 until the permittee submits a copy of the executed contract to the Department.
- The applicant does not need to apply for an ADEQ Aquifer Protection Permit because the proposed source water is CAP water.
- The applicant has obtained consent to water storage from the New Magma Irrigation and Drainage District (NMIDD).
- The applicant has provided a signed agreement to comply with the NMIDD GSF, permit number 72-534888.0002 plan of operation pursuant to A.R.S. § 45-831.01(C).
- The applicant applied for a permit duration of ten (10) years, however the GSF permit expires December 31, 2007. Because current policy allows for water storage to continue until the expiration of the GSF, the applicant would be able to store water beyond 2007 so long as the GSF permit holder applies for a renewal that is timely and sufficient.

**Note:**

- Under A.R.S § 45-852.01(B)(1), water stored pursuant to a water storage permit may be credited to a long-term storage account only if the water is water that cannot reasonably be used directly. Under A.R.S. § 45-802.01(22)(c), the amount of central Arizona project water stored in an active management area during a year by a person that is not a municipal provider is considered water that cannot reasonably be used directly only to the extent that it exceeds the amount of groundwater withdrawn during the year by the storer in the active management area. Therefore, after this water storage permit is issued, if the permit holder withdraws groundwater from within the Phoenix active management area in any year, the amount of central Arizona project water stored by the permit holder during the year pursuant to the permit equal to the amount of groundwater withdrawn will not be eligible for long-term storage credits, but may be considered as being available for recovery on an annual basis under A.R.S. § 45-851.01.

The AMA has also determined that public notice of this application is not required pursuant to A.R.S. § 45-871.01(E)

cc: Stella Murillo, Recharge Coordinator  
Ryan Smith, Legal

**ARIZONA DEPARTMENT OF WATER RESOURCES**  
500 North Third Street, Phoenix, Arizona 85004  
Telephone 602 417-2465  
Fax 602 417-2467



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

September 21, 2005

Mr. F.D. Hegner, VP/GM  
Resolution Copper Mining LLC  
2525 E. Arizona Biltmore Circle, Suite C-135  
Phoenix, AZ 85016

Re: Resolution Copper Mining LLC, Application for Water Storage Permit No. 73-534888.0600.

Dear Mr. Hegner:

The Department has completed its review of the above referenced application and has determined it to be administratively complete and correct under A.R.S. §§ 41-1074 and 45-871.01. Please note that this determination does not imply approval of the application.

Pursuant to A.R.S. § 45-871.01 (E), public notice of this Water Storage Permit is not required. If granted, the Water Storage Permit will have an expiration date that coincides with the affiliated New Magma Irrigation and Drainage District Groundwater Savings Facility Permit No. 72-534888.0001, which expires on December 31, 2007.

Please note under A.R.S. § 45-852.01(B)(1), water stored pursuant to a water storage permit may be credited to a long-term storage account only if the water is water that cannot reasonably be used directly. Under A.R.S. § 45-802.01(22)(c), the amount of central Arizona project water stored in an active management area during a year by a person that is not a municipal provider is considered water that cannot reasonably be used directly only to the extent that it exceeds the amount of groundwater withdrawn during the year by the storer in the active management area. Therefore, after this water storage permit is issued, if the permit holder withdraws groundwater from within the Phoenix active management area in any year, the amount of central Arizona project water stored by the permit holder during the year pursuant to the permit equal to the amount of groundwater withdrawn will not be eligible for long-term storage credits, but may be considered as being available for recovery on an annual basis under A.R.S. § 45-851.01.

If you have any questions, please contact Virginia O'Connell in the Phoenix AMA at (602) 417-2465.

Sincerely,

Stella Murillo  
Recharge Coordinator

c: Ryan Smith, ADWR Legal  
Stella Murillo, Recharge Coordinator  
Virginia O'Connell, Phoenix AMA

*Celebrating 25 Years*

ARIZONA DEPARTMENT OF WATER RESOURCES  
500 North Third Street, Phoenix, Arizona 85004  
Telephone 602 417-2465  
Fax 602 417-2467



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

October 13, 2005

Mr. F.D. Hegner, VP/GM  
Resolution Copper Mining LLC  
2525 E. Arizona Biltmore Circle, Suite C-135  
Phoenix, AZ 85016

**Re: Remaining Fees for Water Storage Permit No. 73-534888.0600.**

Dear Mr. Hegner:

The Department is drafting the water storage permit for your review. The following fees must be paid before the permit can be issued:

<i>Water Storage Permit Fees</i>	<i>\$100.00</i>
Total Fees	\$100.00

Please remit a check, payable to ADWR, in the amount of **\$100.00**, as soon as possible. The Department's substantive completeness review time frame is suspended until all of the fees have been paid. If you have any questions, please contact me at (602) 417-2465.

Sincerely,

Stella Murillo  
Recharge Coordinator

c: Virginia O'Connell, Phoenix AMA  
Kim Grouse, Snell & Wilmer

**ARIZONA DEPARTMENT OF WATER RESOURCES**

500 North Third Street, Phoenix, Arizona 85004

Telephone 602 417-2465

Fax 602 417-2467



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

October 20, 2005

**VIA CERTIFIED MAIL**

Mr. F.D. Hegner, VP/GM  
Resolution Copper Mining LLC  
2525 E. Arizona Biltmore Circle, Suite C-135  
Phoenix, AZ 85016

**Re: Decision of the Director to Grant Water Storage Permit No. 73-534888.0600 to Resolution Copper Mining LLC.**

Dear Mr. Hegner:

This letter is the Decision of the Director of Water Resources to grant Permit No. 73-534888.0600 to Resolution Copper Mining LLC for a water storage permit.

This Decision of the Director to grant Permit No. 73-534888.0600 for a water storage permit is an appealable agency action. I have enclosed a copy of the Final Appealable Draft Permit. The Final Appealable Draft Permit will be the final form of your permit upon issuance.

The Department's review of the relevant information establishes that all of the requirements for the issuance of a water storage permit set forth in A.R.S. § 45-831.01 have been met. The Department has received no objections to your application.

You are entitled to appeal this decision. If you wish to appeal this decision, you must file a written appeal within **thirty (30) days** from receipt of this letter. I am providing you with a summary of the appeal process and an appeal form, should you elect to pursue this option.

As no objections have been filed regarding your permit application, you may elect to complete and file the enclosed Appealable Agency Action Waiver Form, waiving your right to appeal the Director's Decision, so that your permit can be signed without delay. If you do not file a notice of appeal or the Appealable Agency Action Waiver Form within the 30-day appeal period, the permit shall be signed and issued at the end of the 30-day appeal period.

*Celebrating 25 Years*



Mr. Hegner, VP/GM  
 Resolution Copper Mining LLC  
 October 20, 2005  
 Page 2

Please direct any questions concerning the permit or the appeal process to Stella Murillo, the ADWR Recharge Coordinator at (602) 417-2465.

Sincerely,

*Sandra Fabritz-Whitney*  
 Sandra Fabritz-Whitney  
 Assistant Director

Enclosures

c: Virginia O'Connell, Phoenix AMA  
 Ryan Smith, ADWR Legal  
 Kim Grouse, Snell & Wilmer

7004 2510 0007 2283 0689

<b>U.S. Postal Service™</b>		Postmark Here
<b>CERTIFIED MAIL™ RECEIPT</b> <i>(Domestic Mail Only; No Insurance Coverage Provided)</i>		
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>		
<b>OFFICIAL USE</b>		
Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	
Sent To		
Street, Apt. No., or PO Box No. <u>73-534888.0600</u>		
City, State, ZIP+4		
PS Form 3800, June 2002		See Reverse for Instructions

<b>SENDER COMPLETE THIS SECTION</b>	<b>COMPLETE THIS SECTION ON DELIVERY</b>
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <i>[Signature]</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) _____ C. Date of Delivery <u>10-26-05</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No          If YES, enter delivery address below: _____</p>
<p>1. Article Addressed to:</p> <p>F.D. Hegner, VP/GM          Resolution Copper Mining LLC          2525 E. Arizona Biltmore Circle          Suite C-135          Phoenix, AZ 85016</p>	<p>Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>
<p>2. Article Number (Transfer from service label) <u>7004 2510 0007 2283 0689</u></p>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>PS Form 3811/August 2001 Domestic Return Receipt 102595-02-M-1540</p> <p style="text-align: center;"><u>73-534888.0600</u></p>	

Celebrating 25 Years

**CHECK DEPOSIT REQUEST  
RECHARGE APPLICATIONS AND PERMITS**

SUBMITTED BY: Stella Murillo

DATE: July 19, 2005

APPLICANT: Resolution Copper Mining LLC

CHECK SENT BY: Snell & Wilmer LLP No. 622297

(NAME OF COMPANY OTHER THAN APPLICANT)

CODE	TYPE OF APPLICATION	APPLICATION NUMBER	FEE	AMA AUGMENTATION FUND	GENERAL FUND
71	Underground Storage Facility (USF) Application Fee (\$750)				N/A
71	USF Permit Fee (\$500)				N/A
71	USF Conveyance Fee (\$300)				N/A
72	Groundwater Savings Facility (GSF) Application Fee (\$500)				N/A
72	GSF Permit Fee (\$350)				N/A
72	GSF Conveyance Fee (\$300)				N/A
73	Water Storage (WS) Application Fee (\$250)	534888	250	PLW	N/A
73	WS Permit Fee (\$100)				N/A
73	WS Conveyance Fee (\$300)				N/A
74	Recovery Well (RW) Application Fee (\$50/well 1st 10 wells, \$10/well thereafter)				N/A
74	RW Permit Fee (Same as application fee)				N/A
	LEGAL NOTICE FEES				
	TOTAL	1 1	250	PLW	N/A

## CHECK DEPOSIT REQUEST RECHARGE APPLICATIONS AND PERMITS

SUBMITTED BY: Shelle Murillo

DATE: July 19, 2005

APPLICANT: Resolution Copper Mining LLC

CHECK SENT BY: Snell & Wilmer LLP No. 622297

(NAME OF COMPANY OTHER THAN APPLICANT)

CODE	TYPE OF APPLICATION	APPLICATION NUMBER	FEE	AMA AUGMENTATION FUND	GENERAL FUND
71	Underground Storage Facility (USF) Application Fee (\$750)				N/A
71	USF Permit Fee (\$500)				N/A
71	USF Conveyance Fee (\$300)				N/A
72	Groundwater Savings Facility (GSF) Application Fee (\$500)				N/A
72	GSF Permit Fee (\$350)				N/A
72	GSF Conveyance Fee (\$300)				N/A
73	Water Storage (WS) Application Fee (\$250)	534888	250	Plu.	N/A
73	WS Permit Fee (\$100)				N/A
73	WS Conveyance Fee (\$300)				N/A
74	Recovery Well (RW) Application Fee (\$50/well 1st 10 wells, \$10/well thereafter)				N/A
74	RW Permit Fee (Same as application fee)				N/A
	LEGAL NOTICE FEES				

**SNELL & WILMER  
L.L.P.**

ONE ARIZONA CENTER  
PHOENIX, ARIZONA 85004-2202

WITH OFFICES IN:  
TUCSON, ARIZONA  
ORANGE CO., CALIFORNIA  
SALT LAKE CITY, UTAH  
DENVER, COLORADO  
LAS VEGAS, NEVADA

**BANK ONE**

J.P. Morgan Chase Bank, N.A.  
Phoenix, Arizona 85073  
91-2/1221

CHECK NO. **622297**

VEND: 846 07/18/2005

CHECK NO.  
622297

PAY  
EXACTLY

\*\*\*\*\*\$250.00

Void if not processed in 90 days

SNELL & WILMER - PHOENIX, ARIZONA

622297

<del>INVOICE NO</del>	<del>DATE</del>	<del>DESCRIPTION</del>	<del>INVOICE AMOUNT</del>	<del>DISCOUNT</del>	<del>NET AMOUNT</del>
071405	07/14/05	KA GROUSE 39601-0001	250.00	0.00	250.00

V: 846 622297 250.00 0.00 250.00

---



**ARIZONA DEPARTMENT OF WATER RESOURCES**

500 North Third Street, Phoenix, Arizona 85004

Telephone 602 417-2465

Fax 602 417-2467



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

November 1, 2005

F.D. Hegner, VP/GM  
Resolution Copper Mining LLC  
2525 E. Arizona Biltmore Circle, Suite C-135  
Phoenix, AZ 85016

**Re: Resolution Copper Mining LLC, Water Storage Permit No. 73-534888.0600.**

Dear Mr. Hegner:

Enclosed is the signed Water Storage Permit No. 73-534888.0600 for the Resolution Copper Mining LLC.

Please contact me at (602) 417-2465 with any additional questions.

Sincerely,

A handwritten signature in cursive script that reads "Stella Murillo".

Stella Murillo  
Recharge Coordinator

Enclosures

c: Ryan Smith, ADWR Legal  
Virginia O'Connell, Phoenix AMA  
Stella Murillo, Recharge Coordinator

# ANNUAL UNDERGROUND WATER STORAGE REPORT

## UWS - SUMMARY 2006

INPUT

OWNER NAME

LONG TERM STORAGE ACCOUNT NO.

70-441200.0000



REPORTING PARTY

70-441200.0000

RESOLUTION COPPER MINING LLC

2525 E ARIZONA BILTMORE CIRCLE

SUITE C-135

PHOENIX AZ 85016

RECEIVED

MAR 22 2007

INFO MGMT

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I PERMIT SUMMARY

Check that an annual report has been filed for each of the following permits.

73-534888.0601



### PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.

No. of months late (Maximum of 6 months)

Calculate Late Report Fee (\$25.00 for each permit X number of months)

\_\_\_\_\_

-0-

\$ -0-

\_\_\_\_\_

-0-

\$ -0-

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2007. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2007.

REPORTS FILED AFTER MARCH 31, 2007 ARE SUBJECT TO LATE FEES [A.R.S. § 45-875.01.(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X W.P. Williams AUTHORIZED SIGNATURE Vice President TITLE 21 MAR 07 DATE

W.P. Williams PRINTED NAME 520-689-9374 TELEPHONE NUMBER

ADWR Name: \_\_\_\_\_ Check No: \_\_\_\_\_ Amount: \$ \_\_\_\_\_  
Use Only Address: \_\_\_\_\_

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.

# UWS - SCHEDULE

## ANNUAL REPORT 2006

LTSA NO.

70-441200.0000

PERMIT HOLDER: Resolution Copper Mining LLC

### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)				Total Volume of Water Delivered (Acre-feet)	
			CAP	EFFLUENT	SURFACE	SPILL		PLAN 6
73-534888.0601	72-534888.0002	NEW MAGMA I&DD GSF	34,807	0-	0-	0-	0-	34,807
<b>TOTAL WATER DELIVERED</b>			34,807	0-	0-	0-	0-	34,807

A zero must be entered if water was not delivered pursuant to a water storage permit

# ANNUAL UNDERGROUND WATER STORAGE REPORT

## UWS - SUMMARY 2007

OWNER NAME

LONG TERM STORAGE ACCOUNT NO.

70-441200.0000

MAR 28 2008



REPORTING PARTY

70-441200.0000

RESOLUTION COPPER MINING LLC

~~2525 E ARIZONA BILTMORE CIRCEE~~

~~SUITE C-135~~

~~PHOENIX AZ 85016~~

102 Magma Heights  
P.O. Box 1944  
Superior, AZ 85273

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I PERMIT SUMMARY

Check that an annual report has been filed for each of the following permits.

73-534888.0601



### PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.

No. of months late (Maximum of 6 months)

Calculate Late Report Fee (\$25.00 for each permit X number of months)

\_\_\_\_\_

-0-

\$ -0-

\_\_\_\_\_

-0-

\$ -0-

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2008. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2008.

REPORTS FILED AFTER MARCH 31, 2008 ARE SUBJECT TO LATE FEES [A.R.S. § 45-875.01.(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

x Rich A. Helig  
AUTHORIZED SIGNATURE

VP - Pre Feasibility Study  
TITLE

13 May 2008  
DATE

RICH A. HELIG  
PRINTED NAME

520-689-3388  
TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.



# UWS - SCHEDULE

## ANNUAL REPORT 2007

LTSA NO.

PERMIT HOLDER:

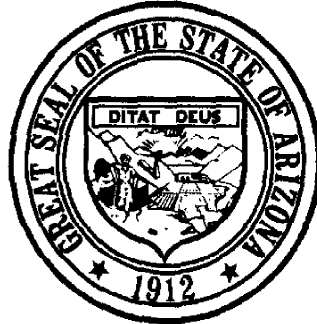
Resolution Copper Mining, LLC

70-441200.0000

### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)				Total Volume of Water Delivered (Acre-feet)
			CAP	EFFLUENT	SURFACE	SPILL	
73-534888.0601	72-534888.0003	NEW MAGMA I&DD GSF	36,127	-0-	-0-	-0-	36,127
<b>TOTAL WATER DELIVERED</b>			36,127	-0-	-0-	-0-	36,127

A zero must be entered if water was not delivered pursuant to a water storage permit



**ARIZONA DEPARTMENT OF WATER RESOURCES**  
**WATER STORAGE PERMIT**

PERMIT NO. 73-534888.0601

STATE OF ARIZONA      )ss.  
                                   )  
 COUNTY OF MARICOPA    )

This is to certify that I have examined Application No. 73-534888.0601 for a Water Storage Permit to store water in a storage facility, and I have determined that the application meets the requirements of Arizona Revised Statutes Title 45, Chapter 3.1, Article 3 for a Water Storage Permit. The Department hereby grants authority to Resolution Copper Mining, L.L.C. to store water, subject to the following limitations and conditions:

**Permit Limitations**

Permittee:

Resolution Copper Mining, L.L.C.  
 2525 E. Arizona Biltmore Circle, Suite C-135  
 Phoenix, AZ 85016

PERMIT NO. 73-534888.0601

LTSA No. 70-441200

Storage Facility Name: New Magma Irrigation and Drainage District  
Groundwater Savings Facility

Storage Facility Permit Number: No. 72-534888

Active Management Area: Phoenix

Sub-basin: East Salt River Valley

Water To Be Stored: Central Arizona Project (CAP) water

Legal Basis for Acquiring  
Water To Be Stored: CAP Excess Water Contract No. EX-146-05 dated  
November 9, 2005, with Central Arizona Water  
Conservation District including any renewals thereof,  
and any other contracts under which Permittee  
acquires the right to receive CAP water.

Maximum Permitted Storage: 36,500 acre feet per annum

Effective Date: June 23, 2006

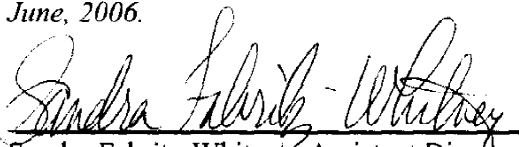
Expiration Date: Expiration of Groundwater Savings Facility  
Permit No. 72-534888

**Permit Conditions**

1. The quantity of water stored shall be reported to the Information Management Unit, Arizona Department of Water Resources, 3550 North Central Ave., Phoenix, Arizona, 85012 in the form of annual data reports. The annual report shall be submitted no later than March 31 following the end of each completed annual reporting period. The first annual reporting period shall be from the effective date of this permit through December 31, 2006. Subsequent annual reporting periods shall be January 1 through December 31.
2. The Permittee shall continue to meet the requirements of A.R.S. § 45-831.01 during water storage.
3. Recovery of stored water is prohibited unless a recovery well permit is obtained pursuant to A.R.S. § 45-834.01.

4. Stored water shall not be recovered in excess of the amount allowed by Title 45, Chapter 3.1, Article 4, Arizona Revised Statutes.
5. The Permittee shall report all assignments of long-term storage credits accrued pursuant to this permit to the Arizona Department of Water Resources in accordance with A.R.S. § 45-854.01.
6. Water may be stored pursuant to this permit only at Groundwater Savings Facility, Permit No. 72-534888, and any amendments thereto.
7. The Permittee shall comply with the plan of operation associated with Groundwater Savings Facility, Permit No. 72-534888, and any amendments thereto.
8. If the Permittee's contract with Central Arizona Water Conservation District dated November 9, 2005 is renewed, or if the Permittee acquires any additional contract for the receipt of Central Arizona Project water, the Permittee shall submit a copy of the renewed or additional contract to the Department of Water Resources prior to storing water received under the renewed or additional contract pursuant to this permit.

*Witness my hand and seal of office this 23<sup>rd</sup> day of June, 2006.*

  
Sandra Fabritz-Whitney, Assistant Director





10. Will the stored water be recovered on an annual basis pursuant to A.R.S. § 45-851.017  Yes  No

11. Type of source water to be stored:

- CAP Water       Effluent       Decreed and Appropriative Surface Water

If Decreed and Appropriative Surface Water, list river(s): \_\_\_\_\_

[NOTE: In order for the storer to accrue long-term storage credits for the stored water, the source water must comply with A.R.S. § 45-802.01(21), "Water that cannot reasonably be used directly".]

12. If the water to be stored is appurtenant to a place of use, the legal description of the location of that use: \_\_\_\_\_

*(quarter/quarter/quarter/section, township and range)*

13. What is the applicant's legal right to use the proposed source(s) of water?

- CAP Contract       Right to municipally treated effluent       Decreed and appropriative surface water right  
 Other, please explain: \_\_\_\_\_

Cite the right number, law, court decrees, contract or other legal basis for acquiring and using each source of water to be stored pursuant to this permit: Agreement between Central Arizona Water Conservation District and Resolution Copper Mining, L.L.C. providing for the delivery of Excess CAP Water.

If municipally treated effluent will be stored and the applicant is the producer of the effluent, does the applicant certify that, after meeting all contractual obligations for delivery of effluent to other parties, the applicant retains the legal right to the volume of effluent requested in item 7 of this application?  Yes  No

14. Do you own the system through which the water to be stored will be delivered to the storage/savings facility?

- Yes  No If no, please provide a copy of the transportation agreement that allows the proposed water delivery system to be used to carry the water to be stored to the storage/savings facility.

15. Do you want this water storage permit to be designated as storing non-recoverable water pursuant to A.R.S. § 45-833.01?

- Yes  No

16. For NON-CAP storage:

Is the facility where storage is to occur currently regulated under an Aquifer Protection Permit (APP) issued by the Arizona Department of Environmental Quality?  Yes  No

If no, will the applicant be obtaining an APP?  Yes  No

If no to both, please explain method of compliance with A.R.S. § 45-831.01(B)(2): \_\_\_\_\_

17. For water storage at a Groundwater Savings Facility, if the applicant is not the GSF permit holder, does the applicant agree to comply with the Plan of Operation for the GSF permit listed in Item 2 of this application?  Yes  No

**NOTARIZED SIGNATURE**

I (We), Frank D. Hegner for Resolution Copper Mining, LLC, the applicant(s) named in this application, do hereby certify under the penalty of perjury, that the information contained and statements made herein are to the best of my (our) knowledge and belief true, correct and complete.

602-956-0455  
Telephone

F.D. Hegner  
Signature of owner or authorized agent

Vice President - General Manager  
Title

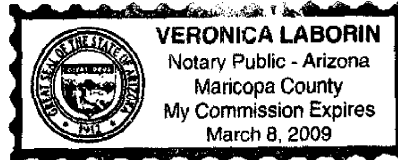
2525 East Arizona Billmore Circle, Suite C-135, Phoenix, AZ 85018  
Mailing Address City State Zip

STATE OF ARIZONA )  
County of Maricopa ) ss.

Subscribed and sworn to before me this 13<sup>th</sup> day of January, 2006.

Veronica Laborin  
Notary Public

March 8, 2009  
My commission expires



**CHECK DEPOSIT REQUEST  
RECHARGE APPLICATIONS AND PERMITS**

SUBMITTED BY: Stella Murrell  
 DATE: Jan 13, 2006  
 APPLICANT: Resolution Copper Mining LLC  
 CHECK SENT BY: Snell & Wilmer LLP No. 632934

CODE	TYPE OF APPLICATION	APPLICATION NUMBER	FEE	AMA AUGMENTATION FUND	GENERAL FUND
71	Underground Storage Facility (USF) Application Fee (\$750)				N/A
71	USF Permit Fee (500)				N/A
72	USF Conveyance Fee (\$300)				N/A
72	Groundwater savings (GSF) Application Fee (\$500)				N/A
72	GSF Permit Fee (\$350)				N/A
73	Water Storage (WS) Application Fee (\$250)	534888.0601	250 <sup>00</sup>	Phoenix	N/A
73	WS Permit Fee (100)				N/A
73	WS Conveyance Fee (\$300)				N/A
74	Recovery Well (RW) Application Fee (\$50/well 1 <sup>st</sup> 10 well, \$10/well thereafter)				N/A
74	RW Permit Fee (Same as application fee)				N/A
	LEGAL NOTICE FEES				
	TOTAL	534888.0601	250 <sup>00</sup>	PLN.	N/A



## CHECK DEPOSIT REQUEST RECHARGE APPLICATIONS AND PERMITS

SUBMITTED BY: Stella Muallo  
 DATE: Jan 13, 2006  
 APPLICANT: Reduction Copper Mining LLC  
 CHECK SENT BY: Snell & Wilmer LLP No 632934

CODE	TYPE OF APPLICATION	APPLICATION NUMBER	FEE	AMA AUGMENTATION FUND	GENERAL FUND
71	Underground Storage Facility (USF) Application Fee (\$750)				N/A
71	USF Permit Fee (500)				N/A
72	USF Conveyance Fee (\$300)				N/A
72	Groundwater savings (GSF) Application Fee (\$500)				N/A
72	GSF Permit Fee (\$350)				N/A
73	Water Storage (WS) Application Fee (\$250)	534888.0001	250 <sup>00</sup>	Phoenix	N/A
73	WS Permit Fee (100)				N/A
73	WS Conveyance Fee (\$300)				N/A
74	Recovery Well (RW) Application Fee (\$50/well 1" 10 well, \$10/well)				N/A

**SNELL & WILMER  
L.L.P.**  
 ONE ARIZONA CENTER  
 PHOENIX, ARIZONA 85004-2202

WITH OFFICES IN:  
 TUCSON, ARIZONA  
 ORANGE CO., CALIFORNIA  
 SALT LAKE CITY, UTAH  
 DENVER, COLORADO  
 LAS VEGAS, NEVADA

**BANK ONE**

JP Morgan Chase Bank, N.A.  
 Phoenix, Arizona 85073  
 91-2/1221

CHECK NO.

**632934**

DATE

CHECK NO.

VEND: 846 12/05/2005

632934

PAY  
EXACTLY

\*\*\*\*\*\$250.00

Two Hundred Fifty & 00/100 Dollars

VOID IF NOT PROCESSED IN 90 DAYS

TO  
THE  
ORDER

AZ DEPT. WATER RESOURCES

SNELL & WILMER - PHOENIX, ARIZONA

INVOICE NO DATE DESCRIPTION INVOICE AMOUNT DISCOUNT NET AMOUNT 632934

120205 12/02/05 KA GROUSE 39601-0001 250.00 0.00 250.00

100-Day's

April 23, 06

4/26/06

V: 846 532934 250.00 0.00 250.00

**Arizona Department of Water Resources  
Recharge**

**MEMORANDUM:**

**To:** File, 73-534888.0601  
**From:** Stella Murillo  
**Date:** January 19, 2006  
**Regarding:** Resolution Copper Mining LLC

I received a request from Resolution Copper Mining LLC for a Water Storage Permit. Application fees of \$250.00 have been deposited. Please review the attached documents to determine whether they are complete and correct.

The 100-day deadline for review is **April 23, 2006**

c: Stella Murillo, Recharge Coordinator  
Jake Lenderking, Phoenix AMA  
Scott Deeny], Legal

**APPENDIX B -- FACILITY CONSENT TO WATER STORAGE**

Pursuant to A.R.S. § 45-871.01(E)(1), this letter serves as consent from New Magma

Irrigation and Drainage District allowing Resolution Copper  
(Storage/Savings Facility Permittee)

Mining, L.L.C. to store up to 73,000\* acre-feet of  
(Water Storage Permit Applicant and application no.)

CAP Water at New Magma Irrigation & Drainage District Groundwater Storage Facility  
(Type of water to be stored) (Storage/Savings Facility Name)

in accordance with (check one)  Underground Storage Facility or  Groundwater Savings

Facility permit number 72-534888 0002  
(Facility permit no.)

Signature:   
(Storage Facility Permittee or designated representative)

Printed Name: William R. Van Allen

Title: Manager

Company: New Magma Irrigation and Drainage District

Date: 12/2/2005

\* The 73,000 AF represents the total amount of water sought over the two (2) year permit period (36,500 AF/year).



1

**ARIZONA DEPARTMENT OF WATER RESOURCES  
PHOENIX ACTIVE MANAGEMENT AREA**

**MEMORANDUM**

**TO:** File, 73-534888.0601  
**FROM:** Stella Murillo  
**DATE:** April 18, 2006  
**RE:** Complete and Correct Determination for Resolution Copper Mining, L.L.C. Water Storage Permit Application 73-534888.0601

I have reviewed the above referenced permit application submitted by Resolution Copper Mining, L.L.C. on January 13, 2006. The applicant proposes to store a maximum volume of 36,500 acre-feet per year of CAP water at the New Magma Irrigation and Drainage District GSF, Permit No. 72-534888.0002, until expiration of the facility, currently December 31, 2007.

The Phoenix AMA finds the application to be complete and correct pursuant to A.R.S. § 45-831.01(B) based on the following review:

- The applicant has provided proof of their legal right to the source water.
- The applicant does not need to apply for an ADEQ Aquifer Protection Permit because the proposed source water is CAP water.
- The applicant has obtained consent to water storage from the New Magma Irrigation and Drainage District (NMIDD).
- The applicant has provided a signed agreement to comply with the NMIDD GSF, permit number 72-534888.0002 plans of operation pursuant to A.R.S. § 45-831.01(C).

**Note:**

- Under A.R.S § 45-852.01(B)(1), water stored pursuant to a water storage permit may be credited to a long-term storage account only if the water is water that cannot reasonably be used directly. Under A.R.S. § 45-802.01(22)(c), the amount of central Arizona project water stored in an active management area during a year by a person that is not a municipal provider is considered water that cannot reasonably be used directly only to the extent that it exceeds the amount of groundwater withdrawn during the year by the storer in the active management area. Therefore, after this water storage permit is issued, if the permit holder withdraws groundwater from within the Phoenix active management area in any year, the amount of central Arizona project water stored by the permit holder during the year pursuant to the permit equal to the amount of groundwater withdrawn will not be eligible for long-term storage credits, but may be considered as being available for recovery on an annual basis under A.R.S. § 45-851.01.

The AMA has also determined that public notice of this application is not required pursuant to A.R.S. § 45-871.01(E)

cc: Stella Murillo, Recharge Coordinator  
Gregg Houtz, Legal

**ARIZONA DEPARTMENT OF WATER RESOURCES**  
3550 North Central Ave., Phoenix, Arizona 85012  
Telephone 602 771-8585  
Fax 602 771-8689



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

April 18, 2006

Mr. F.D. Hegner, VP/GM  
Resolution Copper Mining LLC  
2525 E. Arizona Biltmore Circle, Suite C-135  
Phoenix, AZ 85016

Re: Resolution Copper Mining LLC, Application for Water Storage Permit No. 73-534888.0601.

Dear Mr. Hegner:

The Department has completed its review of the above referenced application and has determined it to be administratively complete and correct under A.R.S. §§ 41-1074 and 45-871.01. Please note that this determination does not imply approval of the application.

Pursuant to A.R.S. § 45-871.01 (E), public notice of this Water Storage Permit is not required. If granted, the Water Storage Permit will have an expiration date that coincides with the affiliated New Magma Irrigation and Drainage District Groundwater Savings Facility Permit No. 72-534888.0002, which expires on December 31, 2007.

Please note under A.R.S. § 45-852.01(B)(1), water stored pursuant to a water storage permit may be credited to a long-term storage account only if the water is water that cannot reasonably be used directly. Under A.R.S. § 45-802.01(22)(c), the amount of central Arizona project water stored in an active management area during a year by a person that is not a municipal provider is considered water that cannot reasonably be used directly only to the extent that it exceeds the amount of groundwater withdrawn during the year by the storer in the active management area. Therefore, after this water storage permit is issued, if the permit holder withdraws groundwater from within the Phoenix active management area in any year, the amount of central Arizona project water stored by the permit holder during the year pursuant to the permit equal to the amount of groundwater withdrawn will not be eligible for long-term storage credits, but may be considered as being available for recovery on an annual basis under A.R.S. § 45-851.01.

If you have any questions, please contact me the, Recharge Coordinator at (602) 771-8585.

Sincerely,

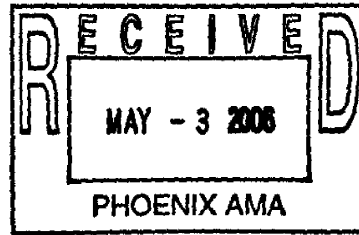
*Stella Murillo*  
Stella Murillo  
Recharge Coordinator

cc: Gregg Houtz, ADWR Legal  
Stella Murillo, Recharge Coordinator  
Kimberly A. Grouse, Snell & Wilmer

*Celebrating 25 Years*

**Snell & Wilmer**  
L.L.P.  
LAW OFFICES

One Arizona Center  
Phoenix, AZ 85004-2202  
602.382.6000 P  
602.382.6070 F  
swlaw.com



DENVER  
IRVINE  
LAS VEGAS  
PHOENIX  
SALT LAKE CITY  
TUCSON

Kimberly A. Grouse  
kgrouse@swlaw.com

May 1, 2006

Stella Murillo  
Recharge Coordinator  
Arizona Department of Water Resources  
500 North Third Street  
Phoenix AZ 85004-3903

Re: *Resolution Copper Mining, LLC*

Dear Ms. Murillo:

Enclosed please find Snell & Wilmer's check no.644149 in the amount of \$100.00 in payment of the Water Storage Permit Fees for Resolution Copper Mining, LLC, Water Storage Permit Application No. 73-534888.0601. I am also enclosing a copy of your April 25, 2006 invoice.

If you have any questions, please contact me at (602) 382-6304.

Very truly yours,

Snell & Wilmer

A handwritten signature in black ink, appearing to read "KAG Grouse".

Kimberly A. Grouse

KAG:mj  
Enclosures

cc (via e-mail): George Fletcher, ERM-West  
Bruno Hegner, Resolution Copper Company  
William D. Baker, Esq.  
Carlos Ronstadt, Esq.

**ARIZONA DEPARTMENT OF WATER RESOURCES**  
3550 North Central Ave., Phoenix, Arizona 85012  
Telephone 602 771-8585  
Fax 602 771-8689



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

April 25, 2006

Mr. F.D. Hegner, VP/GM  
Resolution Copper Mining LLC  
2525 E. Arizona Biltmore Circle, Suite C-135  
Phoenix, AZ 85016

**Re: Remaining Fees for Resolution Copper Mining LLC, Water Storage Permit Application No. 73-534888.0601**

Dear Mr. Hegner.

The Department is drafting the permit for your review. The following fees must be paid before the permit can be issued:

<i>Water Storage Permit Fee</i>	<i>\$100.00</i>
<b>Total Fees</b>	<b>\$100.00</b>

Please remit a check, payable to ADWR, in the amount of **\$100.00** as soon as possible. The Department's substantive completeness review time frame is suspended until all of the fees have been paid. If you have any questions, please contact me at (602) 771-8585.

Sincerely,

*Stella Murillo*  
Stella Murillo  
Recharge Coordinator

cc: Kimberly A. Grouse, Snell & Wilmer



**ARIZONA DEPARTMENT OF WATER RESOURCES**  
3550 North Central Ave. 2<sup>nd</sup> Floor, Phoenix, Arizona 85012  
Telephone 602 771-8585  
Fax 602 771-8689



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

May 22, 2006

**VIA CERTIFIED MAIL**

Mr. F.D. Hegner, VP/GM  
Resolution Copper Mining LLC  
2525 E. Arizona Biltmore Circle, Suite C-135  
Phoenix, AZ 85016

**Re: Decision of the Director to Grant Water Storage Permit No. 73-534888.0601 to Resolution Copper Mining LLC.**

Dear Mr. Hegner:

This letter is the Decision of the Arizona Department of Water Resources (Department) Director of the Arizona Department of Water Resources (Department) to grant Permit No. 73-534888.0601 to Resolution Copper Mining LLC for a water storage permit.

This Decision of the Director to grant permit No. 73-534888.0601 for a water storage permit is an appealable agency action. I have enclosed a copy of the Final Appealable Draft Permit. The Final Appealable Draft Permit will be the final form of your permit upon issuance.

The Department's review of the relevant information establishes that all of the requirements for the issuance of a water storage permit set forth in A.R.S. § 45-831.01 have been met. The Department has received no objections to your application.

You are entitled to appeal this decision. If you wish to appeal this decision, you must file a written appeal within **thirty (30) days** from receipt of this letter. I am providing you with a summary of the appeal process and an appeal form, should you elect to pursue this option.

As no objections have been filed regarding your permit application, you may elect to complete and file the enclosed Appealable Agency Action Waiver Form, waiving your right to appeal the Director's Decision, so that your permit can be signed without delay. If you do not file a notice of appeal or the Appealable Agency Action Waiver Form within the 30-day appeal period, the permit shall be signed and issued at the end of the 30-day appeal period.

*Celebrating 25 Years*

Mr. F.D. Hegner, VP/GM  
Resolution Copper Mining LLC  
May 22, 2006  
Page 2

Please direct any questions concerning the permit or the appeal process to Stella Murillo, the ADWR Recharge Coordinator at (602) 771-8585.

Sincerely,



Sandra Fabritz-Whitney  
Assistant Director

Enclosures

Cc: Scott Deeny, ADWR Legal  
Stella Murillo, Recharge Coordinator  
Jake Lenderking, Phoenix AMA  
Kimberly A. Grouse, Snell & Wilmer

**CHECK DEPOSIT REQUEST  
RECHARGE APPLICATIONS AND PERMITS**

SUBMITTED BY: Stella Murillo  
 DATE: May 4, 2006  
 APPLICANT: Resolution Copper Mining LLC  
 CHECK SENT BY: Snell & Wilmer LLP No 644149

CODE	TYPE OF APPLICATION	APPLICATION NUMBER	FEE	AMA AUGMENTATION FUND	GENERAL FUND
71	Underground Storage Facility (USF) Application Fee (\$750)				N/A
71	USF Permit Fee (500)				N/A
72	USF Conveyance Fee (\$300)				N/A
72	Groundwater savings (GSF) Application Fee (\$500)				N/A
72	GSF Permit Fee (\$350)				N/A
73	Water Storage (WS) Application Fee (\$250)				N/A
73	WS Permit Fee (100)				N/A
73	WS Conveyance Fee (\$300)	534938	100 <sup>00</sup>	Phoney	N/A
74	Recovery Well (RW) Application Fee (\$50/well 1 <sup>st</sup> 10 well, \$10/well thereafter)				N/A
74	RW Permit Fee (Same as application fee)				N/A
	LEGAL NOTICE FEES				
	TOTAL	534938	100 <sup>00</sup>	Phoney	N/A

## CHECK DEPOSIT REQUEST RECHARGE APPLICATIONS AND PERMITS

SUBMITTED BY: Stella Murillo  
 DATE: May 4, 2006  
 APPLICANT: Resolution Copper Mining LLC  
 CHECK SENT BY: Snell & Wilmer LLP No. 644149

CODE	TYPE OF APPLICATION	APPLICATION NUMBER	FEE	AMA AUGMENTATION FUND	GENERAL FUND
71	Underground Storage Facility (USF) Application Fee (\$750)				N/A
71	USF Permit Fee (500)				N/A
72	USF Conveyance Fee (\$300)				N/A
72	Groundwater savings (GSF) Application Fee (\$500)				N/A
72	GSF Permit Fee (\$350)				N/A
73	Water Storage (WS) Application Fee (\$250)				N/A
73	WS Permit Fee (100)	504918	100 <sup>00</sup>	Phancy	N/A
73	WS Conveyance Fee (\$300)				N/A
74	Recovery Well (RW) Application Fee (\$50/well 1 <sup>st</sup> 10 well, \$10/well				N/A

**SNELL & WILMER  
L.L.P.**

ONE ARIZONA CENTER  
PHOENIX, ARIZONA 85004-2202

WITH OFFICES IN:  
TUCSON, ARIZONA  
CHANDLER, CO., CALIFORNIA  
SALT LAKE CITY, UTAH  
DENVER, COLORADO  
LAS VEGAS, NEVADA

**BANK ONE**

W. Morgan Chase Bank, N.A.  
Phoenix, Arizona 85003

91-2/1221

CHECK NO.

**644149**

DATE

CHECK NO

VEND: 846 04/28/2006

644149

PAY  
EXACTLY

\*\*\*\*\*\$100.00

One Hundred & 00/100 Dollars

TO  
THE

AZ DEPT. WATER RESOURCES



SNELL & WILMER - PHOENIX, ARIZONA

644149

INVOICE NO	DATE	DESCRIPTION	INVOICE AMOUNT	DISCOUNT	NET AMOUNT
042606	04/26/06	KA GROUSE 39601-0001	100.00	0.00	100.00
V: 846			644149	100.00	0.00
					100.00

**Appealable Agency Action Waiver**

I, \_\_\_\_\_, duly authorized by the Applicant for Water Storage Permit, assert that the Applicant has reviewed the Final Appealable Draft Permit of Application No. 73-534888.0601 and hereby waives all rights that the Applicant may have pursuant to Arizona Revised Statutes, Title 41, Chapter 6, Article 10, and Title 45, Chapter 3.1, Article 5, to administrative and judicial appeal, review or hearing concerning the issuance of the above listed Permit, including all limitations and conditions contained therein.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

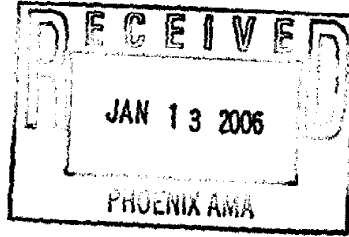
\_\_\_\_\_  
Title

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**Snell & Wilmer**  
— L.L.P. —  
LAW OFFICES

One Arizona Center  
Phoenix, AZ 85004-2202  
602.382.6000 P  
602.382.6070 F  
swlaw.com

Kimberly A. Grouse  
kgrouse@swlaw.com



DENVER  
LAS VEGAS  
ORANGE COUNTY  
PHOENIX  
SALT LAKE CITY  
TUCSON

January 13, 2006

Stella Murillo  
Recharge Coordinator  
Arizona Department of Water Resources  
3550 N. Central Avenue  
Phoenix, AZ 85012

RE: *Resolution Copper Mining, L.L.C.*

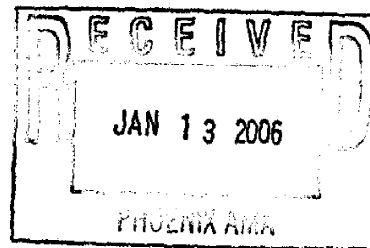
Dear Ms. Murillo:

You will find the following enclosed:

- An original and four copies of an application to modify water storage permit No. 73-534888.0600;
- An original and four copies of a Facility Consent to Water Storage form signed by New Magma Irrigation and Drainage District;
- Five copies of the Agreement between the Central Arizona Water Conservation District and Resolution Copper Mining, L.L.C. providing for the Delivery of Excess Central Arizona Project Water;
- Five copies of the Excess CAP Water Storage Agreement between Resolution Copper Mining, L.L.C. and New Magma Irrigation and Drainage District (as previously submitted with original water storage permit application on July 19, 2005); and
- This firm's check number 632934, in the amount of \$250.00 for the application fee.

This application is intended to modify the existing water storage permit between the Arizona Department of Water Resources ("ADWR") and Resolution Copper Mining, L.L.C. ("Resolution"). In particular, Resolution seeks to expand the amount of Central Arizona Project ("CAP") water it may store under its permit. The current permit, which pertains to the New Magma Irrigation and Drainage District's ("NMIDD") groundwater savings facility in the Phoenix Active Management Area, allows Resolution to store 20,000 acre feet of water per year. However, Resolution requests that ADWR modify the permit to allow for the storage of 36,500

Ms. Stella Murillo  
Arizona Department of Water Resources  
January 13, 2006  
Page 2



acre feet per year. We are seeking expeditious consideration of this application to allow for delivery in 2006.

According to NMIDD's and Resolution's water schedules submitted to ADWR, NMIDD has agreed to store 36,500 acre feet of water during the year. In order to utilize the additional storage space, Resolution requests a modification to its storage permit. This modification, as noted in Resolution's agreements with both the Central Arizona Water Conservation District and NMIDD, would provide Resolution the opportunity to take advantage of NMIDD's permitted storage capacity that is currently not committed.

It is our understanding that the Department may grant the permit without public notice, due to the written consent form filed by NMIDD. We encourage ADWR to pursue that method of approval; however, if public notice is required, we ask that ADWR please notify us, so that we may keep our client informed. Upon notification from ADWR, we will then transmit payment for the public notice, if required, along with the \$100 permit fee.

If you have any questions, please do not hesitate to contact me at (602) 382-6304 or Bruno Hegner at Resolution Copper Mining, at (602) 956-0455. Additionally, you can also contact Carlos Ronstadt at (602) 382-6355 or New Magma Irrigation and Drainage District's attorney, William Baker, at (602) 956-8878.

Thank you for your review and consideration of this permit modification.

Very truly yours,

Snell & Wilmer

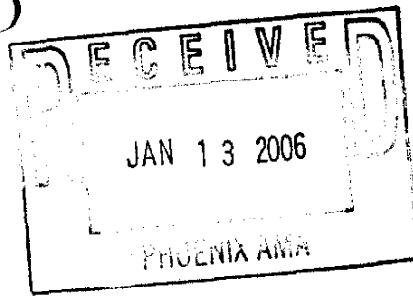
A handwritten signature in black ink, appearing to read "KAG Grouse". The signature is fluid and cursive.

Kimberly A. Grouse

Enclosures

cc: Bruno Hegner, Resolution Copper Mining, L.L.C., with enclosures  
William D. Baker  
Carlos Ronstadt





Incentive Recharge Contract

AGREEMENT BETWEEN THE CENTRAL ARIZONA  
WATER CONSERVATION DISTRICT AND  
RESOLUTION COPPER MINING, L.L.C.  
PROVIDING FOR THE DELIVERY OF EXCESS  
CENTRAL ARIZONA PROJECT WATER

This Agreement is made as of the 9 day of NOVEMBER, 2005, in pursuance generally of the Act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto, including but not limited to the Boulder Canyon Project Act of December 21, 1928 (45 Stat. 1057, as amended, the Reclamation Project Act of August 4, 1939 (53 Stat. 1187), as amended, the Reclamation Reform Act of October 12, 1982 (96 Stat. 1263), and particularly the Colorado River Basin Project Act of September 30, 1968 (82 Stat. 885), as amended (the "Basin Project Act"), between the CENTRAL ARIZONA WATER CONSERVATION DISTRICT ("CAWCD"), and RESOLUTION COPPER MINING, L.L.C. (the "Contractor"), with its principal place of business in Phoenix, Arizona.

RECITALS

A. The Basin Project Act provides, among other things, that for the purposes of furnishing irrigation and municipal and industrial ("M&I") water supplies to water deficient areas of Arizona and western New Mexico through direct diversion or exchange of water, control of floods, conservation and development of fish and wildlife resources, enhancement of recreation opportunities, and for other purposes, the Secretary shall construct, operate, and maintain the Central Arizona Project ("CAP").

B. The United States and CAWCD have entered into Contract No. 14-06-W-245, Amendment No. 1, dated December 1, 1988 (the "Repayment Contract"), which is incorporated by reference, providing for the delivery of water and repayment of costs of the CAP.

C. The United States and CAWCD have entered into the Stipulation Regarding a Stay of Litigation, Resolution of Issues During the Stay and for Ultimate Judgment upon the Satisfaction of

1 Conditions, filed with the United States District Court on May 3, 2000, in Central Arizona Water  
2 Conservation District v. United States, No. CIV 95-625-TUC-WDB (EHC), No. CIV 95-1720-PHX-  
3 EHC (Consolidated Action) (the "Stipulation"), which modifies the Repayment Contract in certain respects.

4 D. Paragraph 5(d)(2) of the Stipulation grants CAWCD the exclusive right to sell or  
5 use Excess Water.

6 E. The Contractor is in need of a water sfor Incentive Recharge Water, which is  
7 specifically priced Excess Water made available for recharge purposes only.

### 8 **AGREEMENT**

#### 9 Repayment Contract and Stipulation Controlling

10 1. The Contractor expressly approves and agrees to all the terms presently set out in the  
11 Repayment Contract and Stipulation, or as such terms may be hereafter amended, and agrees to be bound  
12 by the actions to be taken and the determinations to be made under those agreements, except as otherwise  
13 provided herein. In the event of any inconsistency between this Agreement and the Repayment Contract,  
14 the provisions of the Repayment Contract, as modified by the Stipulation, shall be controlling. Definitions  
15 included in the Repayment Contract and Stipulation are applicable to this Agreement. The first letters of  
16 terms so defined are capitalized herein.

#### 17 Delivery of Water by CAWCD

18 2. In so far as Project Water supplies and the delivery capability of the Project will permit, and  
19 subject to the provisions of the Repayment Contract and Stipulation, CAWCD will deliver Incentive  
20 Recharge Water to the Contractor in an amount, and at a water service charge, to be determined in  
21 accordance with the terms of this Agreement. The determination of whether Incentive Recharge Water is  
22 available for delivery in any Year, and, if so, the amount of such Incentive Recharge Water that is available  
23 for delivery under this Agreement in any Year, is a determination within the exclusive discretion of CAWCD;  
24 Provided, however, That delivery of Incentive Recharge Water under this Agreement shall be subject to the  
25 prior satisfaction of all water deliveries scheduled pursuant to a long-term contract or subcontract for Project  
26 Water service, as that term is used in the Stipulation.

Term

1           3.       The initial term of this Agreement expires on December 31, 2005. This Agreement will be  
2 automatically renewed for successive one-year terms unless either party notifies the other by October 1 of  
3 any year that it does not wish to renew the Agreement for the following year or unless sooner terminated  
4 in accordance with Article 6 or Article 11.

Conditions Relating to Delivery and Use

6           4.       The delivery and use of water under this Agreement is conditioned on the following, and the  
7 Contractor hereby agrees that:

8                   (a)       All uses of Project Water and Return Flow shall be consistent with Arizona water  
9 law unless such law is inconsistent with the Congressional directives applicable to the Central Arizona  
10 Project.

11                   (b)       Project Water made available pursuant to this Agreement shall be used within  
12 Contractor's service area or place of use for direct or indirect recharge purposes only. The Contractor's  
13 service area or place of use is described in Exhibit A, which is incorporated by this reference, and may be  
14 amended by the Contractor from time to time.

15                   (c)       The system or systems through which Project Water is conveyed after delivery to  
16 the Contractor shall consist of pipelines, canals, distribution systems, or other conduits which will prevent  
17 excessive conveyance losses.

18                   (d)       Project Water furnished pursuant to this Agreement shall be delivered through  
19 Project Works for use directly or by exchange as permitted by law.

20                   (e)       Project Water furnished to the Contractor pursuant to this Agreement may not be  
21 resold or transferred, but the Contractor may enter into an arrangement with a groundwater savings facility  
22 allowed under state law to store Project Water.

23                   (f)       The Contractor shall not pump, or within its legal authority, permit others to pump  
24 groundwater from within the exterior boundaries of the Contractor's service area for use outside of said  
25 service area unless such pumping is permitted under Title 45, Chapter 2, Arizona Revised Statutes, as it may  
26

1 be amended from time to time, and CAWCD and the Contractor shall agree, or shall have previously  
2 agreed, that a surplus of groundwater exists and drainage is or was required; Provided, however, That such  
3 pumping may be approved by CAWCD, and approval shall not be unreasonably withheld, if such pumping  
4 is in accord with the Basin Project Act and upon submittal by the Contractor of a written certification from  
5 the Arizona Department of Water Resources or its successor agency that the pumping and transportation  
6 of groundwater is in accord with Title 45, Chapter 2, Arizona Revised Statutes, as it may be amended from  
7 time to time.

8 (g) Notwithstanding any other provision of this Agreement, Project Water shall not be  
9 delivered to the Contractor unless and until the Contractor has obtained final environmental clearance from  
10 CAWCD for the system or systems through which Project Water is to be conveyed after delivery to the  
11 Contractor at the Contractor's Project delivery point.

12 (h) The Contractor may direct that Incentive Recharge Water made available pursuant  
13 to this Agreement be delivered to a groundwater savings facility for indirect recharge pursuant to a separate  
14 agreement between the Contractor and the operator of the groundwater savings facility; Provided, however,  
15 that:

16 (i) Incentive Recharge Water shall be used by an identified groundwater user on  
17 a gallon-for-gallon substitute basis directly in lieu of groundwater as provided in A.R.S. ¶ 45-812.01.

18 (ii) The Contractor and the operator of the groundwater savings facility must  
19 demonstrate to CAWCD's satisfaction that they have the appropriate permits issued by the Arizona  
20 Department of Water Resources.

21 (iii) Where the operator of the groundwater savings facility is an agricultural entity  
22 participating in CAWCD's target pricing program, only Project Water over and above the amount of  
23 Project Water taken by the agricultural entity in the immediately preceding year, not including Incentive  
24 Recharge Water, may qualify as Incentive Recharge Water.

25 (iv) The Contractor shall provide CAWCD a copy of its agreement with the  
26 operator of the groundwater savings facility for Incentive Recharge Water.



1 (i) Only Project Water for which the Contractor receives long-term storage credits  
2 from the Arizona Department of Water Resources may qualify as Incentive Recharge Water. In determining  
3 the amount of Project Water that qualifies as Incentive Recharge Water in any year, any long-term storage  
4 credits earned by storing CAP water that are recovered by the Contractor in that year shall be deducted  
5 from the long-term storage credits received by the Contractor in that year.

6 (j) Upon the expiration of this Agreement, CAWCD will determine whether any  
7 Project Water delivered pursuant to this Agreement did not qualify as Incentive Recharge Water for the  
8 reasons specified in sections 4(g)(iii) or 4(h) of this Agreement. For any such Project Water not qualifying  
9 as Incentive Recharge Water, CAWCD will bill the Contractor for the difference between the water service  
10 charge for Incentive Recharge Water and the standard M&I water service charge.

11 Procedure for Ordering Water

12 5. (a) On or before the date of execution of this Agreement, or as soon thereafter as is  
13 practicable, CAWCD will notify the Contractor of the amount of Incentive Recharge Water available for  
14 delivery during the first Year under this Agreement (the initial Year of water delivery). The Contractor shall,  
15 within a reasonable period of time as determined by CAWCD, submit a written schedule to CAWCD  
16 showing the quantity of Incentive Recharge Water desired by the Contractor during each month of the initial  
17 Year of water delivery. CAWCD will review the requested schedule and determine whether Incentive  
18 Recharge Water is available for delivery in the initial Year of water delivery, and, if so, the amount of  
19 Incentive Recharge Water available for delivery under this Agreement during such Year. Within thirty (30)  
20 days of CAWCD's receipt of the Contractor's requested schedule, CAWCD shall determine and furnish  
21 to the Contractor the water delivery schedule for the initial Year of water delivery which shall show the  
22 amount of Incentive Recharge Water projected to be delivered to the Contractor during each month of such  
23 Year, contingent upon the Contractor remaining eligible to receive water under all terms contained herein.

24 (b) The amounts, times, and rates of delivery of Incentive Recharge Water to the  
25 Contractor during each Year subsequent to the initial Year of water delivery shall be in accordance with a  
26 water delivery schedule for that Year. Such schedule shall be determined in the following manner:

1 (i) On or before July 1 of each Year beginning with July 1 of the initial Year of  
2 water delivery, CAWCD shall issue a notice of availability of Incentive Recharge Water to the Contractor.

3 (ii) On or before October 1 of each Year beginning with October 1 of the initial  
4 Year of water delivery, the Contractor shall submit in writing to CAWCD a water delivery schedule  
5 indicating the amounts of Incentive Recharge Water desired by the Contractor during each month of the  
6 following Year.

7 (iii) Upon receipt of the schedule, CAWCD shall review it together with all other  
8 water delivery schedules, and determine whether Incentive Recharge Water is available for delivery in the  
9 following Year, and, if so, the amount of Incentive Recharge Water available for delivery under this  
10 Agreement in the following Year.

11 (iv) On or before November 15 of each Year beginning with November 15 of  
12 the initial Year of water delivery, CAWCD shall determine and furnish to the Contractor the water delivery  
13 schedule for the following Year which shall show the amount of Incentive Recharge Water to be delivered  
14 to the Contractor during each month of that Year, contingent upon the Contractor remaining eligible to  
15 receive water under all terms contained herein.

16 (c) The monthly water delivery schedules may be amended upon the Contractor's  
17 written request to CAWCD. Proposed amendments shall be submitted by the Contractor to CAWCD no  
18 later than 15 days before the desired change is to become effective, and shall be subject to review and  
19 modification in like manner as the schedule. CAWCD shall notify the Contractor of its action on the  
20 Contractor's requested schedule modification within 10 days of CAWCD's receipt of such request.

21 (d) The Contractor shall hold CAWCD, its officers, agents, and employees, harmless  
22 on account of damage or claim of damage of any nature whatsoever arising out of or connected with the  
23 actions of CAWCD regarding water delivery schedules furnished by or to the Contractor.

24 Contractor's Project Delivery Point, Measurement  
25 and Responsibility for Distribution of Water

26 6. (a) Incentive Recharge Water furnished to the Contractor pursuant to this agreement  
shall be delivered to the Contractor at such point(s) on the Water Supply System as are agreed upon in

1 writing by CAWCD and the Contractor. All such point(s) shall hereinafter be referred to as the  
2 "Contractor's Project delivery point."

3 (b) Unless CAWCD and the Contractor agree by contract to the contrary, the  
4 Contractor shall construct and install, at its sole cost and expense, all connection facilities required to convey  
5 water furnished to the Contractor pursuant to this Agreement to the Contractor's service area or place of  
6 use, as the case may be. The Contractor shall furnish, for written approval by CAWCD, drawings and  
7 specifications showing all connection facilities to be constructed or installed within the Water Supply System  
8 right-of-way, and shall obtain such approval before commencing construction or installation of such facilities.  
9 All facilities constructed, installed, operated or maintained on the Water Supply System right-of-way by or  
10 for the Contractor shall be subject to such further agreements and to such restrictions and regulations as to  
11 type, location, method of installation, operation, and maintenance as may be prescribed by CAWCD.

12 (c) The Contractor shall construct, operate, and maintain its connection facilities and  
13 appurtenant works in a good and workmanlike manner and in full compliance with the laws of the State of  
14 Arizona and with all laws, regulations, and orders of the United States affecting such operations. The failure  
15 of the Contractor after due notice to construct, operate, and maintain its connection facilities and appurtenant  
16 works in a good and workmanlike manner or to abide by any of the terms and conditions of any applicable  
17 laws, regulations, or orders, shall cause this Agreement to be subject to immediate termination at the option  
18 of CAWCD. The Contractor shall reimburse CAWCD within thirty (30) days of Contractor's receipt of  
19 a statement for the costs of repairing any damage to Project facilities or Project rights-of-way caused by  
20 or arising out of the Contractor's activities under this Agreement.

21 (d) Upon termination of this Agreement, the Contractor shall promptly remove, at its  
22 sole cost and expense, all connection facilities constructed or installed on the Water Supply System  
23 right-of-way and restore said right-of-way and all Project facilities affected to their condition immediately  
24 prior to the construction or installation of such connection facilities. If the Contractor fails to remove said  
25 connection facilities and restore said right-of-way and Project facilities within thirty (30) days after receiving  
26 any written notice from CAWCD to do so, CAWCD may remove said connection facilities and restore said

1 right-of-way and Project facilities at the Contractor's cost and expense, and, within thirty (30) days after  
2 receiving written demand from CAWCD to do so, the Contractor shall pay CAWCD, as specified in such  
3 written demand, for all costs and expenses incurred by CAWCD in removing said connection facilities and  
4 restoring said right-of-way and Project facilities.

5 (e) If the Contractor's Project delivery point is a Project turnout or Project turnouts  
6 constructed by the United States, and if the Contractor intends to convey water furnished to the Contractor  
7 pursuant to this agreement through connection facilities owned or operated by others, the use by the  
8 Contractor of such connection facilities shall be the subject of written agreement(s) between the Contractor  
9 and the owner(s) or operator(s) of such connection facilities, and all such agreements shall include such  
10 terms and conditions as may be required by CAWCD and shall be subject to the prior, written approval  
11 of CAWCD before becoming binding upon the parties thereto.

12 (f) Unless the Contractor's Project delivery point is a Project turnout or Project  
13 turnouts constructed by the United States, all water delivered from the Water Supply System shall be  
14 measured with equipment furnished and installed by the Contractor and operated and maintained by the  
15 Contractor at the Contractor's sole cost and expense. The results of such measurements shall be reported  
16 to CAWCD in such manner and at such time(s) as CAWCD may prescribe. Upon the request of  
17 CAWCD, the accuracy of such measurements shall be investigated by the Contractor, and any errors which  
18 are determined to have occurred therein shall be adjusted; Provided, however, That in the event the parties  
19 cannot agree on the required adjustment, CAWCD's determination shall be conclusive.

20 (g) If the Contractor's Project delivery point is a Project turnout or Project turnouts  
21 constructed by the United States, all water delivered from the Water Supply System shall be measured with  
22 equipment furnished and installed by the United States and operated and maintained by CAWCD. Upon  
23 the request of the Contractor, or CAWCD, the accuracy of such measurements shall be investigated by  
24 CAWCD and the Contractor, and any errors which are mutually determined to have occurred therein shall  
25 be adjusted; Provided, however, That in the event the parties cannot agree on the required adjustment,  
26 CAWCD's determination shall be conclusive.



1 (h) Neither the United States nor CAWCD shall be responsible for the control,  
2 carriage, handling, use, disposal, or distribution of water beyond the Contractor's Project delivery point.  
3 The Contractor shall hold the United States and CAWCD harmless on account of damage or claim of  
4 damage of any nature whatsoever for which there is legal responsibility, including property damage, personal  
5 injury, or death arising out of or connected with the control, carriage, handling, use, disposal, or distribution  
6 of water beyond the Contractor's Project delivery point.

7 Interruptions and Reductions

8 7. In addition to the right of the United States under Subarticle 8.3(a)(iv) of the Repayment  
9 Contract to temporarily discontinue or reduce the amount of water to be delivered, CAWCD may  
10 discontinue or reduce the quantity of water to be furnished to the Contractor as herein provided for the  
11 purposes of investigation, inspection, construction, testing, maintenance, repair, or replacement of any of  
12 the Project facilities or any part thereof. CAWCD may also discontinue or reduce the quantity of water to  
13 be furnished to the Contractor if there is insufficient Project Water or Project delivery capacity to deliver  
14 the Contractor's water order, the water orders of other contractors of Incentive Recharge Water and Excess  
15 water service, and all water deliveries scheduled pursuant to a contract with the United States or a  
16 subcontract with the United States and CAWCD providing for Project Water service for a period of 50  
17 years or more. So far as feasible, CAWCD shall attempt to coordinate any such discontinuance or  
18 reduction with the Contractor and to give the Contractor due notice in advance of such discontinuance or  
19 reduction. In case of emergency, no notice need be given. The United States, its officers, agents, and  
20 employees, and CAWCD, its officers, agents, and employees, shall not be liable for damages when, for any  
21 reason whatsoever, any interruption, discontinuance, or reduction in delivery of water occurs. If any such  
22 discontinuance or temporary reduction results in deliveries to the Contractor of less water than what has  
23 been paid for in advance, the Contractor shall be entitled to be reimbursed for the appropriate proportion  
24 of such advance payments prior to the date of the Contractor's next payment of water service charges or  
25 the Contractor may be given credit toward the next payment of water service charges if the Contractor  
26 should so desire.

No Long-Term Commitment to the Delivery of Project Water

1           8.       Nothing in this Agreement shall be construed as an allocation of Project Water to the  
2 Contractor, nor shall this Agreement entitle the Contractor to any Project Water other than as provided  
3 herein.

Quality of Water

4  
5           9.       CAWCD does not warrant the quality of any Project Water furnished under this Agreement  
6 and is under no obligation to construct or furnish water treatment facilities to maintain or better the quality  
7 of any Project Water. The Contractor waives its right to make a claim against the United States, CAWCD,  
8 or any other Project subcontractor or contractor on account of the quality of Project Water or any changes  
9 in water quality caused by the commingling of Project Water with other water.

Water Service Charges

10  
11           10.     (a)     The Contractor shall pay in advance water service charges established annually by  
12 CAWCD. On or before the date of execution of this Agreement, or as soon thereafter as is practicable,  
13 CAWCD shall furnish the Contractor with the Contractor's water service charges for the initial Year of  
14 water delivery (the "initial Year"). Within a reasonable time of receipt of said charges, but prior to the  
15 delivery of water, the Contractor shall advance to CAWCD, in monthly installments payable on or before  
16 the first day of each month of the initial Year, as determined by CAWCD, the water service charges due  
17 for Incentive Recharge Water scheduled for delivery in the initial Year. For each subsequent Year,  
18 CAWCD will establish water service charges, and CAWCD will notify the Contractor of the amount of  
19 such charges on or before November 15 preceding each said subsequent Year. The Contractor shall make  
20 payments of such charges in monthly installments due on or before the first day of each month of said  
21 subsequent Year, as determined by CAWCD, for Incentive Recharge Water scheduled for delivery in said  
22 subsequent Year. The Contractor shall pay in advance all water service charges established by CAWCD  
23 for Incentive Recharge Water scheduled for delivery under this Agreement; Provided, however, That the  
24 Contractor shall be relieved of the pumping energy portion of the water service charges associated with any  
25 Incentive Recharge Water scheduled for delivery that is not delivered to the Contractor.  
26

1 (b) The payment of all water service charges when due under this Agreement is a  
2 condition precedent to delivery of Incentive Recharge Water.

3 (c) The obligation of the Contractor to pay CAWCD as provided in this Agreement  
4 is a general obligation of the Contractor notwithstanding the manner in which the obligation may be  
5 distributed among the Contractor's water users and notwithstanding the default of individual water users in  
6 their obligations to the Contractor.

7 Termination of Contract

8 11. If the Contractor remains in arrears in the payment of any charges due CAWCD for a  
9 period of 60 days or more, CAWCD may terminate this Agreement, which termination shall be effective  
10 30 days after mailing written notice of termination to the Contractor. The Contractor shall remain obligated  
11 to pay all charges required to be paid under this Agreement during the time period until and including the  
12 date of termination. The Contractor's obligation to pay any amounts due but unpaid as of the date of  
13 termination shall survive termination of this Agreement. CAWCD's right to terminate this Agreement as  
14 provided in this Article 11 shall be in addition to the other rights of CAWCD under this Agreement and to  
15 all other rights provided by law.

16 Charges for Delinquent Payments

17 12. (a) The Contractor shall be subject to interest, administrative and penalty charges on  
18 delinquent installments or payments. The Contractor shall pay an interest charge for each day the payment  
19 is delinquent beyond the due date. When a payment becomes 60 days delinquent, the Contractor shall pay  
20 an administrative charge to cover additional costs of billing and processing the delinquent payment. When  
a payment is delinquent 90 days or more, the Contractor shall pay an additional penalty charge of 6 percent  
per year for each day the payment is delinquent beyond the due date. Further, the Contractor shall pay any  
fees incurred for debt collection services associated with a delinquent payment.

21 (b) The interest charge rate shall be the greater of the rate prescribed quarterly in the  
22 Federal Register by the Department of the Treasury for application to overdue payments, or the interest rate  
of 0.5 percent per month prescribed by Section 6 of the Reclamation Project Act of 1939 (Public Law  
76-260). The interest charge rate shall be determined as of the due date and remain fixed for the duration  
of the delinquent period.

23 (c) When a partial payment on a delinquent account is received, the amount received  
24 shall be applied first to the penalty and administrative charges, second, to the accrued interest, and third to  
the overdue payment.

25 \* \* \*

Rules, Regulations and Determinations

1  
2 13. (a) The parties agree that the delivery of water or the use of Federal facilities pursuant  
to this Agreement is subject to Reclamation law, as amended and supplemented, and the rules and  
regulations promulgated by the Secretary of the Interior under Reclamation law.

3  
4 (b) The Contracting Officer shall have the right to make determinations necessary to  
administer this Agreement that are consistent with the expressed and implied provisions of this Agreement,  
5 the laws of the United States and the State of Arizona, and the rules and regulations promulgated by the  
Secretary of the Interior. Such determinations shall be made in consultation with CAWCD and the  
Contractor.  
6

Compliance with Environmental Laws

7  
8 14. The Contractor, in carrying out this Agreement, shall comply with all applicable  
environmental laws and regulations of the United States and the State of Arizona and shall obtain all required  
permits or licenses from the appropriate Federal, State, or local authorities.  
9

Equal Opportunity

10  
11 15. During the performance of this Agreement, the Contractor agrees as follows:

12 (a) The Contractor will not discriminate against any employee or applicant for  
employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative  
13 action to ensure that applicants are employed, and that employees are treated during employment, without  
regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to  
14 the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff  
or termination; rates of pay or other forms of compensation; and selection for training, including  
15 apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants  
for employment, notices to be provided by the Contracting Officer setting forth the provisions of this  
nondiscrimination clause.  
16

17 (b) The Contractor will, in all solicitations or advertisements for employees placed by  
or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment  
without discrimination because of race, color, religion, sex, or national origin.  
18

19 (c) The Contractor will send to each labor union or representative of workers with  
which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided  
20 by the Contracting Officer, advising said labor union or workers' representative of the Contractor's  
commitments under Section 202 of Executive Order 11246 of September 24, 1965, as amended, and shall  
21 post copies of the notice in conspicuous places available to employees and applicants for employment.

22 (d) The Contractor will comply with all provisions of Executive Order No. 11246 of  
September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of  
Labor.  
23

24 (e) The Contractor will furnish all information and reports required by said amended  
Executive Order and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto,  
25 and will permit access to its books, records, and accounts by the Contracting Officer and the Secretary of  
Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.  
26

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1 (f) In the event of the Contractor's noncompliance with the nondiscrimination clauses  
2 of this agreement or with any of such rules, regulations, or orders, this agreement may be canceled,  
3 terminated, or suspended, in whole or in part, and the Contractor may be declared ineligible for further  
4 Government contracts in accordance with procedures authorized in said amended Executive Order, and  
5 such other sanctions may be imposed and remedies invoked as provided in said amended Executive Order,  
6 or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7 (g) The Contractor will include the provisions of paragraphs (a) through (g) in every  
8 subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor  
9 issued pursuant to Section 204 of said amended Executive Order, so that such provisions will be binding  
10 upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract  
11 or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions,  
12 including sanctions for noncompliance; Provided, however, That in the event the Contractor becomes  
13 involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the  
14 Contractor may request the United States to enter into such litigation to protect the interests of the United  
15 States.

#### 16 Compliance With Civil Rights Laws and Regulations

17 16. (a) The Contractor shall comply with Title VI of the Civil Rights Act of 1964 (42  
18 U.S.C. 2000d), Section 504 of the Rehabilitation Act of 1975 (Public Law 93-112, as amended), the Age  
19 Discrimination Act of 1975 (42 U.S.C. 6101, et seq.) and any other applicable civil rights laws, as well as  
20 with their respective implementing regulations and guidelines imposed by the U.S. Department of the Interior  
21 and/or Bureau of Reclamation.

22 (b) These statutes require that no person in the United States shall, on the grounds of  
23 race, color, national origin, handicap, or age, be excluded from participation in, be denied the benefits of,  
24 or be otherwise subjected to discrimination under any program or activity receiving financial assistance from  
25 the Bureau of Reclamation. By executing this agreement, the Contractor agrees to immediately take any  
26 measures necessary to implement this obligation, including permitting officials of the United States to inspect  
premises, programs, and documents.

(c) The Contractor makes this agreement in consideration of and for the purpose of  
obtaining any and all Federal grants, loans, contracts, property discounts or other Federal financial  
assistance extended after the date hereof to the Contractor by the Bureau of Reclamation, including  
installment payments after such date on account of arrangements for Federal financial assistance which were  
approved before such date. The Contractor recognizes and agrees that such Federal assistance will be  
extended in reliance on the representations and agreements made in this article, and that the United States  
reserves the right to seek judicial enforcement thereof.

#### 21 Books, Records, and Reports

22 17. The Contractor shall establish and maintain accounts and other books and records pertaining  
23 to administration of the terms and conditions of this Agreement, including: the Contractor's financial  
24 transactions, water supply data, project operation, maintenance and replacement logs, and Project land and  
25 right-of-way use agreements; the water users' land-use (crop census), land ownership, land-leasing and  
26 water-use data; and other matters that CAWCD may require. Reports thereon shall be furnished to  
CAWCD in such form and on such date or dates as CAWCD may require. Subject to applicable Federal

laws and regulations, each party to this Agreement shall have the right during office hours to examine and  
make copies of each other party's books and records relating to matters covered by this Agreement.

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Notices

18. Any notice, demand, or request authorized or required by this Agreement shall be deemed to have been given, on behalf of CAWCD, when mailed, postage prepaid, or delivered to Mr. Frank D. Hegner, Vice President and General Manager, Resolution Copper Mining, L.L.C., 2525 E. Biltmore Circle, Suite C-135, Phoenix, Arizona 85016 and on behalf of the Contractor when mailed, postage prepaid, or delivered to the General Manager, Central Arizona Water Conservation District, 23636 North 7th Street, Phoenix, Arizona 85024. The designation of the addressee or the address may be changed by notice given in the same manner as provided in this Article for other notices.

Assignment Limited--Successors and Assigns Obligated

19. The provisions of this Agreement shall apply to and bind the successors and assigns of the parties hereto, but no assignment or transfer of this Agreement or any right or interest therein shall be valid until approved in writing by CAWCD.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement No. LR078-05 effective the day and year first above-written.

Attest: [Signature]  
Secretary

CENTRAL ARIZONA WATER  
CONSERVATION DISTRICT  
By: [Signature]  
President

RESOLUTION COPPER MINING, L.L.C.

Attest: \_\_\_\_\_  
Its: \_\_\_\_\_

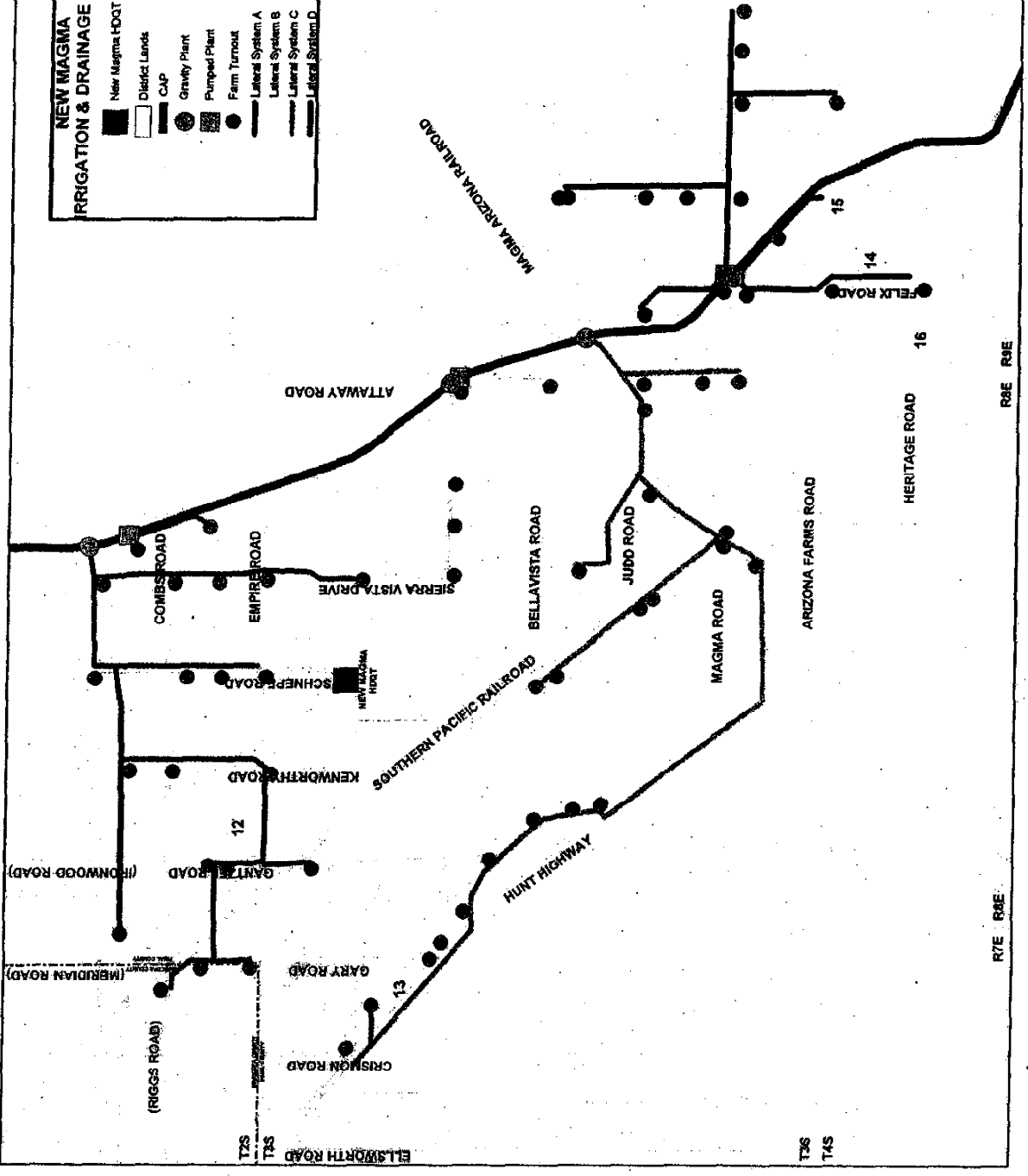
By: F.D. Hegner  
Its: General Manager

wpdocs\Incentive\resolution copper mining  
221.01

**EXHIBIT A**

**NEW MAGMA IRRIGATION & DRAINAGE DISTRICT**

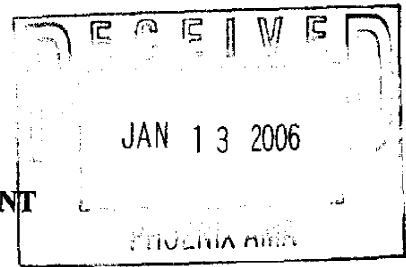
- New Magma HOQT
- District Lands
- CAP
- Gravity Plant
- ⊞ Pumped Plant
- Farm Turnout
- Lateral System A
- Lateral System B
- Lateral System C
- Lateral System D



DC&E INC.

Deery-Castro Engineering, Inc.





## EXCESS CAP WATER STORAGE AGREEMENT

THIS EXCESS CAP WATER STORAGE AGREEMENT ("Agreement") is made and entered into this 1<sup>st</sup> day of May 2005, by and between NEW MAGMA IRRIGATION & DRAINAGE DISTRICT, a political subdivision of the State of Arizona ("District") and RESOLUTION COPPER MINING LLC, an Arizona limited liability company ("Resolution").

### RECITALS

- A. District presently uses groundwater. A.R.S. § 45-801.01 et seq. encourages the use of Central Arizona Project ("CAP") water in place of groundwater and the accumulation of water storage credits for later use by authorizing the issuance of water storage permits for the operation of Groundwater Savings Facilities ("GSF") in active management areas.
- B. District and Resolution are located within the Phoenix Active Management area.
- C. District holds GSF permit number 72-534888.0002 ("GSF Permit") granted by the Arizona Department of Water Resources ("ADWR"). The GSF Permit authorizes storage of up to 54,000 acre feet ("AF") of water annually.
- D. Resolution desires to reduce its use of groundwater and is willing to use CAP water instead of groundwater.
- E. The Central Arizona Water Conservation District ("CAWCD") has offered to contract with Resolution for the sale of excess CAP water for use pursuant to this Agreement.
- F. Resolution and District desire to enter into this Agreement providing for District's storage of the Resolution's excess CAP water purchased from the CAWCD.

### AGREEMENT

In consideration of the respective rights, privileges and obligations of the parties, it is agreed as follows:

1. Definitions. The following terms shall have the meanings described to them by A.R.S. § 45-802.01: Aquifer, Groundwater Savings Facility, In-Lieu Water, Recipient, Storage Account and Stored Water.
2. Effective Date. This Agreement shall become effective upon the execution by the parties and the receipt by Resolution of a water storage permit issued by ADWR in accordance with A.R.S. § 45-831.01.

3. Term; Renewal; Cancellation. The initial term of this Agreement shall expire on December 31, 2005 ("Initial Term"). This Agreement shall automatically renew for periods of one year after that ("Renewal Terms") unless either party delivers to the other party written notice of the cancellation of this Agreement on or before ninety (90) days of the expiration of the then current term. This Agreement may be cancelled pursuant to the provisions of A.R.S. § 38-511.

4. Permits and Reports.

4.1 Resolution and District agree to comply with the operating requirements of the GSF Permit and the GSF plan of operation.

4.2 Resolution shall also apply for, obtain, maintain in effect and operate under a water storage permit issued by ADWR which entitles Resolution to store water at the District's GSF. The parties agree that District and resolution shall cooperate in the undertaking of all actions necessary for Resolution to acquire and maintain its water storage permit.

4.3 Each party issued a permit by ADWR shall be primarily responsible for the filing of the reports required by each permit. Each party shall cooperate and provide information required by the other party to obtain or conform to the requirements of either the GSF permit or the water storage permit.

4.4 Resolution agrees to pay the groundwater withdrawal fee payable to ADWR pursuant to A.R.S. § 45-873.01 and all other water charges or additional fees, including, but not limited to, the long-term storage credit recovery fee collectable pursuant to A.R.S. § 45-874.01(A).

5. In-lieu Water.

5.1 Resolution shall enter into an agreement with CAWCD ("CAWCD Agreement") to purchase or caused to be purchased: (a) for the Initial Term, up to 20,000 AF of excess CAP water for in-lieu water for delivery to the District's GSF; and (b) for the Renewal Terms, an amount of excess CAP water for in-lieu water for delivery to the District's GSF, as determined by Resolution at the beginning of each Renewal Term. The CAWCD Agreement shall permit District to order excess CAP water directly from CAWCD in accordance with CAWCD's water ordering procedures. Prior to delivery of in-lieu water, Resolution shall pay all fees necessary to fulfill its obligations under the CAWCD agreement. Resolution shall notify District of its contract amount for calendar year 2005 if the CAWCD Agreement provides that Resolution can purchase more than 20,000 AF, but nothing set forth herein shall obligate the District to take more than 20,000 AF during either 2005 or any Renewal Term. By no later than December 15 of 2005, or December 15 of any Renewal Term thereafter, Resolution shall notify the District of the volume of water made available to it under the CAWCD Agreement (or any successor agreement) for the next successive Renewal Term hereunder. In the event that Resolution fails or otherwise is unable to execute the CAWCD Agreement of whatever reason, then this Agreement shall be of no further legal force or effect, and the parties hereto shall be discharged from any and all obligations hereunder.

5.2 District's share of the cost of water delivered by CAWCD pursuant to the CAWCD Agreement shall be \$25.00 per AF. This amount shall be District's obligation and in consideration of foregoing groundwater pumping and in consideration of foregoing groundwater pumping and preservation of groundwater within the aquifer under District's lands.

5.3 The District shall be solely responsible for the conveyance of excess CAP from the point of delivery for such water as designated in the CAWCD Agreement to the District's irrigation water distribution system.

6. Reduction in Pumping.

6.1 District has represented that approximately 20,000 AF of groundwater will be displaced within the GSF on an acre foot for acre foot basis by the receipt of in-lieu water for use in the GSF.

6.2 District shall be responsible for the in-lieu water and its delivery for use on District lands.

6.3 Should ADWR later determine that in-lieu water used by District pursuant to this Agreement was not used by District on an acre foot for acre foot substitute basis, District shall reimburse Resolution the unreimbursed portion of the cost paid to CAWCD by Resolution for each acre foot determined by ADWR to be ineligible for stored water credit.

7. Water Quality. Neither party guarantees the quality of in-lieu water delivered, received or used pursuant to this Agreement. Each party waives its right to make a claim against the other party for the effect on the quality of surface or underground water as a result of this Agreement, unless such effect on water quality is the result of such other party's neglect or wrongful action or inaction.

8. Stored Water Credits.

8.1 The parties agree that Resolution has a right to assign by grant, gift, sale, lease or exchange, all or part of the stored water credits accumulated as a result of this Agreement to any other person or entity.

8.2 Unless the parties to this Agreement agree otherwise, Resolution agrees that it will recover its stored water credits from wells or other facilities located outside the boundaries of the District.

9. Indemnification. Each party to this Agreement shall indemnify and hold harmless the other party and its governing bodies, agents, directors, officers, and employees for, from and against any loss, damage, or liability, including reasonable attorneys' fees, caused by a negligent or intentionally willful action or inaction on the part of the Indemnitor and its governing bodies, agents, directors, officers, and employees, including without limitation, claims for bodily injury, illness, death, or damage to property. Each party shall assume liability for its own negligent or intentionally willful action or inaction arising under the terms and conditions of this Agreement.

10. Uncontrollable Forces. Neither party shall be considered to be in default in the performance of any of its obligations hereunder (other than obligations of the parties to make payments due hereunder) when a failure of performance shall be due to an act of God, force majeure or force beyond the control of the parties hereto (collectively, "Uncontrollable Force"). The term "Uncontrollable Force" shall mean any natural or artificial force beyond the control of a party to this Agreement that renders the party unable to perform its obligations hereunder, including, but not limited to, failure of or threat of failure of facilities, flood, earthquake, storm, fire, lightening and other natural catastrophes, epidemic, war, riot, civil disturbance or disobedience, strike, labor dispute, labor or material shortage, sabotage, government priorities and restraint by court order or public authority, and action or inaction by, or failure to obtain the necessary authorizations or approvals from, any governmental agency or authority, which by exercise of due diligence the party could not reasonably have been expected to avoid and which by exercise of due diligence it shall be unable to overcome. Nothing contained herein shall be construed to require either party to settle any strike or labor dispute in which it is involved.

11. Dispute Resolution Process; Remedies. If any party hereto breaches this Agreement, or if a dispute arises between the parties to this Agreement, then the following shall apply:

11.1 Cure Periods. Resolution and District agree that in the event that either breaches the terms and conditions of this Agreement, or otherwise defaults in the performance of any obligation set forth herein, the defaulting party shall have thirty (30) days to cure such breach or default following the receipt of written notice from the non-breaching party to the breaching party stating the nature of the breach.

11.2 Dispute Resolution Process. A party having a dispute under this Agreement that cannot be resolved by the Parties during the applicable Cure Period as set forth immediately above, may submit the dispute to arbitration. Arbitration shall be binding only upon the written consent of both Parties. Arbitration shall be subject to the following provisions:

11.2.1 A Party wishing to submit a dispute to arbitration shall provide thirty (30) days written notice to the other Party of its intent to pursue arbitration and shall name one arbitrator at that time. Within fifteen (15) days of receiving such notice, the other Party to the dispute shall name one arbitrator and give its written notice to the other party of its selection. Within five (5) days of selection of the second arbitrator, the two selected arbitrators shall jointly select a third arbitrator.

11.2.2 Within thirty (30) days from the selection of the third arbitrator, the arbitrators shall hold a hearing. Within thirty (30) days from the conclusion of the hearing, the arbitrators shall render a decision on the dispute.

11.2.3 Arbitration shall be subject to the Arizona Arbitration Act, Arizona Revised Statutes title 12, chapter 9, article 1 and any amendments thereto. In the event of a conflict between this Agreement and the Act, the provisions of this Agreement shall prevail.

11.2.4 A party that is dissatisfied with the results of non-binding arbitration may pursue any other legal or equitable remedy not expressly provided for herein.



11.3 Remedies. Subject to the limitations set forth in this Agreement, the rights and remedies expressly provided herein are cumulative and not exclusive of any other rights or remedies that a party would otherwise have at law or in equity; provided, however, that in no event shall a non-breaching party be entitled to assert, claim or demand special, incidental, or consequential damages which may otherwise be attributable to any default by the defaulting party.

12. Assignment of Agreement. No assignment, transfer of interest or other voluntary transfer of this Agreement, or the rights or obligations of either party set forth hereunder, shall be made without the written consent and approval of the other party. Prior to any such assignment, the party who desires to assign its rights hereunder shall give the other party written notice of its intent to assign or transfer its interest hereunder. Thereafter, the non-assigning party shall have thirty (30) days to provide written objections to the terms and conditions of the proposed assignment or to request financial assurances of the proposed assignee's ability to perform the obligations set forth hereunder. In the event that a non-assigning party fails to provide any such objections, then it will be deemed to have consented to the terms and conditions of the proposed assignment. If a non-assigning party provides written objections to the assignment, then such objections shall be resolved in accordance with the arbitration provisions set forth in this Agreement. Upon such assignment, this Agreement shall be binding upon the parties hereto, their successors, assigns, personal representatives and heirs (if any).

13. General Provisions.

13.1 Authorized Agent. The individuals name below shall be authorized and directed to act as authorized agents for their respective parties and shall serve as the primary contact person for such entity.

For District: William Van Allen, Manager  
New Magma Irrigation & Drainage District  
34630 North Schnepf Road  
Queen Creek, AZ 85242  
(480) 987-3570

For Resolution: Bruno Hegner, Vice President and General Manager  
c/o Resolution Copper Company  
2525 east Biltmore Circle  
Suite C-135  
Phoenix, Arizona 85016

Without limiting the generality of the foregoing, the authorized agents are hereby specifically authorized and directed to approve the water accounting and adjustments of accounts which may be necessary to implement this Agreement. Written notice of a change of agent shall be provided at least thirty (30) days before such change becomes effective.

13.2 Notices. Any notice given pursuant to this Agreement shall be in writing, and shall be personally delivered or deposited in the United States mail, postage prepaid, certified and return receipt requested, to the parties as follows:

To District: New Magma Irrigation & Drainage District  
34630 North Schnepf Road  
Queen Creek, AZ 85242  
Attn: William Van Allen, Manager

With a copy to: Ellis & Baker P.C.  
7310 North 16th Street, Suite 320  
Phoenix, Arizona 85020-5276  
Attn: William D. Baker, Esq.

To Resolution: Resolution Copper Mining LLC  
2525 east Biltmore Circle  
Suite C-135  
Phoenix, Arizona 85016

With a copy to: Snell & Wilmer  
One Arizona Center  
Phoenix, Arizona 850004  
Attn: Carlos Ronstadt

Notices shall be deemed given when personally delivered or, if mailed, five (5) days after the deposit of the notice in the U.S. Mail. If a notice initiates the running of a time period for performance of, or compliance with, any obligation or duty set forth in the terms of this Agreement, the notice, if mailed, shall be sent certified, return receipt requested. Any party hereto may give written notice of a change of address to the other party as provided above.

13.3 Good Standing; Authority. Each of the parties represents and warrants to this other (i) that it is duly formed, validly existing and in good standing under all applicable laws; and (ii) that the individual(s) executing this Agreement on behalf of the respective parties are authorized and empowered to bind the party on whose behalf each such individual is signing.

13.4 Headings. The descriptive headings of the sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

13.5 Exhibits. Any exhibit attached hereto shall be deemed to have been incorporated herein by this reference with the same force and effect as if fully set forth in the body hereof.

13.6 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one (1) or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signatures of all parties may be physically attached to a single document.

13.7 Entire Agreement. The terms, covenants and conditions of this Agreement constitute the entire agreement between the parties, and no understandings or obligations not herein expressly set forth shall be binding upon them. All prior and contemporaneous

agreements, representations and understandings of the parties, oral or written, are hereby superseded and merged herein.

13.8 Further Acts; Additional Documents. The parties shall execute, deliver, acknowledge and record all and any such further documentation, conveyances, writings, approvals and consents as are required, necessary, proper or desirable in order to effectuate the agreement of the parties herein contained.

13.9 Amendments and Modifications. This Agreement shall not be modified, amended, rescinded, canceled or waived, in whole or in part, except by a written instrument signed by all parties.

13.10 Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by any party to this Agreement of the breach of any covenant of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

13.11 No Partnership or Third Party Beneficiaries. It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture or other arrangement between Resolution and District. No term or provision of this Agreement is intended to, or shall, be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

13.12 Severability. If any provision of this Agreement is held invalid under any applicable statute or rule of law, such provision shall be deemed null and void, but the remainder of this Agreement will remain in full force and effect.

13.13 Governing Law. This Agreement is intended to be made under and shall be construed in accordance with the laws of the State of Arizona. Subject to the provisions of Section 11, all proceedings relating to its subject matter shall be maintained in the courts of the State of Arizona (including the United States District Court for the District of Arizona), which courts shall have jurisdiction over those proceedings.

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13.14 Attorneys' Fees and Costs. The prevailing party in any dispute arising under this Agreement will be entitled to recover its costs and expense including reasonable attorneys' fees, from the losing party or parties.

13.15 Time of Essence. Time is of the essence of this Agreement.

IN WITNESS WHEREOF this Agreement is executed on the date first written above by the parties hereto.

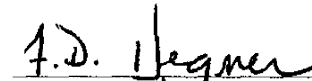
NEW MAGMA IRRIGATION & DRAINAGE  
DISTRICT, a political subdivision of the State  
of Arizona

By:   
Its: President

Attest:

By:   
Its: Secretary

RESOLUTION COPPER MINING LLC,  
an Arizona limited liability company

By:   
Name: F. D. Hegner  
Its: General Manager



R/Exec/Water / New Magma I/DD / Notice of Completion - 09.21.05

**ARIZONA DEPARTMENT OF WATER RESOURCES**

500 North Third Street, Phoenix, Arizona 85004

Telephone 602 417-2465

Fax 602 417-2467



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

September 21, 2005

Mr. F.D. Hegner, VP/GM  
Resolution Copper Mining LLC  
2525 E. Arizona Biltmore Circle, Suite C-135  
Phoenix, AZ 85016

Re: Resolution Copper Mining LLC, Application for Water Storage Permit No. 73-534888.0600.

Dear Mr. Hegner:

The Department has completed its review of the above referenced application and has determined it to be administratively complete and correct under A.R.S. §§ 41-1074 and 45-871.01. Please note that this determination does not imply approval of the application.

Pursuant to A.R.S. § 45-871.01 (E), public notice of this Water Storage Permit is not required. If granted, the Water Storage Permit will have an expiration date that coincides with the affiliated New Magma Irrigation and Drainage District Groundwater Savings Facility Permit No. 72-534888.0001, which expires on December 31, 2007.

Please note under A.R.S. § 45-852.01(B)(1), water stored pursuant to a water storage permit may be credited to a long-term storage account only if the water is water that cannot reasonably be used directly. Under A.R.S. § 45-802.01(22)(c), the amount of central Arizona project water stored in an active management area during a year by a person that is not a municipal provider is considered water that cannot reasonably be used directly only to the extent that it exceeds the amount of groundwater withdrawn during the year by the storer in the active management area. Therefore, after this water storage permit is issued, if the permit holder withdraws groundwater from within the Phoenix active management area in any year, the amount of central Arizona project water stored by the permit holder during the year pursuant to the permit equal to the amount of groundwater withdrawn will not be eligible for long-term storage credits, but may be considered as being available for recovery on an annual basis under A.R.S. § 45-851.01.

If you have any questions, please contact Virginia O'Connell in the Phoenix AMA at (602) 417-2465.

Sincerely,

A handwritten signature in cursive script that reads "Stella Murillo".

Stella Murillo  
Recharge Coordinator

c: Ryan Smith, ADWR Legal  
Stella Murillo, Recharge Coordinator  
Virginia O'Connell, Phoenix AMA

*Celebrating 25 Years*

**New Magma Irrigation & Drainage District**

34630 N Schnepf Road

Queen Creek, AZ 85242

Office 480-987-3461 Fax 489-987-0660

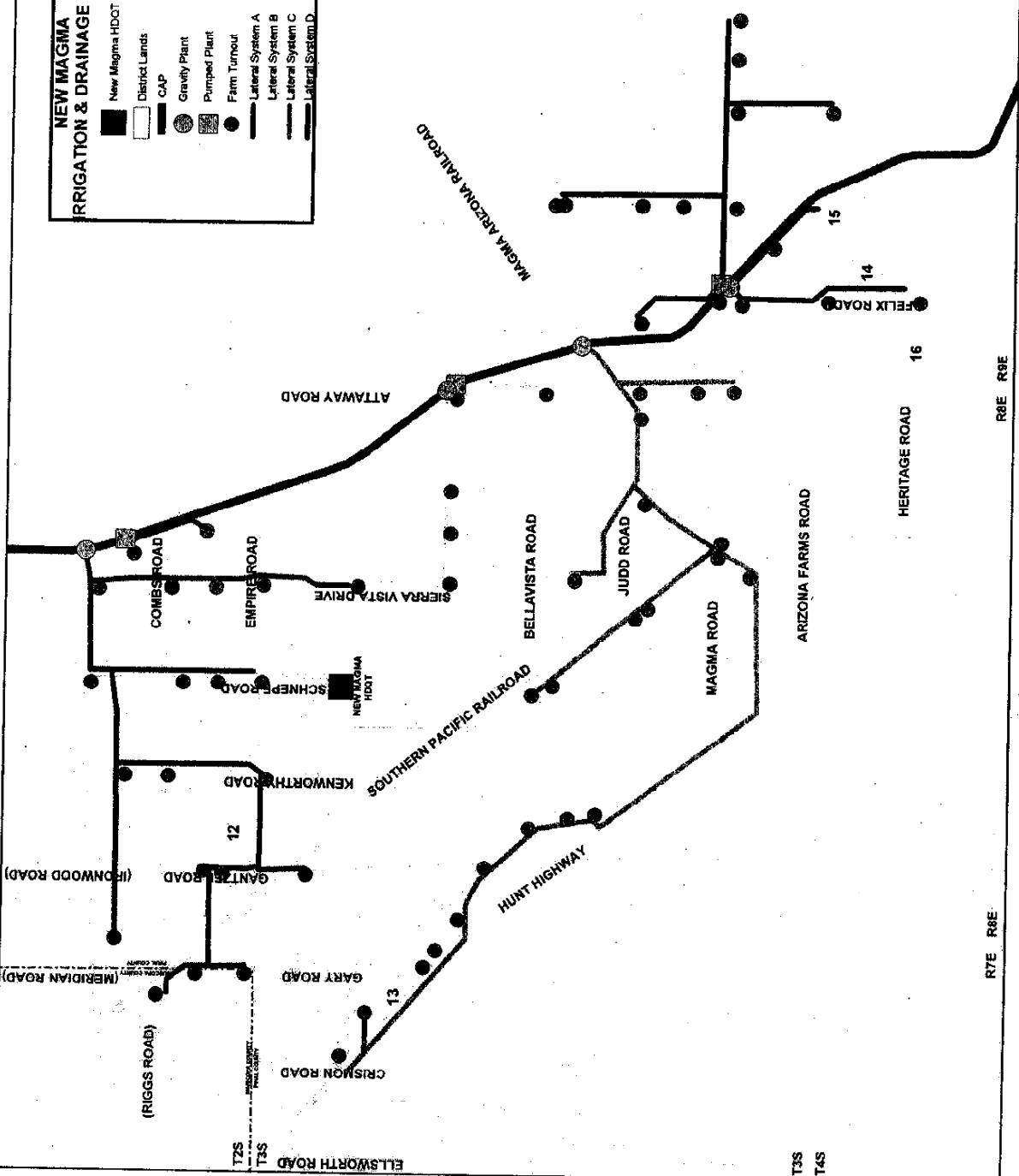
REVISED

**2006 Water Schedule**

CY2005	Ag Pool	RCML	Chandler	Apache Jct	Totals
Jan	0	1000	1000	0	2000
Feb	500	2000	0	0	2500
Mar	511	0	6100	0	6611
Apr	500	0	1500	0	2000
May	2489	5000	500	0	7989
Jun	8000	1000	3500	2883	15383
Jul	9000	3000	2400	0	14400
Aug	4675	6000	0	0	10675
Sep	1650	6500	0	0	8150
Oct	0	6000	0	0	6000
Nov	0	3500	0	0	3500
Dec	0	2500	0	0	2500
<b>Totals:</b>	<b>27325</b>	<b>36500</b>	<b>15000</b>	<b>2883</b>	<b>81708</b>

**NEW MAGMA IRRIGATION & DRAINAGE DISTRICT**

- New Magma HDOT
- District Lands
- CAP
- Gravity Plant
- Pumped Plant
- Farm Turnout
- Lateral System A
- Lateral System B
- Lateral System C
- Lateral System D



# Delaware

PAGE 1

*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED ARE TRUE AND CORRECT COPIES OF ALL DOCUMENTS ON FILE OF "RESOLUTION COPPER MINING LLC" AS RECEIVED AND FILED IN THIS OFFICE.

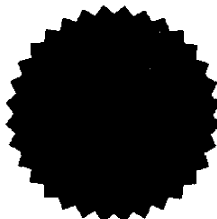
THE FOLLOWING DOCUMENTS HAVE BEEN CERTIFIED:

CERTIFICATE OF FORMATION, FILED THE THIRTY-FIRST DAY OF MARCH, A.D. 2004, AT 2:17 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CERTIFICATES ARE THE ONLY CERTIFICATES ON RECORD OF THE AFORESAID LIMITED LIABILITY COMPANY.

3768963 8100H

050685860



*Harriet Smith Windsor*

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 4103251

DATE: 08-19-05



**CERTIFICATE OF FORMATION**  
**OF**  
**RESOLUTION COPPER MINING LLC**

The undersigned, desiring to form a limited liability company under the Delaware Limited Liability Company Act, hereby adopt the following Certificate of Formation for such limited liability company pursuant to Delaware Laws Title 6 §§ 18-101 *et seq.* (2003).

**ARTICLE I**

**NAME OF THE LIMITED LIABILITY COMPANY**

The name of the limited liability company is Resolution Copper Mining LLC.

**ARTICLE II**

**DURATION**

The period of duration of the Company is perpetual from the date of filing of this Certificate of Formation with the Delaware Secretary of State, unless earlier terminated pursuant to the terms of the Limited Liability Company Agreement of the Members of the Company dated of even date herewith (hereinafter, the "LLC Agreement").

**ARTICLE III**

**BUSINESS PURPOSE**

The Company has been formed for the following purposes and for no others, and shall serve as the exclusive means by which each of the Members accomplishes such purposes with respect to the assets of the Company (including the properties of the Company) and the area of interest as the same may be established by the LLC Agreement, but in each case subject to the restrictions and limitations as provided in the LLC Agreement:

- (a) To conduct exploration upon and under the properties of the Company and within the area of interest established in the LLC Agreement;
- (b) To acquire additional real property and other interests within the area of interest established in the LLC Agreement;
- (c) To evaluate the possible development and mining of the properties and within the area of interest established in the LLC Agreement;
- (d) To engage in development, mining and other operations on the properties and the area of interest established in the LLC Agreement;

(e) To engage in distribution and/or marketing of products produced by the Company;

(f) To complete and satisfy all environmental compliance obligations affecting the properties and assets of the Company as provided in the LLC Agreement;

(g) To perform any other activity necessary, appropriate, or incidental to any of the foregoing; and

(h) Subject to the prior approval of all of the Members as provided in the LLC Agreement, to transact any and all other business for which a limited liability company may be organized under the Delaware Limited Liability Company Act, as codified at Delaware Laws Title 6 §§ 18-101, *et seq.*

#### ARTICLE IV

##### STREET ADDRESS OF REGISTERED OFFICE AND INITIAL REGISTERED AGENT

Until and unless otherwise changed pursuant to Delaware Laws Title 6 §§ 18-104 (2000), the street address of the registered office of the Company in Delaware is 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, and the name of the Company's initial registered agent in Delaware is Corporation Service Company.

By signing in the following space, Corporation Service Company hereby acknowledges and accepts appointment as the Company's initial registered agent:

---

#### ARTICLE V

##### POWERS OF THE COMPANY

The Company shall have and be authorized to exercise and enjoy all powers, rights and privileges conferred upon limited liability companies by the laws of the State of Delaware, including, without limitation, all powers necessary or appropriate to carry out all those acts and activities in which it may lawfully engage.

#### ARTICLE VI

##### APPOINTMENT OF THE SECRETARY OF STATE AS AGENT

The Delaware Secretary of State is appointed the agent of the Company for service of process if the registered agent has resigned, the registered agent's authority has been revoked, or the registered agent cannot be found or served with the exercise of reasonable diligence.

ARTICLE VII  
MANAGEMENT

The Company will be managed by a Manager, appointed by the Members as set forth in the LLC Agreement. The Company's Manager initially shall be Resolution Copper Company, a Delaware corporation with offices at 2525 East Arizona Biltmore Circle, Suite C-135, Phoenix, AZ 85016.

The Manager shall hold the offices and have the responsibilities accorded by the Members as set forth in the LLC Agreement.

ARTICLE VIII  
INTERNAL AFFAIRS

Except as provided in this Certificate of Formation, and except as provided by law, the regulation of the internal affairs of the Company are set forth in the LLC Agreement.

IN WITNESS WHEREOF, this instrument has been executed under penalty of perjury as of the 3<sup>rd</sup> day of March, 2004.

RESOLUTION COPPER COMPANY

By: A.D. Hezner

Its: Vice President & General Manager

BHP COPPER INC., Member

By: [Signature]

Its: PRESIDENT

# STATE OF ARIZONA



Office of the  
**CORPORATION COMMISSION**

**CERTIFICATE OF GOOD STANDING**

To all to whom these presents shall come, greeting:

I, Brian C. McNeil, Executive Director of the Arizona Corporation Commission, do hereby certify that

**\*\*\*RESOLUTION COPPER MINING LLC\*\*\***

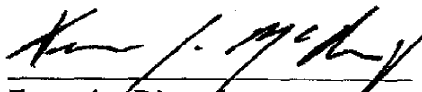
a foreign limited liability company organized under the laws of the jurisdiction of Delaware did obtain a Certificate of Registration in Arizona on the 8th day of June 2005.

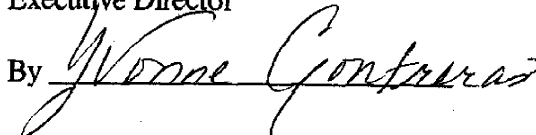
I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said limited liability company has not had its Certificate of Registration revoked for failure to comply with the provisions of A.R.S. section 29-601 et seq., the Arizona Limited Liability Company Act; and that the said limited liability company has not filed a Certificate of Cancellation as of the date of this certificate.

This certificate relates only to the legal authority of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 17th Day of August, 2005, A. D.

  
Executive Director

By 

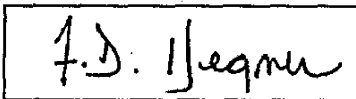


**RESOLUTION COPPER COMPANY**  
**SECRETARY'S CERTIFICATE**

As Secretary of Resolution Copper Company, a Delaware corporation (the "Corporation"), I, Shannon S. Crompton, certify that, pursuant to resolutions adopted by the Corporation's Board of Directors on 6 June 2002, Frank D. Hegner was appointed to the position of Vice President of the Corporation and continues to serve in such position on the date hereof.

I further certify that as Vice President, Mr. Hegner is authorized, for and on behalf of the Corporation, to execute such documents (including agreements, contracts, deeds, leases and permit applications) and to perform such other acts as may, in his opinion, be deemed necessary or desirable in order to carry out business of the Corporation, whether on its own behalf or on behalf of Resolution Copper Mining LLC., a Delaware limited liability company, qualified to do business as a foreign corporation in Arizona ("RCML"), in the Corporation's role as Manager of RCML.

I further certify that the following is a genuine specimen signature of Mr. Hegner as an authorized officer of the Corporation:



DATED AND SEALED this 18<sup>th</sup> day of August 2005.





.....  
SHANNON S. CROMPTON

**ARIZONA DEPARTMENT OF WATER RESOURCES**  
3550 North Central Ave., Phoenix, AZ 85012  
Telephone 602 771-8585  
Fax 602 771-8689



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

June 23, 2006

Mr. F.D. Hegner, VP/GM  
Resolution Copper Mining LLC  
2525 E. Arizona Biltmore Circle, Suite C-135  
Phoenix, AZ 85016

**Re: Resolution Copper Mining LLC, Water Storage (WS) Permit No. 73-534888.0601.**

Dear Mr. Hegner:

Enclosed is the signed Water Storage Permit No. 73-534888.0601 for Resolution Copper Mining LLC.

Please contact me at (602) 771-8585 with any additional questions.

Sincerely,

  
Stella Murillo  
Recharge Coordinator

Enclosures

Cc: Gregg Houtz, ADWR Legal  
Jake Lenderking, Phoenix AMA

**ARIZONA DEPARTMENT OF WATER RESOURCES**  
3550 North Central Avenue, Phoenix, Arizona 85012  
Telephone 602 771-8585  
Fax 602 771-8688



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

December 5, 2007

Brad Ross  
Resolution Copper Mining  
102 W Magma Heights  
Superior, AZ 85273

**Re: Refund to Resolution Copper Mining for the Modification of Water Storage  
Application No. 73-534888.0602.**

Dear Mr. Ross:

The Arizona Department of Water Resources (Department) has reviewed the above-referenced application, submitted on September 28, 2007. The application was to modify water storage permit No. 73-534888.0601 due to expiration. After reviewing your application, the Department finds the existing water storage permit is effective as long as New Magma Irrigation and Drainage District's Groundwater Saving Facility, permit Number 72-534888 is active.

Enclosed is a refund in the amount of \$250.00. If you any questions regarding this matter, please call Stella Murillo, the ADWR Recharge Coordinator at (602) 771-8585

Sincerely,

A handwritten signature in black ink, appearing to read "John Bodenchuk".

John Bodenchuk  
Recharge Program Manger

Enclosure

JMB/sm


c: Stella Murillo, Recharge Coordinator



Printed on recycled paper. Each ton of recycled paper saves 7,000 gallons of water.

ARIZONA DEPARTMENT OF WATER RESOURCES  
WATER MANAGEMENT SUPPORT SECTION  
RECHARGE PROGRAM

**MEMORANDUM**

**TO:** LIHUA LI, FINANCIAL SERVICES  
**FROM:** Stella Murillo, Recharge Coordinator  
**THRU:** John Bodenchuk, Recharge Program Manager   
**RE:** Refund  
**DATE:** December 5, 2007

Please note that upon review of the following application no. 73-534888.0602 to modify an existing water storage permit: (Modification was to renew expired water storage permit). Due to no expiration date on their existing permit they did not have to re-apply and therefore we are obligated to refund their money in the amount of \$250.00. Attached is the copy of the Retail Pro cash receipt from Pat Brown.

Please prepare a refund check payable to:

RESOLUTION COPPER MINING  
102 W MAGMA HEIGHTS  
SUPERIOR, AZ 85273

In the referenced amount please provide me a copy of refund check for the file.

Thank You.

❖ 73-534888.0602 \$250.00.



STATE OF ARIZONA REMITTANCE ADVICE

WARRANT NO.  
212377187


DEPARTMENT OF WATER RESOURCES

(602) 417-2450 EXT.

INVOICE NO.	INVOICE DATE	INVOICE DESCRIPTION	AGY	DOCUMENT/SFX	AMOUNT
73-534888.0602	12/04/07	REFUND FEE	WCA	2WCAR422	250.00

EVER WONDER WHERE YOUR PAYMENT FROM THE STATE IS? OR, WHICH STATE AGENCY PAID YOU THROUGH DIRECT DEPOSIT/ACH? VISIT OUR VENDOR PAYMENT WEBSITE, [HTTP://WWW.VENPAY.GAO.AZDOA.GOV/](http://www.venpay.gao.azdoa.gov/).



VENDOR NAME: RESOLUTION COPPER MINING	FUND: 4010	ISSUE DATE: 12/06/07	WARRANT AMOUNT: 250.00
---------------------------------------	------------	----------------------	------------------------

STATE OF ARIZONA

NOT GOOD AFTER  
VOID DATE SHOWN

91-113  
1221

DATE ISSUED
MO-DAY-YR
12/06/07

VOID AFTER
MO-DAY-YR
06/04/08

BANK	WARRANT NO.
21	2377187

FUND	AGENCY	DOCUMENT NO.
4010	WCA	2WCAR422

PAY THIS AMOUNT
\$250.00

\*\*\*\*\*TWO HUNDRED FIFTY AND 00/100 DOLLARS

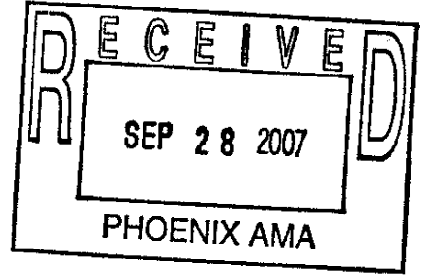
PAY TO THE ORDER OF:

RESOLUTION COPPER MINING  
102 W MAGMA HEIGHTS  
SUPERIOR AZ 85273



*Lee Beer*  
DIRECTOR  
DEPARTMENT OF ADMINISTRATION  
*Janet Noylton*  
COUNTERSIGNED GOVERNOR

ARIZONA DEPARTMENT OF WATER RESOURCES  
Water Management Division  
3550 North Central Ave, 2<sup>nd</sup> Floor  
Phoenix, Arizona 85012-2105  
Phone (602) 771-8585 Fax (602) 771-8689



APPLICATION FOR WATER  
STORAGE PERMIT (A.R.S § 45-831.01)

APPLICATION FEE \$ 250.00 DUE UPON FILING.

PERMIT FEE OF \$ 100.00, PLUS  
PUBLICATION FEES TO BE DETERMINED,  
WILL BE DUE PRIOR TO ISSUANCE OF PERMIT.

FOR OFFICE USE ONLY  
Application No.: 73-534888, 0602  
Date Received: 9-28-07

PLEASE SUBMIT ONE ORIGINAL AND ONE COPY OF THE  
COMPLETED APPLICATION AND ALL SUPPORTING MATERIALS

APPLICATION FOR: (Check one)

- New Water Storage Permit     Modification of Water Storage Permit     Renewal of Water Storage Permit  
No. 73- \_\_\_\_\_    No. 73- 534888.601

GENERAL INFORMATION

- Name of Applicant: Resolution Copper Mining, L.L.C.  
PO Box 1944    Superior    AZ    85273  
Mailing Address    City    State    Zip  
Contact Person: Brad Ross    Telephone: 520-689-3320 Fax: 520-689-9304
- Name and permit number of storage facility where water storage will occur: New Magma Irrigation and Drainage District Groundwater Saving Facility no. 72-534888
- Name of Active Management Area or Irrigation Non-Expansion Area where the facility will be located: Phoenix Active Management Area  
*(If the facility is NOT located within an AMA or INA, please indicate "NONE.")*
- Name of groundwater basin and subbasin where the facility will be located: East Salt River Valley
- If this water storage permit application is for the storage of CAP water and meets the requirements of A.R.S. §§ 45-831.01(G) or 45-871.01(E) and the applicant will not also be the holder of the storage facility permit, please submit a consent agreement signed by the facility permit holder.
- The maximum annual amount of water that may be stored at the facility: 54,000  
*(acre-feet per year)*
- The maximum annual amount of water proposed for storage pursuant to this water storage permit: 36,500  
*(acre-feet per year)*
- Proposed duration of the permit: 10 years
- The maximum amount of water proposed for storage for the duration of the permit pursuant to this water storage permit: 365,000  
*(acre-feet)*

10. Will the stored water be recovered on an annual basis pursuant to A.R.S. § 45-851.01?  Yes  No

11. Type of source water to be stored:

CAP Water

Effluent

Decreed and Appropriative  
Surface Water

If Decreed and Appropriative Surface Water, list river(s): \_\_\_\_\_

[NOTE: In order for the storer to accrue long-term storage credits for the stored water, the source water must comply with A.R.S. § 45-802.01(21), "Water that cannot reasonably be used directly".]

12. If the water to be stored is appurtenant to a place of use, the legal description of the location of that use: \_\_\_\_\_

Not Applicable - Excess CAP Water

*(quarter/quarter/quarter/section, township and range)*

13. What is the applicant's legal right to use the proposed source(s) of water?

CAP Contract

Right to municipally treated effluent

Decreed and appropriative surface water right

Other, please explain: \_\_\_\_\_

Cite the right number, law, court decree, contract or other legal basis for acquiring and using each source of water to be

stored pursuant to this permit: Central Arizona Project Contract Attached

If municipally treated effluent will be stored and the applicant is the producer of the effluent, does the applicant certify that, after meeting all contractual obligations for delivery of effluent to other parties, the applicant retains the legal right to the volume of effluent requested in item 7 of this application?  Yes  No Not Applicable

14. Do you own the system through which the water to be stored will be delivered to the storage/savings facility?

Yes  No

If no, please provide a copy of the transportation agreement that allows the proposed water

delivery system to be used to carry the water to be stored to the storage/savings facility.

New Magma Irrigation Contract Attached

15. Do you want this water storage permit to be designated as storing non-recoverable water pursuant to A.R.S. § 45-833.01?

Yes  No

16. For effluent storage: Not Applicable

Is the facility where storage is to occur currently regulated under an Aquifer Protection Permit (APP) issued by the Arizona Department of Environmental Quality?  Yes  No

If no, will the applicant be obtaining an APP?  Yes  No

If no to both, please explain method of compliance with A.R.S. § 45-831.01(B)(2): \_\_\_\_\_

17. For water storage at a Groundwater Savings Facility, if the applicant is not the GSF permit holder, does the applicant agree to comply with the Plan of Operation for the GSF permit listed in Item 2 of this application?  Yes  No

**NOTARIZED SIGNATURE**

I (We), Resolution Copper Mining, L.L.C., the applicant(s) named in this application, do hereby certify under the penalty of perjury, that the information contained and statements made herein are to the best of my (our) knowledge and belief true, correct and complete.

520-689-3341  
Telephone

*[Handwritten Signature]*  
Signature of owner or authorized agent

President  
Title

P.O. Box 1944      Superior      AZ      85273  
Mailing Address                      City                      State                      Zip

STATE OF ARIZONA                      )  
                                                                                                                         ) ss.  
County of Pinal                      )

Subscribed and sworn to before me this 6<sup>th</sup> day of September, 2007.

*[Handwritten Signature]*  
Notary Public



August 29, 2009  
My commission expires



## EXCESS CAP WATER STORAGE AGREEMENT

THIS EXCESS CAP WATER STORAGE AGREEMENT ("Agreement") is made and entered into this 1<sup>st</sup> day of May 2005, by and between NEW MAGMA IRRIGATION & DRAINAGE DISTRICT, a political subdivision of the State of Arizona ("District") and RESOLUTION COPPER MINING LLC, an Arizona limited liability company ("Resolution").

### RECITALS

- A. District presently uses groundwater. A.R.S. § 45-801.01 et seq. encourages the use of Central Arizona Project ("CAP") water in place of groundwater and the accumulation of water storage credits for later use by authorizing the issuance of water storage permits for the operation of Groundwater Savings Facilities ("GSF") in active management areas.
- B. District and Resolution are located within the Phoenix Active Management area.
- C. District holds GSF permit number 72-534888.0002 ("GSF Permit") granted by the Arizona Department of Water Resources ("ADWR"). The GSF Permit authorizes storage of up to 54,000 acre feet ("AF") of water annually.
- D. Resolution desires to reduce its use of groundwater and is willing to use CAP water instead of groundwater.
- E. The Central Arizona Water Conservation District ("CAWCD") has offered to contract with Resolution for the sale of excess CAP water for use pursuant to this Agreement.
- F. Resolution and District desire to enter into this Agreement providing for District's storage of the Resolution's excess CAP water purchased from the CAWCD.

### AGREEMENT

In consideration of the respective rights, privileges and obligations of the parties, it is agreed as follows:

1. **Definitions.** The following terms shall have the meanings described to them by A.R.S. § 45-802.01: Aquifer, Groundwater Savings Facility, In-Lieu Water, Recipient, Storage Account and Stored Water.
2. **Effective Date.** This Agreement shall become effective upon the execution by the parties and the receipt by Resolution of a water storage permit issued by ADWR in accordance with A.R.S. § 45-831.01.

3. Term; Renewal; Cancellation. The initial term of this Agreement shall expire on December 31, 2005 ("Initial Term"). This Agreement shall automatically renew for periods of one year after that ("Renewal Terms") unless either party delivers to the other party written notice of the cancellation of this Agreement on or before ninety (90) days of the expiration of the then current term. This Agreement may be cancelled pursuant to the provisions of A.R.S. § 38-511.

4. Permits and Reports.

4.1 Resolution and District agree to comply with the operating requirements of the GSF Permit and the GSF plan of operation.

4.2 Resolution shall also apply for, obtain, maintain in effect and operate under a water storage permit issued by ADWR which entitles Resolution to store water at the District's GSF. The parties agree that District and resolution shall cooperate in the undertaking of all actions necessary for Resolution to acquire and maintain its water storage permit.

4.3 Each party issued a permit by ADWR shall be primarily responsible for the filing of the reports required by each permit. Each party shall cooperate and provide information required by the other party to obtain or conform to the requirements of either the GSF permit or the water storage permit.

4.4 Resolution agrees to pay the groundwater withdrawal fee payable to ADWR pursuant to A.R.S. § 45-873.01 and all other water charges or additional fees, including, but not limited to, the long-term storage credit recovery fee collectable pursuant to A.R.S. § 45-874.01(A).

*Withdrawal Fees*

5. In-lieu Water.

5.1 Resolution shall enter into an agreement with CAWCD ("CAWCD Agreement") to purchase or caused to be purchased: (a) for the Initial Term, up to 20,000 AF of excess CAP water for in-lieu water for delivery to the District's GSF; and (b) for the Renewal Terms, an amount of excess CAP water for in-lieu water for delivery to the District's GSF, as determined by Resolution at the beginning of each Renewal Term. The CAWCD Agreement shall permit District to order excess CAP water directly from CAWCD in accordance with CAWCD's water ordering procedures. Prior to delivery of in-lieu water, Resolution shall pay all fees necessary to fulfill its obligations under the CAWCD agreement. Resolution shall notify District of its contract amount for calendar year 2005 if the CAWCD Agreement provides that Resolution can purchase more than 20,000 AF, but nothing set forth herein shall obligate the District to take more than 20,000 AF during either 2005 or any Renewal Term. By no later than December 15 of 2005, or December 15 of any Renewal Term thereafter, Resolution shall notify the District of the volume of water made available to it under the CAWCD Agreement (or any successor agreement) for the next successive Renewal Term hereunder. In the event that Resolution fails or otherwise is unable to execute the CAWCD Agreement of whatever reason, then this Agreement shall be of no further legal force or effect, and the parties hereto shall be discharged from any and all obligations hereunder.

5.2 District's share of the cost of water delivered by CAWCD pursuant to the CAWCD Agreement shall be \$25.00 per AF. This amount shall be District's obligation and in consideration of foregoing groundwater pumping and in consideration of foregoing groundwater pumping and preservation of groundwater within the aquifer under District's lands.

*-\$ 25/AF - District share*

5.3 The District shall be solely responsible for the conveyance of excess CAP from the point of delivery for such water as designated in the CAWCD Agreement to the District's irrigation water distribution system.

6. Reduction in Pumping.

6.1 District has represented that approximately 20,000 AF of groundwater will be displaced within the GSF on an acre foot for acre foot basis by the receipt of in-lieu water for use in the GSF.

6.2 District shall be responsible for the in-lieu water and its delivery for use on District lands.

6.3 Should ADWR later determine that in-lieu water used by District pursuant to this Agreement was not used by District on an acre foot for acre foot substitute basis, District shall reimburse Resolution the unreimbursed portion of the cost paid to CAWCD by Resolution for each acre foot determined by ADWR to be ineligible for stored water credit.

7. Water Quality. Neither party guarantees the quality of in-lieu water delivered, received or used pursuant to this Agreement. Each party waives its right to make a claim against the other party for the effect on the quality of surface or underground water as a result of this Agreement, unless such effect on water quality is the result of such other party's neglect or wrongful action or inaction.

8. Stored Water Credits.

8.1 The parties agree that Resolution has a right to assign by grant, gift, sale, lease or exchange, all or part of the stored water credits accumulated as a result of this Agreement to any other person or entity.

8.2 Unless the parties to this Agreement agree otherwise, Resolution agrees that it will recover its stored water credits from wells or other facilities located outside the boundaries of the District.

9. Indemnification. Each party to this Agreement shall indemnify and hold harmless the other party and its governing bodies, agents, directors, officers, and employees for, from and against any loss, damage, or liability, including reasonable attorneys' fees, caused by a negligent or intentionally willful action or inaction on the part of the Indemnitor and its governing bodies, agents, directors, officers, and employees, including without limitation, claims for bodily injury, illness, death, or damage to property. Each party shall assume liability for its own negligent or intentionally willful action or inaction arising under the terms and conditions of this Agreement.

ROSENBERG/02/04/31/04

*New Magna Buys our water for \$25/AF while not pumping from aquifer, which they have the right to do*



10. Uncontrollable Forces. Neither party shall be considered to be in default in the performance of any of its obligations hereunder (other than obligations of the parties to make payments due hereunder) when a failure of performance shall be due to an act of God, force majeure or force beyond the control of the parties hereto (collectively, "Uncontrollable Force"). The term "Uncontrollable Force" shall mean any natural or artificial force beyond the control of a party to this Agreement that renders the party unable to perform its obligations hereunder, including, but not limited to, failure of or threat of failure of facilities, flood, earthquake, storm, fire, lightning and other natural catastrophes, epidemic, war, riot, civil disturbance or disobedience, strike, labor dispute, labor or material shortage, sabotage, government priorities and restraint by court order or public authority, and action or inaction by, or failure to obtain the necessary authorizations or approvals from, any governmental agency or authority, which by exercise of due diligence the party could not reasonably have been expected to avoid and which by exercise of due diligence it shall be unable to overcome. Nothing contained herein shall be construed to require either party to settle any strike or labor dispute in which it is involved.

11. Dispute Resolution Process: Remedies. If any party hereto breaches this Agreement, or if a dispute arises between the parties to this Agreement, then the following shall apply:

11.1 Cure Periods. Resolution and District agree that in the event that either breaches the terms and conditions of this Agreement, or otherwise defaults in the performance of any obligation set forth herein, the defaulting party shall have thirty (30) days to cure such breach or default following the receipt of written notice from the non-breaching party to the breaching party stating the nature of the breach.

11.2 Dispute Resolution Process. A party having a dispute under this Agreement that cannot be resolved by the Parties during the applicable Cure Period as set forth immediately above, may submit the dispute to arbitration. Arbitration shall be binding only upon the written consent of both Parties. Arbitration shall be subject to the following provisions:

11.2.1 A Party wishing to submit a dispute to arbitration shall provide thirty (30) days written notice to the other Party of its intent to pursue arbitration and shall name one arbitrator at that time. Within fifteen (15) days of receiving such notice, the other Party to the dispute shall name one arbitrator and give its written notice to the other party of its selection. Within five (5) days of selection of the second arbitrator, the two selected arbitrators shall jointly select a third arbitrator.

11.2.2 Within thirty (30) days from the selection of the third arbitrator, the arbitrators shall hold a hearing. Within thirty (30) days from the conclusion of the hearing, the arbitrators shall render a decision on the dispute.

11.2.3 Arbitration shall be subject to the Arizona Arbitration Act, Arizona Revised Statutes title 12, chapter 9, article 1 and any amendments thereto. In the event of a conflict between this Agreement and the Act, the provisions of this Agreement shall prevail.

11.2.4 A party that is dissatisfied with the results of non-binding arbitration may pursue any other legal or equitable remedy not expressly provided for herein.



11.3 Remedies. Subject to the limitations set forth in this Agreement, the rights and remedies expressly provided herein are cumulative and not exclusive of any other rights or remedies that a party would otherwise have at law or in equity; provided, however, that in no event shall a non-breaching party be entitled to assert, claim or demand special, incidental, or consequential damages which may otherwise be attributable to any default by the defaulting party.

12. Assignment of Agreement. No assignment, transfer of interest or other voluntary transfer of this Agreement, or the rights or obligations of either party set forth hereunder, shall be made without the written consent and approval of the other party. Prior to any such assignment, the party who desires to assign its rights hereunder shall give the other party written notice of its intent to assign or transfer its interest hereunder. Thereafter, the non-assigning party shall have thirty (30) days to provide written objections to the terms and conditions of the proposed assignment or to request financial assurances of the proposed assignee's ability to perform the obligations set forth hereunder. In the event that a non-assigning party fails to provide any such objections, then it will be deemed to have consented to the terms and conditions of the proposed assignment. If a non-assigning party provides written objections to the assignment, then such objections shall be resolved in accordance with the arbitration provisions set forth in this Agreement. Upon such assignment, this Agreement shall be binding upon the parties hereto, their successors, assigns, personal representatives and heirs (if any).

13. General Provisions.

13.1 Authorized Agent. The individuals name below shall be authorized and directed to act as authorized agents for their respective parties and shall serve as the primary contact person for such entity.

For District: William Van Allen, Manager  
New Magma Irrigation & Drainage District  
34630 North Schnepf Road  
Queen Creek, AZ 85242  
(480) 987-3570

For Resolution: Bruno Hegner, Vice President and General Manager  
c/o Resolution Copper Company  
2525 east Biltmore Circle  
Suite C-135  
Phoenix, Arizona 85016

Without limiting the generality of the foregoing, the authorized agents are hereby specifically authorized and directed to approve the water accounting and adjustments of accounts which may be necessary to implement this Agreement. Written notice of a change of agent shall be provided at least thirty (30) days before such change becomes effective.

13.2 Notices. Any notice given pursuant to this Agreement shall be in writing, and shall be personally delivered or deposited in the United States mail, postage prepaid, certified and return receipt requested, to the parties as follows:

To District: New Magma Irrigation & Drainage District  
34630 North Schnepf Road  
Queen Creek, AZ 85242  
Attn: William Van Allen, Manager

With a copy to: Ellis & Baker P.C.  
7310 North 16th Street, Suite 320  
Phoenix, Arizona 85020-5276  
Attn: William D. Baker, Esq.

To Resolution: Resolution Copper Mining LLC  
2525 east Biltmore Circle  
Suite C-135  
Phoenix, Arizona 85016

With a copy to: Snell & Wilmer  
One Arizona Center  
Phoenix, Arizona 85004  
Attn: Carlos Ronstadt

Notices shall be deemed given when personally delivered or, if mailed, five (5) days after the deposit of the notice in the U.S. Mail. If a notice initiates the running of a time period for performance of, or compliance with, any obligation or duty set forth in the terms of this Agreement, the notice, if mailed, shall be sent certified, return receipt requested. Any party hereto may give written notice of a change of address to the other party as provided above.

13.3 Good Standing Authority. Each of the parties represents and warrants to this other (i) that it is duly formed, validly existing and in good standing under all applicable laws; and (ii) that the individual(s) executing this Agreement on behalf of the respective parties are authorized and empowered to bind the party on whose behalf each such individual is signing.

13.4 Headings. The descriptive headings of the sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

13.5 Exhibits. Any exhibit attached hereto shall be deemed to have been incorporated herein by this reference with the same force and effect as if fully set forth in the body hereof.

13.6 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one (1) or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signatures of all parties may be physically attached to a single document.

13.7 Entire Agreement. The terms, covenants and conditions of this Agreement constitute the entire agreement between the parties, and no understandings or obligations not herein expressly set forth shall be binding upon them. All prior and contemporaneous

agreements, representations and understandings of the parties, oral or written, are hereby superseded and merged herein.

13.8 Further Acts; Additional Documents. The parties shall execute, deliver, acknowledge and record all and any such further documentation, conveyances, writings, approvals and consents as are required, necessary, proper or desirable in order to effectuate the agreement of the parties herein contained.

13.9 Amendments and Modifications. This Agreement shall not be modified, amended, rescinded, canceled or waived, in whole or in part, except by a written instrument signed by all parties.

13.10 Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by any party to this Agreement of the breach of any covenant of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

13.11 No Partnership or Third Party Beneficiaries. It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture or other arrangement between Resolution and District. No term or provision of this Agreement is intended to, or shall, be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

13.12 Severability. If any provision of this Agreement is held invalid under any applicable statute or rule of law, such provision shall be deemed null and void, but the remainder of this Agreement will remain in full force and effect.

13.13 Governing Law. This Agreement is intended to be made under and shall be construed in accordance with the laws of the State of Arizona. Subject to the provisions of Section 11, all proceedings relating to its subject matter shall be maintained in the courts of the State of Arizona (including the United States District Court for the District of Arizona), which courts shall have jurisdiction over those proceedings.


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13.14 Attorneys' Fees and Costs. The prevailing party in any dispute arising under this Agreement will be entitled to recover its costs and expense including reasonable attorneys' fees, from the losing party or parties.


13.15 Time of Essence. Time is of the essence of this Agreement.

IN WITNESS WHEREOF this Agreement is executed on the date first written above by the parties hereto.

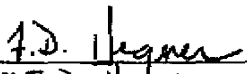
NEW MAGMA IRRIGATION & DRAINAGE  
DISTRICT, a political subdivision of the State  
of Arizona

By:   
Its: President

Attest:

By:   
Its: Secretary

RESOLUTION COPPER MINING LLC,  
an Arizona limited liability company

By:   
Name: F. D. Hegner  
Its: General Manager



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AGREEMENT BETWEEN THE CENTRAL ARIZONA  
WATER CONSERVATION DISTRICT AND  
RESOLUTION COPPER MINING, L.L.C.  
PROVIDING FOR THE DELIVERY OF EXCESS  
CENTRAL ARIZONA PROJECT WATER

This Agreement is made as of the 9 day of NOVEMBER, 2005, in pursuance generally of the Act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto, including but not limited to the Boulder Canyon Project Act of December 21, 1928 (45 Stat. 1057, as amended, the Reclamation Project Act of August 4, 1939 (53 Stat. 1187), as amended, the Reclamation Reform Act of October 12, 1982 (96 Stat. 1263), and particularly the Colorado River Basin Project Act of September 30, 1968 (82 Stat. 885), as amended (the "Basin Project Act"), between the CENTRAL ARIZONA WATER CONSERVATION DISTRICT ("CAWCD"), and RESOLUTION COPPER MINING, L.L.C. (the "Contractor"), with its principal place of business in Phoenix, Arizona.

**RECITALS**

A. The Basin Project Act provides, among other things, that for the purposes of furnishing irrigation and municipal and industrial ("M&I") water supplies to water deficient areas of Arizona and western New Mexico through direct diversion or exchange of water, control of floods, conservation and development of fish and wildlife resources, enhancement of recreation opportunities, and for other purposes, the Secretary shall construct, operate, and maintain the Central Arizona Project ("CAP").

B. The United States and CAWCD have entered into Contract No. 14-06-W-245, Amendment No. 1, dated December 1, 1988 (the "Repayment Contract"), which is incorporated by reference, providing for the delivery of water and repayment of costs of the CAP.

C. The United States and CAWCD have entered into the Stipulation Regarding a Stay of Litigation, Resolution of Issues During the Stay and for Ultimate Judgment upon the Satisfaction of

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Conditions, filed with the United States District Court on May 3, 2000, in Central Arizona Water Conservation District v. United States, No. CIV 95-625-TUC-WDB (EHC), No. CIV 95-1720-PHX-EHC (Consolidated Action) (the "Stipulation"), which modifies the Repayment Contract in certain respects.

D. Paragraph 5(d)(2) of the Stipulation grants CAWCD the exclusive right to sell or use Excess Water.

E. The Contractor is in need of a water sfor Incentive Recharge Water, which is specifically priced Excess Water made available for recharge purposes only.

### AGREEMENT

#### Repayment Contract and Stipulation Controlling

1. The Contractor expressly approves and agrees to all the terms presently set out in the Repayment Contract and Stipulation, or as such terms may be hereafter amended, and agrees to be bound by the actions to be taken and the determinations to be made under those agreements, except as otherwise provided herein. In the event of any inconsistency between this Agreement and the Repayment Contract, the provisions of the Repayment Contract, as modified by the Stipulation, shall be controlling. Definitions included in the Repayment Contract and Stipulation are applicable to this Agreement. The first letters of terms so defined are capitalized herein.

#### Delivery of Water by CAWCD

2. In so far as Project Water supplies and the delivery capability of the Project will permit, and subject to the provisions of the Repayment Contract and Stipulation, CAWCD will deliver Incentive Recharge Water to the Contractor in an amount, and at a water service charge, to be determined in accordance with the terms of this Agreement. The determination of whether Incentive Recharge Water is available for delivery in any Year, and, if so, the amount of such Incentive Recharge Water that is available for delivery under this Agreement in any Year, is a determination within the exclusive discretion of CAWCD; Provided, however, That delivery of Incentive Recharge Water under this Agreement shall be subject to the prior satisfaction of all water deliveries scheduled pursuant to a long-term contract or subcontract for Project Water service, as that term is used in the Stipulation.

Term

1           3.       The initial term of this Agreement expires on December 31, 2005. This Agreement will be  
2 automatically renewed for successive one-year terms unless either party notifies the other by October 1 of  
3 any year that it does not wish to renew the Agreement for the following year or unless sooner terminated  
4 in accordance with Article 6 or Article 11.

Conditions Relating to Delivery and Use

5           4.       The delivery and use of water under this Agreement is conditioned on the following, and the  
6 Contractor hereby agrees that:

7                   (a)       All uses of Project Water and Return Flow shall be consistent with Arizona water  
8 law unless such law is inconsistent with the Congressional directives applicable to the Central Arizona  
9 Project.

10                   (b)       Project Water made available pursuant to this Agreement shall be used within  
11 Contractor's service area or place of use for direct or indirect recharge purposes only. The Contractor's  
12 service area or place of use is described in Exhibit A, which is incorporated by this reference, and may be  
13 amended by the Contractor from time to time.

14                   (c)       The system or systems through which Project Water is conveyed after delivery to  
15 the Contractor shall consist of pipelines, canals, distribution systems, or other conduits which will prevent  
16 excessive conveyance losses.

17                   (d)       Project Water furnished pursuant to this Agreement shall be delivered through  
18 Project Works for use directly or by exchange as permitted by law.

19                   (e)       Project Water furnished to the Contractor pursuant to this Agreement may not be  
20 resold or transferred, but the Contractor may enter into an arrangement with a groundwater savings facility  
21 allowed under state law to store Project Water.

22                   (f)       The Contractor shall not pump, or within its legal authority, permit others to pump  
23 groundwater from within the exterior boundaries of the Contractor's service area for use outside of said  
24 service area unless such pumping is permitted under Title 45, Chapter 2, Arizona Revised Statutes, as it may  
25  
26

1 be amended from time to time, and CAWCD and the Contractor shall agree, or shall have previously  
2 agreed, that a surplus of groundwater exists and drainage is or was required; Provided, however, That such  
3 pumping may be approved by CAWCD, and approval shall not be unreasonably withheld, if such pumping  
4 is in accord with the Basin Project Act and upon submittal by the Contractor of a written certification from  
5 the Arizona Department of Water Resources or its successor agency that the pumping and transportation  
6 of groundwater is in accord with Title 45, Chapter 2, Arizona Revised Statutes, as it may be amended from  
7 time to time.

8 (g) Notwithstanding any other provision of this Agreement, Project Water shall not be  
9 delivered to the Contractor unless and until the Contractor has obtained final environmental clearance from  
10 CAWCD for the system or systems through which Project Water is to be conveyed after delivery to the  
11 Contractor at the Contractor's Project delivery point.

12 (h) The Contractor may direct that Incentive Recharge Water made available pursuant  
13 to this Agreement be delivered to a groundwater savings facility for indirect recharge pursuant to a separate  
14 agreement between the Contractor and the operator of the groundwater savings facility; Provided, however,  
15 that:

16 (i) Incentive Recharge Water shall be used by an identified groundwater user on  
17 a gallon-for-gallon substitute basis directly in lieu of groundwater as provided in A.R.S. ¶ 45-812.01.

18 (ii) The Contractor and the operator of the groundwater savings facility must  
19 demonstrate to CAWCD's satisfaction that they have the appropriate permits issued by the Arizona  
20 Department of Water Resources.

21 (iii) Where the operator of the groundwater savings facility is an agricultural entity  
22 participating in CAWCD's target pricing program, only Project Water over and above the amount of  
23 Project Water taken by the agricultural entity in the immediately preceding year, not including Incentive  
24 Recharge Water, may qualify as Incentive Recharge Water.

25 (iv) The Contractor shall provide CAWCD a copy of its agreement with the  
26 operator of the groundwater savings facility for Incentive Recharge Water.



1 (i) Only Project Water for which the Contractor receives long-term storage credits  
2 from the Arizona Department of Water Resources may qualify as Incentive Recharge Water. In determining  
3 the amount of Project Water that qualifies as Incentive Recharge Water in any year, any long-term storage  
4 credits earned by storing CAP water that are recovered by the Contractor in that year shall be deducted  
5 from the long-term storage credits received by the Contractor in that year.

6 (j) Upon the expiration of this Agreement, CAWCD will determine whether any  
7 Project Water delivered pursuant to this Agreement did not qualify as Incentive Recharge Water for the  
8 reasons specified in sections 4(g)(iii) or 4(h) of this Agreement. For any such Project Water not qualifying  
9 as Incentive Recharge Water, CAWCD will bill the Contractor for the difference between the water service  
10 charge for Incentive Recharge Water and the standard M&I water service charge.

11 Procedure for Ordering Water

12 5. (a) On or before the date of execution of this Agreement, or as soon thereafter as is  
13 practicable, CAWCD will notify the Contractor of the amount of Incentive Recharge Water available for  
14 delivery during the first Year under this Agreement (the initial Year of water delivery). The Contractor shall,  
15 within a reasonable period of time as determined by CAWCD, submit a written schedule to CAWCD  
16 showing the quantity of Incentive Recharge Water desired by the Contractor during each month of the initial  
17 Year of water delivery. CAWCD will review the requested schedule and determine whether Incentive  
18 Recharge Water is available for delivery in the initial Year of water delivery, and, if so, the amount of  
19 Incentive Recharge Water available for delivery under this Agreement during such Year. Within thirty (30)  
20 days of CAWCD's receipt of the Contractor's requested schedule, CAWCD shall determine and furnish  
21 to the Contractor the water delivery schedule for the initial Year of water delivery which shall show the  
22 amount of Incentive Recharge Water projected to be delivered to the Contractor during each month of such  
23 Year, contingent upon the Contractor remaining eligible to receive water under all terms contained herein.

24 (b) The amounts, times, and rates of delivery of Incentive Recharge Water to the  
25 Contractor during each Year subsequent to the initial Year of water delivery shall be in accordance with a  
26 water delivery schedule for that Year. Such schedule shall be determined in the following manner:

1 (i) On or before July 1 of each Year beginning with July 1 of the initial Year of  
2 water delivery, CAWCD shall issue a notice of availability of Incentive Recharge Water to the Contractor.

3 (ii) On or before October 1 of each Year beginning with October 1 of the initial  
4 Year of water delivery, the Contractor shall submit in writing to CAWCD a water delivery schedule  
5 indicating the amounts of Incentive Recharge Water desired by the Contractor during each month of the  
6 following Year.

7 (iii) Upon receipt of the schedule, CAWCD shall review it together with all other  
8 water delivery schedules, and determine whether Incentive Recharge Water is available for delivery in the  
9 following Year, and, if so, the amount of Incentive Recharge Water available for delivery under this  
10 Agreement in the following Year.

11 (iv) On or before November 15 of each Year beginning with November 15 of  
12 the initial Year of water delivery, CAWCD shall determine and furnish to the Contractor the water delivery  
13 schedule for the following Year which shall show the amount of Incentive Recharge Water to be delivered  
14 to the Contractor during each month of that Year, contingent upon the Contractor remaining eligible to  
15 receive water under all terms contained herein.

16 (c) The monthly water delivery schedules may be amended upon the Contractor's  
17 written request to CAWCD. Proposed amendments shall be submitted by the Contractor to CAWCD no  
18 later than 15 days before the desired change is to become effective, and shall be subject to review and  
19 modification in like manner as the schedule. CAWCD shall notify the Contractor of its action on the  
20 Contractor's requested schedule modification within 10 days of CAWCD's receipt of such request.

21 (d) The Contractor shall hold CAWCD, its officers, agents, and employees, harmless  
22 on account of damage or claim of damage of any nature whatsoever arising out of or connected with the  
23 actions of CAWCD regarding water delivery schedules furnished by or to the Contractor.

24 Contractor's Project Delivery Point, Measurement  
and Responsibility for Distribution of Water

25 6. (a) Incentive Recharge Water furnished to the Contractor pursuant to this agreement  
26 shall be delivered to the Contractor at such point(s) on the Water Supply System as are agreed upon in

1 writing by CAWCD and the Contractor. All such point(s) shall hereinafter be referred to as the  
2 "Contractor's Project delivery point."

3 (b) Unless CAWCD and the Contractor agree by contract to the contrary, the  
4 Contractor shall construct and install, at its sole cost and expense, all connection facilities required to convey  
5 water furnished to the Contractor pursuant to this Agreement to the Contractor's service area or place of  
6 use, as the case may be. The Contractor shall furnish, for written approval by CAWCD, drawings and  
7 specifications showing all connection facilities to be constructed or installed within the Water Supply System  
8 right-of-way, and shall obtain such approval before commencing construction or installation of such facilities.  
9 All facilities constructed, installed, operated or maintained on the Water Supply System right-of-way by or  
10 for the Contractor shall be subject to such further agreements and to such restrictions and regulations as to  
11 type, location, method of installation, operation, and maintenance as may be prescribed by CAWCD.

12 (c) The Contractor shall construct, operate, and maintain its connection facilities and  
13 appurtenant works in a good and workmanlike manner and in full compliance with the laws of the State of  
14 Arizona and with all laws, regulations, and orders of the United States affecting such operations. The failure  
15 of the Contractor after due notice to construct, operate, and maintain its connection facilities and appurtenant  
16 works in a good and workmanlike manner or to abide by any of the terms and conditions of any applicable  
17 laws, regulations, or orders, shall cause this Agreement to be subject to immediate termination at the option  
18 of CAWCD. The Contractor shall reimburse CAWCD within thirty (30) days of Contractor's receipt of  
19 a statement for the costs of repairing any damage to Project facilities or Project rights-of-way caused by  
20 or arising out of the Contractor's activities under this Agreement.

21 (d) Upon termination of this Agreement, the Contractor shall promptly remove, at its  
22 sole cost and expense, all connection facilities constructed or installed on the Water Supply System  
23 right-of-way and restore said right-of-way and all Project facilities affected to their condition immediately  
24 prior to the construction or installation of such connection facilities. If the Contractor fails to remove said  
25 connection facilities and restore said right-of-way and Project facilities within thirty (30) days after receiving  
26 any written notice from CAWCD to do so, CAWCD may remove said connection facilities and restore said

1 right-of-way and Project facilities at the Contractor's cost and expense, and, within thirty (30) days after  
2 receiving written demand from CAWCD to do so, the Contractor shall pay CAWCD, as specified in such  
3 written demand, for all costs and expenses incurred by CAWCD in removing said connection facilities and  
4 restoring said right-of-way and Project facilities.

5 (e) If the Contractor's Project delivery point is a Project turnout or Project turnouts  
6 constructed by the United States, and if the Contractor intends to convey water furnished to the Contractor  
7 pursuant to this agreement through connection facilities owned or operated by others, the use by the  
8 Contractor of such connection facilities shall be the subject of written agreement(s) between the Contractor  
9 and the owner(s) or operator(s) of such connection facilities, and all such agreements shall include such  
10 terms and conditions as may be required by CAWCD and shall be subject to the prior, written approval  
11 of CAWCD before becoming binding upon the parties thereto.

12 (f) Unless the Contractor's Project delivery point is a Project turnout or Project  
13 turnouts constructed by the United States, all water delivered from the Water Supply System shall be  
14 measured with equipment furnished and installed by the Contractor and operated and maintained by the  
15 Contractor at the Contractor's sole cost and expense. The results of such measurements shall be reported  
16 to CAWCD in such manner and at such time(s) as CAWCD may prescribe. Upon the request of  
17 CAWCD, the accuracy of such measurements shall be investigated by the Contractor, and any errors which  
18 are determined to have occurred therein shall be adjusted; Provided, however, That in the event the parties  
19 cannot agree on the required adjustment, CAWCD's determination shall be conclusive.

20 (g) If the Contractor's Project delivery point is a Project turnout or Project turnouts  
21 constructed by the United States, all water delivered from the Water Supply System shall be measured with  
22 equipment furnished and installed by the United States and operated and maintained by CAWCD. Upon  
23 the request of the Contractor, or CAWCD, the accuracy of such measurements shall be investigated by  
24 CAWCD and the Contractor, and any errors which are mutually determined to have occurred therein shall  
25 be adjusted; Provided, however, That in the event the parties cannot agree on the required adjustment,  
26 CAWCD's determination shall be conclusive.



1 (h) Neither the United States nor CAWCD shall be responsible for the control,  
2 carriage, handling, use, disposal, or distribution of water beyond the Contractor's Project delivery point.  
3 The Contractor shall hold the United States and CAWCD harmless on account of damage or claim of  
4 damage of any nature whatsoever for which there is legal responsibility, including property damage, personal  
5 injury, or death arising out of or connected with the control, carriage, handling, use, disposal, or distribution  
6 of water beyond the Contractor's Project delivery point.

#### 7 Interruptions and Reductions

8 7. In addition to the right of the United States under Subarticle 8.3(a)(iv) of the Repayment  
9 Contract to temporarily discontinue or reduce the amount of water to be delivered, CAWCD may  
10 discontinue or reduce the quantity of water to be furnished to the Contractor as herein provided for the  
11 purposes of investigation, inspection, construction, testing, maintenance, repair, or replacement of any of  
12 the Project facilities or any part thereof. CAWCD may also discontinue or reduce the quantity of water to  
13 be furnished to the Contractor if there is insufficient Project Water or Project delivery capacity to deliver  
14 the Contractor's water order, the water orders of other contractors of Incentive Recharge Water and Excess  
15 water service, and all water deliveries scheduled pursuant to a contract with the United States or a  
16 subcontract with the United States and CAWCD providing for Project Water service for a period of 50  
17 years or more. So far as feasible, CAWCD shall attempt to coordinate any such discontinuance or  
18 reduction with the Contractor and to give the Contractor due notice in advance of such discontinuance or  
19 reduction. In case of emergency, no notice need be given. The United States, its officers, agents, and  
20 employees, and CAWCD, its officers, agents, and employees, shall not be liable for damages when, for any  
21 reason whatsoever, any interruption, discontinuance, or reduction in delivery of water occurs. If any such  
22 discontinuance or temporary reduction results in deliveries to the Contractor of less water than what has  
23 been paid for in advance, the Contractor shall be entitled to be reimbursed for the appropriate proportion  
24 of such advance payments prior to the date of the Contractor's next payment of water service charges or  
25 the Contractor may be given credit toward the next payment of water service charges if the Contractor  
26 should so desire.

No Long-Term Commitment to the Delivery of Project Water

1           8.       Nothing in this Agreement shall be construed as an allocation of Project Water to the  
2 Contractor, nor shall this Agreement entitle the Contractor to any Project Water other than as provided  
3 herein.

Quality of Water

4  
5           9.       CAWCD does not warrant the quality of any Project Water furnished under this Agreement  
6 and is under no obligation to construct or furnish water treatment facilities to maintain or better the quality  
7 of any Project Water. The Contractor waives its right to make a claim against the United States, CAWCD,  
8 or any other Project subcontractor or contractor on account of the quality of Project Water or any changes  
9 in water quality caused by the commingling of Project Water with other water.

Water Service Charges

10  
11           10.     (a)     The Contractor shall pay in advance water service charges established annually by  
12 CAWCD. On or before the date of execution of this Agreement, or as soon thereafter as is practicable,  
13 CAWCD shall furnish the Contractor with the Contractor's water service charges for the initial Year of  
14 water delivery (the "initial Year"). Within a reasonable time of receipt of said charges, but prior to the  
15 delivery of water, the Contractor shall advance to CAWCD, in monthly installments payable on or before  
16 the first day of each month of the initial Year, as determined by CAWCD, the water service charges due  
17 for Incentive Recharge Water scheduled for delivery in the initial Year. For each subsequent Year,  
18 CAWCD will establish water service charges, and CAWCD will notify the Contractor of the amount of  
19 such charges on or before November 15 preceding each said subsequent Year. The Contractor shall make  
20 payments of such charges in monthly installments due on or before the first day of each month of said  
21 subsequent Year, as determined by CAWCD, for Incentive Recharge Water scheduled for delivery in said  
22 subsequent Year. The Contractor shall pay in advance all water service charges established by CAWCD  
23 for Incentive Recharge Water scheduled for delivery under this Agreement; Provided, however, That the  
24 Contractor shall be relieved of the pumping energy portion of the water service charges associated with any  
25 Incentive Recharge Water scheduled for delivery that is not delivered to the Contractor.  
26

1 (b) The payment of all water service charges when due under this Agreement is a  
2 condition precedent to delivery of Incentive Recharge Water.

3 (c) The obligation of the Contractor to pay CAWCD as provided in this Agreement  
4 is a general obligation of the Contractor notwithstanding the manner in which the obligation may be  
5 distributed among the Contractor's water users and notwithstanding the default of individual water users in  
6 their obligations to the Contractor.

#### 7 Termination of Contract

8 11. If the Contractor remains in arrears in the payment of any charges due CAWCD for a  
9 period of 60 days or more, CAWCD may terminate this Agreement, which termination shall be effective  
10 30 days after mailing written notice of termination to the Contractor. The Contractor shall remain obligated  
11 to pay all charges required to be paid under this Agreement during the time period until and including the  
12 date of termination. The Contractor's obligation to pay any amounts due but unpaid as of the date of  
13 termination shall survive termination of this Agreement. CAWCD's right to terminate this Agreement as  
14 provided in this Article 11 shall be in addition to the other rights of CAWCD under this Agreement and to  
15 all other rights provided by law.

#### 16 Charges for Delinquent Payments

17 12. (a) The Contractor shall be subject to interest, administrative and penalty charges on  
18 delinquent installments or payments. The Contractor shall pay an interest charge for each day the payment  
19 is delinquent beyond the due date. When a payment becomes 60 days delinquent, the Contractor shall pay  
20 an administrative charge to cover additional costs of billing and processing the delinquent payment. When  
a payment is delinquent 90 days or more, the Contractor shall pay an additional penalty charge of 6 percent  
per year for each day the payment is delinquent beyond the due date. Further, the Contractor shall pay any  
fees incurred for debt collection services associated with a delinquent payment.

21 (b) The interest charge rate shall be the greater of the rate prescribed quarterly in the  
22 Federal Register by the Department of the Treasury for application to overdue payments, or the interest rate  
of 0.5 percent per month prescribed by Section 6 of the Reclamation Project Act of 1939 (Public Law  
76-260). The interest charge rate shall be determined as of the due date and remain fixed for the duration  
of the delinquent period.

23 (c) When a partial payment on a delinquent account is received, the amount received  
24 shall be applied first to the penalty and administrative charges, second, to the accrued interest, and third to  
the overdue payment.

25 \* \* \*

26

### Rules, Regulations and Determinations

1  
2 13. (a) The parties agree that the delivery of water or the use of Federal facilities pursuant  
3 to this Agreement is subject to Reclamation law, as amended and supplemented, and the rules and  
4 regulations promulgated by the Secretary of the Interior under Reclamation law.

5 (b) The Contracting Officer shall have the right to make determinations necessary to  
6 administer this Agreement that are consistent with the expressed and implied provisions of this Agreement,  
7 the laws of the United States and the State of Arizona, and the rules and regulations promulgated by the  
8 Secretary of the Interior. Such determinations shall be made in consultation with CAWCD and the  
9 Contractor.

### Compliance with Environmental Laws

10 14. The Contractor, in carrying out this Agreement, shall comply with all applicable  
11 environmental laws and regulations of the United States and the State of Arizona and shall obtain all required  
12 permits or licenses from the appropriate Federal, State, or local authorities.

### Equal Opportunity

13 15. During the performance of this Agreement, the Contractor agrees as follows:

14 (a) The Contractor will not discriminate against any employee or applicant for  
15 employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative  
16 action to ensure that applicants are employed, and that employees are treated during employment, without  
17 regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to  
18 the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff  
19 or termination; rates of pay or other forms of compensation; and selection for training, including  
20 apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants  
21 for employment, notices to be provided by the Contracting Officer setting forth the provisions of this  
22 nondiscrimination clause.

23 (b) The Contractor will, in all solicitations or advertisements for employees placed by  
24 or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment  
25 without discrimination because of race, color, religion, sex, or national origin.

26 (c) The Contractor will send to each labor union or representative of workers with  
which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided  
by the Contracting Officer, advising said labor union or workers' representative of the Contractor's  
commitments under Section 202 of Executive Order 11246 of September 24, 1965, as amended, and shall  
post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) The Contractor will comply with all provisions of Executive Order No. 11246 of  
September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of  
Labor.

(e) The Contractor will furnish all information and reports required by said amended  
Executive Order and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto,  
and will permit access to its books, records, and accounts by the Contracting Officer and the Secretary of  
Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

\*\*\*



1 (f) In the event of the Contractor's noncompliance with the nondiscrimination clauses  
2 of this agreement or with any of such rules, regulations, or orders, this agreement may be canceled,  
3 terminated, or suspended, in whole or in part, and the Contractor may be declared ineligible for further  
4 Government contracts in accordance with procedures authorized in said amended Executive Order, and  
5 such other sanctions may be imposed and remedies invoked as provided in said amended Executive Order,  
6 or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7 (g) The Contractor will include the provisions of paragraphs (a) through (g) in every  
8 subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor  
9 issued pursuant to Section 204 of said amended Executive Order, so that such provisions will be binding  
10 upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract  
11 or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions,  
12 including sanctions for noncompliance; Provided, however, That in the event the Contractor becomes  
13 involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the  
14 Contractor may request the United States to enter into such litigation to protect the interests of the United  
15 States.

#### 16 Compliance With Civil Rights Laws and Regulations

17 16. (a) The Contractor shall comply with Title VI of the Civil Rights Act of 1964 (42  
18 U.S.C. 2000d), Section 504 of the Rehabilitation Act of 1975 (Public Law 93-112, as amended), the Age  
19 Discrimination Act of 1975 (42 U.S.C. 6101, et seq.) and any other applicable civil rights laws, as well as  
20 with their respective implementing regulations and guidelines imposed by the U.S. Department of the Interior  
21 and/or Bureau of Reclamation.

22 (b) These statutes require that no person in the United States shall, on the grounds of  
23 race, color, national origin, handicap, or age, be excluded from participation in, be denied the benefits of,  
24 or be otherwise subjected to discrimination under any program or activity receiving financial assistance from  
25 the Bureau of Reclamation. By executing this agreement, the Contractor agrees to immediately take any  
26 measures necessary to implement this obligation, including permitting officials of the United States to inspect  
premises, programs, and documents.

(c) The Contractor makes this agreement in consideration of and for the purpose of  
obtaining any and all Federal grants, loans, contracts, property discounts or other Federal financial  
assistance extended after the date hereof to the Contractor by the Bureau of Reclamation, including  
installment payments after such date on account of arrangements for Federal financial assistance which were  
approved before such date. The Contractor recognizes and agrees that such Federal assistance will be  
extended in reliance on the representations and agreements made in this article, and that the United States  
reserves the right to seek judicial enforcement thereof.

#### 21 Books, Records, and Reports

22 17. The Contractor shall establish and maintain accounts and other books and records pertaining  
23 to administration of the terms and conditions of this Agreement, including: the Contractor's financial  
24 transactions, water supply data, project operation, maintenance and replacement logs, and Project land and  
25 right-of-way use agreements; the water users' land-use (crop census), land ownership, land-leasing and  
26 water-use data; and other matters that CAWCD may require. Reports thereon shall be furnished to  
CAWCD in such form and on such date or dates as CAWCD may require. Subject to applicable Federal  
laws and regulations, each party to this Agreement shall have the right during office hours to examine and  
make copies of each other party's books and records relating to matters covered by this Agreement.

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Notices

18. Any notice, demand, or request authorized or required by this Agreement shall be deemed to have been given, on behalf of CAWCD, when mailed, postage prepaid, or delivered to Mr. Frank D. Hegner, Vice President and General Manager, Resolution Copper Mining, L.L.C., 2525 E. Biltmore Circle, Suite C-135, Phoenix, Arizona 85016 and on behalf of the Contractor when mailed, postage prepaid, or delivered to the General Manager, Central Arizona Water Conservation District, 23636 North 7th Street, Phoenix, Arizona 85024. The designation of the addressee or the address may be changed by notice given in the same manner as provided in this Article for other notices.

Assignment Limited--Successors and Assigns Obligated

19. The provisions of this Agreement shall apply to and bind the successors and assigns of the parties hereto, but no assignment or transfer of this Agreement or any right or interest therein shall be valid until approved in writing by CAWCD.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement No. 1R078-05 effective the day and year first above-written.

Attest:

Secretary

*[Handwritten Signature]*

CENTRAL ARIZONA WATER  
CONSERVATION DISTRICT

By:

President

*[Handwritten Signature]*

RESOLUTION COPPER MINING, L.L.C.

Attest:

Its:

\_\_\_\_\_

By:

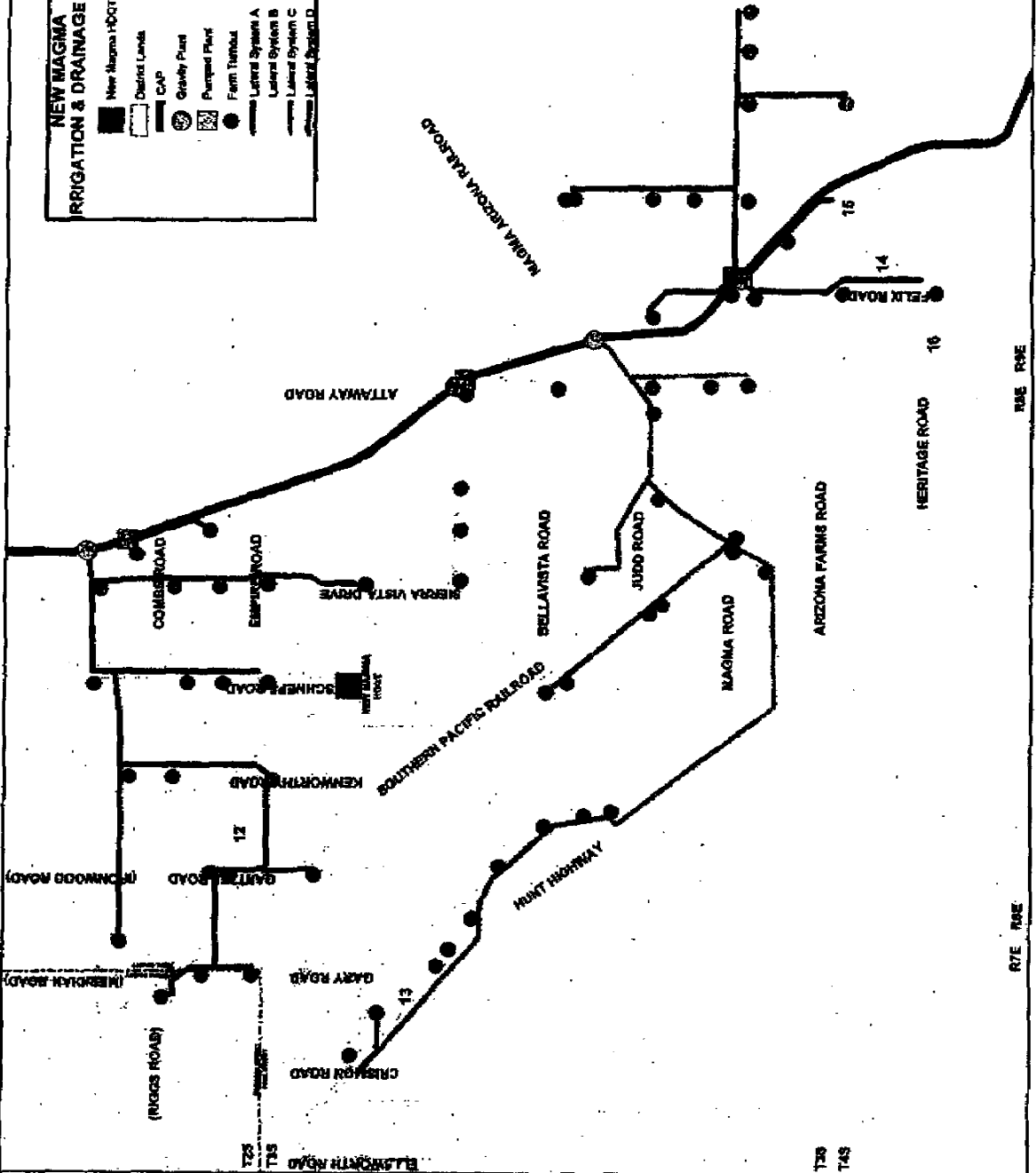
Its:

*[Handwritten Signature]*  
General Manager

**EXHIBIT A**

**NEW MAGMA IRRIGATION & DRAINAGE DISTRICT**

- New Magma HOBT
- District Lateral
- CAP
- Gravity Plant
- Pumped Plant
- Farm Trench
- Lateral System A
- Lateral System B
- Lateral System C
- Lateral System D



Derry-Carr Engineering, Inc.



**Arizona Department of Water Resources  
Recharge**

**MEMORANDUM:**

**To:** File, 73-534888.0602  
**From:** Stella Murillo  
**Date:** September 28, 2007  
**Regarding:** Resolution Copper Mining LLC

I received a request from Resolution Copper Mining LLC for a Water Storage Permit. Application fees of \$250.00 have been deposited. Please review the attached documents to determine whether they are complete and correct.

The 100-day deadline for review is **January 6, 2008**

c: Stella Murillo, Recharge Coordinator  
Cara Monkowski, Phoenix AMA  
Rebecca Szafranski, Legal

**ARIZONA DEPARTMENT OF WATER RESOURCES  
PHOENIX ACTIVE MANAGEMENT AREA**

**MEMORANDUM**

**TO:** File, 73-534888.0602  
**FROM:** Cara Monkowski *CM*  
**DATE:** December 3, 2007  
**RE:** Complete and Correct Determination for Resolution Copper Mining, LLC Water Storage Permit application 73-534888.0602

I have reviewed the above referenced permit application which was submitted by Resolution Copper Mining, LLC on September 28, 2007. The applicant proposes to store a maximum annual amount of 36,500 acre feet of CAP water at New Magma Irrigation and Drainage District Groundwater Savings Facility # 72-5344888 for 10 years.

The Phoenix AMA finds the application to be complete and correct pursuant to A.R.S. § 45-831.01(B) based on the following review:

- The applicant has provided proof of their legal right to the source water.
- The applicant does not need to apply for an ADEQ Aquifer Protection Permit because the proposed source water is CAP water.
- The applicant has obtained consent to water storage from the New Magma Irrigation and Drainage District.
- The applicant has provided a signed agreement to comply with the New Magma Irrigation and Drainage District groundwater savings facility, permit number 72-534888.

Please note that under A.R.S. § 45-852.01(B)(1), water stored pursuant to a water storage permit may be credited to a long-term storage account only if the water is water that cannot reasonably be used directly. Under A.R.S. § 45-802.01(22)(c), the amount of central Arizona project water stored in an active management area during a year by a person that is not a municipal provider is considered water that cannot reasonably be used directly only to the extent that it exceeds the amount of groundwater withdrawn during the year by the storer in the active management area. Therefore, after this water storage permit is issued, if the permit holder withdraws groundwater from within the Phoenix Active Management Area in any year, the amount of central Arizona project water stored by the permit holder during the year pursuant to the permit equal to the amount of groundwater withdrawn will not be eligible for long-term storage credits, but may be considered as being available for recovery on an annual basis under A.R.S. § 45-851.01.

The AMA has also determined that public notice of this application is not required pursuant to A.R.S. § 45-871.01(E).

cc: Stella Murillo, Recharge Coordinator  
Rebecca Szafranski, Legal

# Arizona Department of Water Resources

3550 N Central Ave  
Phoenix AZ 85012

RESOLUTION COPPER MINING

Date: 10/3/2007

102 WEST MAGMA HEIGHTS

Cashier: WRPAB

SUPERIOR,AZ

85273

Type: Mail

DCS/INV#	DESCRIPTION	ATTR	SIZE	QTY	PRICE	EXT PRICE
F 45	4438-01 APP/WATER STORAGE PERMIT	42001		1	250.00	250.00
					Subtotal:	250.00
					<b>RECEIPT TOTAL:</b>	<b>250.00</b>
					Tendered:	250.00

Check #: 250.00 # 0000007144

73-534888



**CHECK DEPOSIT REQUEST  
RECHARGE APPLICATIONS AND PERMITS**

SUBMITTED BY: Stu Peckham

DATE: 9/28/07

APPLICANT: Resolution Copper Mining

PH. NO. :

CHECK NO. 0000007144

AMOUNT: \$250.00

NAME ON CHECK: Resolution Copper Mining

ADDRESS: 102 W. Magma Heights

Superior, AZ 85273

CODE	TYPE OF APPLICATION	APPLICATION NUMBER	FEE	AMA AUGMENTATION FUND	GENERAL FUND
71	Underground Storage Facility (USF) Application Fee (\$750)				N/A
71	USF Permit Fee (500)				N/A
72	USF Conveyance Fee (\$300)				N/A
72	Groundwater savings (GSF) Application Fee (\$500)				N/A
72	GSF Permit Fee (\$350)				N/A
73	Water Storage (WS) Application Fee (\$250)	73-534888	250.00	Phoenix	N/A
73	WS Permit Fee (100)				N/A
73	WS Conveyance Fee (\$300)				N/A
74	Recovery Well (RW) Application Fee (\$50/well 1 <sup>st</sup> 10 well, \$10/well thereafter)				N/A
74	RW Permit Fee (Same as application fee)				N/A
	LEGAL NOTICE FEES				
	TOTAL		250.00	Phoenix	N/A

ARIZONA DEPARTMENT OF WATER RESOURCES, 3550 NORTH CENTRAL AVENUE, PHOENIX, AZ 85012-2105

# ANNUAL UNDERGROUND WATER STORAGE REPORT UWS - SUMMARY 2007

OWNER NAME

*Amended*

LONG TERM STORAGE ACCOUNT NO.

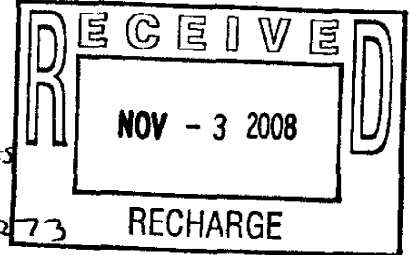
70-441200.0000



REPORTING PARTY

70-441200.0000  
RESOLUTION COPPER MINING LLC  
~~2525 E ARIZONA BILTMORE CIRCLE~~  
~~SUITE C-135~~  
PHOENIX AZ 85016

*102 Magma Heights  
P.O. Box 1944  
Superior, AZ 85273*



If any of the information preprinted on this report is incorrect, please make the necessary changes.

## PART I PERMIT SUMMARY

Check that an annual report has been filed for each of the following permits. - *Amended*

73-534888.0603

## PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.

No. of months late (Maximum of 6 months)

Calculate Late Report Fee (\$25.00 for each permit X number of months)

\_\_\_\_\_  
\_\_\_\_\_

\$ -0-  
\$ -0-

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2008. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2008.

REPORTS FILED AFTER MARCH 31, 2008 ARE SUBJECT TO LATE FEES [A.R.S. § 45-875.01.(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X

*Rich A. Heilig*  
AUTHORIZED SIGNATURE

*VP - Resolution Copper Mining*  
TITLE

*10/31/08*  
DATE

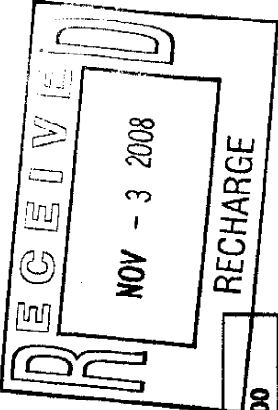
*Rich A. Heilig*  
PRINTED NAME

*520-689-3338*  
TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.

ARIZONA DEPARTMENT OF WATER RESOURCES  
**UWS - SCHEDULE**  
**ANNUAL REPORT 2007**

*Amended*



LTSA NO.

70-441200.0000

PERMIT HOLDER:

**WATER STORAGE INFORMATION**

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)						Total Volume of Water Delivered (Acre-feet)
			CAP	EFFLUENT	SURFACE	SPILL	PLAN 6	PLAN 6	
73-534888.0603	72-534888.0003	NEW MAGMA I&DD GSF	36,000						36,000
<b>TOTAL WATER DELIVERED</b>			36,000						36,000

A zero must be entered if water was not delivered pursuant to a water storage permit

# ANNUAL UNDERGROUND WATER STORAGE REPORT

## UWS - SUMMARY 2007

OWNER NAME

LONG TERM STORAGE ACCOUNT NO.

70-441200.0000

MAR 28 2008



REPORTING PARTY

70-441200.0000

RESOLUTION COPPER MINING LLC

~~2525 E ARIZONA BILTMORE OFFICE~~

~~SUITE C-135~~

~~PHOENIX AZ 85016~~

102 Magma Heights  
P.O. Box 1944  
Superior, AZ 85273

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I PERMIT SUMMARY

Check that an annual report has been filed for each of the following permits.

73-534888.0601



### PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.

No. of months late (Maximum of 6 months)

Calculate Late Report Fee (\$25.00 for each permit X number of months)

\_\_\_\_\_

-0-

\$ -0-

\_\_\_\_\_

-0-

\$ -0-

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2008. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2008.

REPORTS FILED AFTER MARCH 31, 2008 ARE SUBJECT TO LATE FEES [A.R.S. § 45-875.01.(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

x

Rich A. Helg  
AUTHORIZED SIGNATURE

VP - Pre Feasibility Study  
TITLE

13 Mar 2008  
DATE

RICH A. HELG  
PRINTED NAME

520-689-3388  
TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.



# UWS - SCHEDULE

## ANNUAL REPORT 2007

LTSA NO.

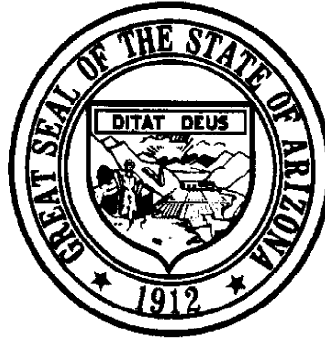
PERMIT HOLDER: Resolution Copper Mining, LLC

70-441200.0000

### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)				Total Volume of Water Delivered (Acre-feet)
			CAP	EFFLUENT	SURFACE	SPILL	
73-534888.0601	72-534888.0003	NEW MAGMA I&DD GSF	36,127	-0-	-0-	-0-	36,127
<b>TOTAL WATER DELIVERED</b>			36,127	-0-	-0-	-0-	36,127

A zero must be entered if water was not delivered pursuant to a water storage permit



**ARIZONA DEPARTMENT OF WATER RESOURCES**

**WATER STORAGE PERMIT**

**MODIFIED**

PERMIT NO. 73-534888.0603

STATE OF ARIZONA        )ss.  
                                          )  
COUNTY OF MARICOPA    )

This is to certify that I have examined Application No. 73-534888.0603 for a Water Storage Permit to store water in a storage facility, and I have determined that the application meets the requirements of Arizona Revised Statutes Title 45, Chapter 3.1, Article 3 for a Water Storage Permit. The Department hereby grants authority to Resolution Copper Mining, L.L.C. to store water, subject to the following limitations and conditions:

**Permit Limitations**

Permittee:

Resolution Copper Mining, L.L.C.  
102 Magma Heights, PO Box 1944  
Superior, AZ 85273

Storage Facility Name: New Magma Irrigation and Drainage District  
Groundwater Savings Facility

Storage Facility Permit Number: No. 72-534888

Active Management Area: Phoenix

Sub-basin: East Salt River Valley

Water To Be Stored: Central Arizona Project (CAP) water

Legal Basis for Acquiring  
Water To Be Stored: CAP Excess Water Contract No. EX-146-05 dated  
November 9, 2005, with Central Arizona Water  
Conservation District including any renewals thereof,  
and any other contracts under which Permittee  
acquires the right to receive CAP water.

Maximum Permitted Storage: 54,000 acre feet per annum

Effective Date: September 29, 2008

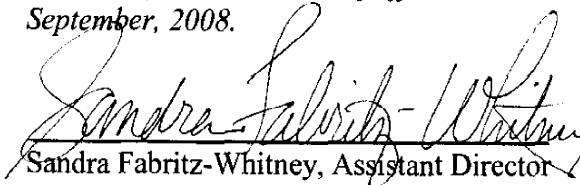
Expiration Date: Expiration of Groundwater Savings Facility  
Permit No. 72-534888

**Permit Conditions**

1. The quantity of water stored shall be reported to the Information Management Unit, Arizona Department of Water Resources, 3550 North Central Ave., Phoenix, Arizona, 85012 in the form of annual data reports. The annual report shall be submitted no later than March 31 following the end of each completed annual reporting period. The first annual reporting period shall be from the effective date of this permit through December 31, 2008. Subsequent annual reporting periods shall be January 1 through December 31.
2. The Permittee shall continue to meet the requirements of A.R.S. § 45-831.01 during water storage.
3. Recovery of stored water is prohibited unless a recovery well permit is obtained pursuant to A.R.S. § 45-834.01.

4. Stored water shall not be recovered in excess of the amount allowed by Title 45, Chapter 3.1, Article 4, Arizona Revised Statutes.
5. The Permittee shall report all assignments of long-term storage credits accrued pursuant to this permit to the Arizona Department of Water Resources in accordance with A.R.S. § 45-854.01.
6. Water may be stored pursuant to this permit only at New Magma Irrigation and Drainage District Groundwater Savings Facility Permit No. 72-534888, and any amendments thereto.
7. The Permittee shall comply with the plan of operation associated with New Magma Irrigation and Drainage District Groundwater Savings Facility Permit No. 72-534888, and any amendments thereto.
8. If the Permittee's contract with Central Arizona Water Conservation District November 9, 2005 is renewed, or if the Permittee acquires any additional contract for the receipt of Central Arizona Project water, the Permittee shall submit a copy of the renewed or additional contract to the Recharge Coordinator, Department of Water Resources prior to storing water received under the renewed or additional contract pursuant to this permit.
9. Please note that under A.R.S § 45-852.01(B)(1), water stored pursuant to a water storage permit may be credited to a long-term storage account only if the water is water that cannot reasonably be used directly as defined by A.R.S. § 45-802.01(22).
10. The Director may withhold long-term storage credits or prohibit recovery on an annual basis for water stored under this permit during any period of time in which permittee's storage activities are not in compliance with all state and federal water quality standards if the Director determines, after consultation with the director of environmental quality, that the violation has had or will have a significant adverse effect on aquifer water quality.

*Witness my hand and seal of office this 29<sup>th</sup> day of  
September, 2008.*

  
Sandra Fabritz-Whitney, Assistant Director



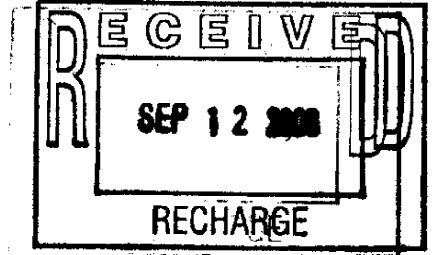
**Appealable Agency Action Waiver**

I, Rich A. Neig, duly authorized by the Applicant for Water Storage Permit, assert that the Applicant has reviewed the Final Appealable Draft Permit of Application No. 73-534888.0603 and hereby waives all rights that the Applicant may have pursuant to Arizona Revised Statutes, Title 41, Chapter 6, Article 10, and Title 45, Chapter 3.1, Article 5, to administrative and judicial appeal, review or hearing concerning the issuance of the above listed Permit, including all limitations and conditions contained therein.

Rich A. Neig  
Signature

September 25, 2008  
Date

Vice President - Feasibility Studies  
Title



ARIZONA DEPARTMENT OF WATER RESOURCES
Water Management Division
3550 North Central Ave, 2nd Floor
Phoenix, Arizona 85012-2105
Phone (602) 771-8585 Fax (602) 771-8689

APPLICATION FOR WATER STORAGE PERMIT (A.R.S § 45-831.01)
APPLICATION FEE \$ 250.00 DUE UPON FILING.
PERMIT FEE OF \$ 100.00, PLUS PUBLICATION FEES TO BE DETERMINED, WILL BE DUE PRIOR TO ISSUANCE OF PERMIT.

FOR OFFICE USE ONLY
Application No.: 73-534888.0603
Date Received: 9-12-08

PLEASE SUBMIT ONE ORIGINAL AND ONE COPY OF THE COMPLETED APPLICATION AND ALL SUPPORTING MATERIALS

APPLICATION FOR: (Check one)

- Application types: New Water Storage Permit, Modification of Water Storage Permit (checked), Renewal of Water Storage Permit. Includes permit numbers.

GENERAL INFORMATION

- 1. Name of Applicant: Resolution Copper Mining LLC, address in Superior, Arizona.
2. Name and permit number of storage facility: New Magma Irrigation and Drainage District, Groundwater Savings Facility No. 72-534888.0003
3. Name of Active Management Area: Phoenix
4. Name of groundwater basin: East Salt River Valley
5. CAP water storage requirements
6. Maximum annual amount of water stored: 54,000 acre-feet per year
7. Maximum annual amount of water proposed for storage: 54,000 acre-feet per year
8. Proposed duration: Expiration of Groundwater Savings Facility No. 72-534888 (currently August 20, 2012)
9. Maximum amount of water proposed for storage: 200,903.23 acre-feet

10. Will the stored water be recovered on an annual basis pursuant to A.R.S. § 45-851.01?  Yes  No

11. Type of source water to be stored:

CAP Water

Effluent

Decreed and Appropriative  
Surface Water

If Decreed and Appropriative Surface Water, list river(s): \_\_\_\_\_

[NOTE: In order for the storer to accrue long-term storage credits for the stored water, the source water must comply with A.R.S. § 45-802.01(21), "Water that cannot reasonably be used directly".]

12. If the water to be stored is appurtenant to a place of use, the legal description of the location of that use: \_\_\_\_\_

*(quarter/quarter/quarter/section, township and range)*

13. What is the applicant's legal right to use the proposed source(s) of water?

CAP Contract

Right to municipally treated effluent

Decreed and appropriative surface water right

Other, please explain: \_\_\_\_\_

Cite the right number, law, court decree, contract or other legal basis for acquiring and using each source of water to be stored pursuant to this permit: Excess Central Arizona Project water

incentive recharge contract

If municipally treated effluent will be stored and the applicant is the producer of the effluent, does the applicant certify that, after meeting all contractual obligations for delivery of effluent to other parties, the applicant retains the legal right to the volume of effluent requested in item 7 of this application?  Yes  No

14. Do you own the system through which the water to be stored will be delivered to the storage/savings facility?

Yes  No

If no, please provide a copy of the transportation agreement that allows the proposed water delivery system to be used to carry the water to be stored to the storage/savings facility.

15. Do you want this water storage permit to be designated as storing non-recoverable water pursuant to A.R.S. § 45-833.01?

Yes  No

16. **For effluent storage:**

Is the facility where storage is to occur currently regulated under an Aquifer Protection Permit (APP) issued by the Arizona Department of Environmental Quality?  Yes  No

If no, will the applicant be obtaining an APP?  Yes  No

If no to both, please explain method of compliance with A.R.S. § 45-831.01(B)(2): \_\_\_\_\_

17. **For water storage at a Groundwater Savings Facility**, if the applicant is **not** the GSF permit holder, does the applicant agree to comply with the Plan of Operation for the GSF permit listed in Item 2 of this application?  Yes  No

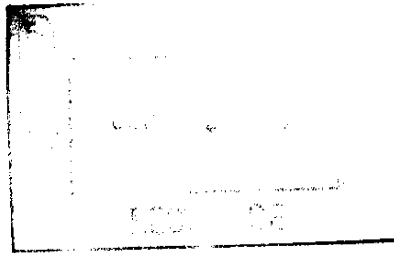




**Snell & Wilmer**  
L.L.P.  
LAW OFFICES

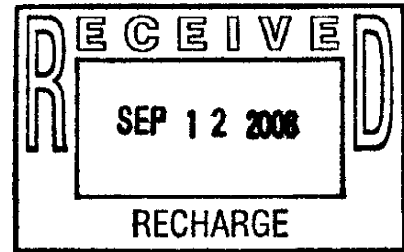
One Arizona Center  
Phoenix, Arizona 85004-2202  
(602) 382-6000  
Fax: (602) 382-6070  
www.swlaw.com

Matthew A. Bailey  
602.382.6528  
mbailey@swlaw.com



PHOENIX, ARIZONA  
TUCSON, ARIZONA  
IRVINE, CALIFORNIA  
SALT LAKE CITY, UTAH  
DENVER, COLORADO  
LAS VEGAS, NEVADA

September 12, 2008



**BY HAND DELIVERY**

Ms. Stella Murillo  
Arizona Department of Water Resources  
3550 North Central Avenue  
Phoenix, Arizona 85012

Re: Modification of Water Storage Permit No. 73-534888.0601

Dear Ms. Murillo:

On behalf of Resolution Copper Mining, L.L.C. ("Resolution Copper"), please find enclosed the following:

- (1) An original and one copy of Application for Modification of Water Storage Permit No. 73-534888.0601;
- (2) Check No. 308672 in the amount of \$250.00 for the application fee; and
- (3) Check No. 308673 in the amount of \$100.00 for the permit fee.

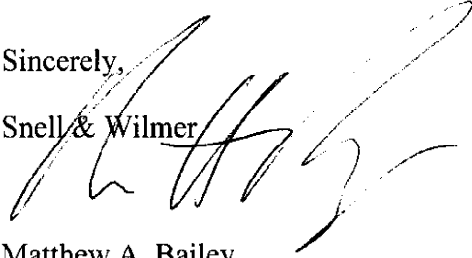
Stella Murillo  
September 12, 2008  
Page 2

We understand that the Department will expedite this Modification as it deals exclusively with storing an additional amount of Colorado River water. Thank you in advance for your prompt attention to this permit modification. Please feel free to contact me directly if you have any questions.

Sincerely,

Snell & Wilmer

Matthew A. Bailey



Enclosures

cc: Brad Ross  
Carlos Ronstadt (w/out enclosures)  
Bill Baker (counsel for NMIDD)

9103714.1

**ARIZONA DEPARTMENT OF WATER RESOURCES**  
3550 North Central Avenue, Phoenix, Arizona 85012  
Telephone 602 771-8585  
Fax 602 771-8688



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

September 29, 2008

Brad Ross  
Resolution Copper Mining LLC  
102 Magma Heights, PO Box 1944  
Superior, AZ 85273

**Re: Resolution Copper Mining LLC, Water Storage Permit No. 73-534888.0603.**

Dear Mr. Ross:

This is the signed water storage permit No. 73-534888.0603 for Resolution Copper Mining at the New Magma Irrigation and Drainage District Groundwater Savings Facility.

Please contact me at (602) 771-8594 with any additional questions.

Sincerely,

A handwritten signature in cursive script that reads "Stella Murillo".

Stella Murillo  
Recharge Coordinator

Enclosures

c: Matthew A. Bailey, Snell & Wilmer



Printed on recycled paper. Each ton of recycled paper saves 7,000 gallons of water.

**Arizona Department of Water Resources  
Recharge**

**MEMORANDUM:**

**To:** File, 73-534888.0603  
**From:** Stella Murillo  
**Date:** September 15, 2008  
**Regarding:** Resolution Copper Mining LLC

I received a request from Resolution Copper Mining LLC for a Water Storage Permit. Application fees of \$250.00 have been deposited. Please review the attached documents to determine whether they are complete and correct.

The 100-day deadline for review is **December 24, 2008**

c: Stella Murillo, Recharge Coordinator  
Gregg Houtz, ADWR Legal



ARIZONA DEPARTMENT OF WATER RESOURCES

**MEMORANDUM**

**TO:** File, 73-534888.0603  
**FROM:** Stella Murillo  
**DATE:** April 18, 2006  
**RE:** Complete and Correct Determination for Resolution Copper Mining, L.L.C. Water Storage Permit Application 73-534888.0603

I have reviewed the above referenced modification permit application submitted by Resolution Copper Mining, L.L.C. on September 12, 2008. The modification applicant proposes to increase the stored maximum volume of from 36,500 acre-feet per year to 54,000 of CAP water at the New Magma Irrigation and Drainage District GSF, Permit No. 72-534888., until expiration of the facility, currently December 31, 2007.

On behalf of the Phoenix AMA the application is determined to be complete and correct pursuant to A.R.S. § 45-831.01(B) based on the following review:

- The applicant has provided proof of their legal right to the source water.
- The applicant does not need to apply for an ADEQ Aquifer Protection Permit because the proposed source water is CAP water.
- The applicant has obtained consent to water storage from the New Magma Irrigation and Drainage District (NMIDD).
- The applicant has provided a signed agreement to comply with the NMIDD GSF, permit number 72-534888, plans of operation pursuant to A.R.S. § 45-831.01(C).

**Note:**

- Under A.R.S § 45-852.01(B)(1), water stored pursuant to a water storage permit may be credited to a long-term storage account only if the water is water that cannot reasonably be used directly. Under A.R.S. § 45-802.01(22)(c), the amount of central Arizona project water stored in an active management area during a year by a person that is not a municipal provider is considered water that cannot reasonably be used directly only to the extent that it exceeds the amount of groundwater withdrawn during the year by the storer in the active management area. Therefore, after this water storage permit is issued, if the permit holder withdraws groundwater from within the Phoenix active management area in any year, the amount of central Arizona project water stored by the permit holder during the year pursuant to the permit equal to the amount of groundwater withdrawn will not be eligible for long-term storage credits, but may be considered as being available for recovery on an annual basis under A.R.S. § 45-851.01.

It is determined that public notice of this application is not required pursuant to A.R.S. § 45-871.01(E)

cc: Stella Murillo, Recharge Coordinator  
Gregg Houtz, Legal

**ARIZONA DEPARTMENT OF WATER RESOURCES**  
3550 North Central Avenue, Phoenix, Arizona 85012  
Telephone 602 771-8585  
Fax 602 771-8688



September 15, 2008

Brad Ross  
Resolution Copper Mining LLC  
102 Magma Heights, PO Box 1944  
Superior, AZ 85273

Janet Napolitano  
Governor

Herbert R. Guenther  
Director

**Re: Resolution Copper Mining LLC, Water Storage Permit Application No. 73-534888.0603 at the New Magma Irrigation and Drainage District Groundwater Savings Facility**

Dear Ms. Ross:

The Arizona Department of Water Resources (Department) has completed its review of the above referenced application and has determined it to be administratively complete and correct under A.R.S. §§ 41-1074 and 45-871.01.

Pursuant to A.R.S. § 45-871.01 (E), public notice of this Water Storage Permit is not required. The Department's substantive completeness review time frame has begun and the permit is being drafted.

Note: that under A.R.S. § 45-852.01(B)(1), water stored pursuant to a water storage permit may be credited to a long-term storage account only if the water is water that cannot reasonably be used directly. Under A.R.S. § 45-802.01(22)(c), the amount of central Arizona project water stored in an active management area during a year by a person that is not a municipal provider is considered water that cannot reasonably be used directly only to the extent that it exceeds the amount of groundwater withdrawn during the year by the storer in the active management area. Therefore, after this water storage permit is issued, if the permit holder withdraws groundwater from within the Phoenix Active Management Area in any year, the amount of central Arizona project water stored by the permit holder during the year pursuant to the permit equal to the amount of groundwater withdrawn will not be eligible for long-term storage credits, but may be considered as being available for recovery on an annual basis under A.R.S. § 45-851.01.

If you have any questions, please contact me at (602) 771-8585.

Sincerely,

A handwritten signature in cursive script that reads "Stella Murillo".

Stella Murillo  
Recharge Coordinator

c: Matthew A. Bailey, Snell & Wilmer



**ARIZONA DEPARTMENT OF WATER RESOURCES**  
3550 North Central Avenue, Phoenix, Arizona 85012  
Telephone 602 771-8585  
Fax 602 771-8688



September 22, 2008

Janet Napolitano  
Governor

Herbert R. Guenther  
Director

**CERTIFIED MAIL**

Brad Ross  
Resolution Copper Mining LLC  
102 Magma Heights, PO Box 1944  
Superior, AZ 85273

**Re: Resolution Copper Mining LLC, Water Storage Permit No. 73-534888.0603 at the New Magma Irrigation and Drainage District Groundwater Savings Facility.**

Dear Mr. Ross:

This letter is the Decision of the Director of the Arizona Department of Water Resources (Department) to grant Permit No. 73-534888.0603 to Resolution Copper Mining LLC for a water storage permit.

This Decision of the Director to grant permit No. 73-534888.0603 for a water storage permit is an appealable agency action. I have enclosed a copy of the Final Appealable Draft Permit. The Final Appealable Draft Permit will be the final form of your permit upon issuance.

The Department's review of the relevant information establishes that all of the requirements for the issuance of a water storage permit set forth A.R.S. § 45-831.01 have been met.

You are entitled to appeal this decision. If you wish to appeal this decision, you must file a written appeal within **thirty (30) days** from receipt of this letter. I am providing you with a summary of the appeal process and appeal form, should you elect to pursue this option.

You may elect to complete and file the enclosed Appealable Agency Action Waiver Form, waiving your right to appeal the Director's Decision, so that your permit can be signed without delay. If you do not file a notice of appeal or the Appealable Agency Action Waiver Form within the 30-day appeal period, the permit shall be signed and issued at the end of the 30-day appeal period.

Mr. Ross  
 Resolution Copper Mining LLC  
 September 22, 2008  
 Page 2

Please direct any questions concerning the permit or the appeal process to Stella Murillo, the Arizona Department of Water Resources Recharge Coordinator at (602) 771-8585.

Sincerely,

*Sandra Fabritz-Whitney*  
 Sandra Fabritz-Whitney  
 Assistant Director

73-534888.060

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Matthew A. Bailey  
 Snell & Wilmer  
 One Arizona Center  
 Phoenix, AZ 85004-2202

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
 *Adam Cowan*

B. Received by (Printed Name)  
*Adam Cowan*

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

7004 2510 0000 8658 4600

**U.S. Postal Service™**  
**CERTIFIED MAIL™ RECEIPT**  
 (Domestic Mail Only; No Insurance Coverage Provided)

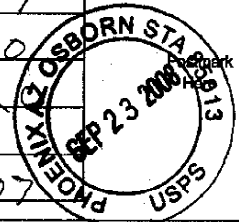
For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$ 1.17
Certified Fee	\$ 2.70
Return Receipt Fee (Endorsement Required)	\$ 2.20
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.07

Sent To: *M. Bailey*  
 Street, Apt. No.; or PO Box No.: *73-534888.0603*  
 City, State, ZIP+4:

PS Form 3800, June 2002 See Reverse for Instructions



2. Article Number (Transfer from service label) **7004 2510 0000 8658 4600**

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

**U.S. Postal Service™**  
**CERTIFIED MAIL™ RECEIPT**  
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Brad Ross  
 Resolution Copper Mining LLC  
 102 Magma Heights, PO Box 1944  
 Superior, AZ 85273

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
 *Monica Denoe*  Agent  Addressee

B. Received by (Printed Name)  
*Monica Denoe*

C. Date of Delivery  
*9/24/08*

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

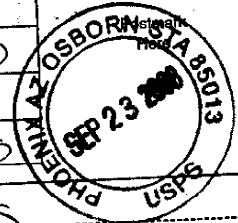
3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

Postage	\$ 1.00
Certified Fee	\$ 2.70
Return Receipt Fee (Endorsement Required)	\$ 2.20
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.90

Sent To: *Brad Ross*  
 Street, Apt. No.; or PO Box No.: *73-534888.0603*  
 City, State, ZIP+4:

PS Form 3800, June 2002 See Reverse for Instructions



2. Article Number (Transfer from service label) **7004 2510 0000 8658 4587**

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540



**Appealable Agency Action Waiver**

I, \_\_\_\_\_, duly authorized by the Applicant for Water Storage Permit, assert that the Applicant has reviewed the Final Appealable Draft Permit of Application No. 73-534888.0603 and hereby waives all rights that the Applicant may have pursuant to Arizona Revised Statutes, Title 41, Chapter 6, Article 10, and Title 45, Chapter 3.1, Article 5, to administrative and judicial appeal, review or hearing concerning the issuance of the above listed Permit, including all limitations and conditions contained therein.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

**CHECK DEPOSIT REQUEST  
RECHARGE APPLICATIONS AND PERMITS**

SUBMITTED BY: Stu Peckham

DATE: 9/12/08

APPLICANT: Resolution Copper Mining

PH. NO. :

CHECK NO. 308672

AMOUNT: \$250.00

NAME ON CHECK: Snell & Wilmer

ADDRESS:

CODE	TYPE OF APPLICATION	APPLICATION NUMBER	FEE	AMA AUGMENTATION FUND	GENERAL FUND
71	Underground Storage Facility (USF) Application Fee (\$750)				N/A
71	USF Permit Fee (500)				N/A
72	USF Conveyance Fee (\$300)				N/A
72	Groundwater savings (GSF) Application Fee (\$500)				N/A
72	GSF Permit Fee (\$350)				N/A
73	Water Storage (WS) Application Fee (\$250)	73-534888	250.00	Phx AMA	N/A
73	WS Permit Fee (100)				N/A
73	WS Conveyance Fee (\$300)				N/A
74	Recovery Well (RW) Application Fee (\$50/well 1 <sup>st</sup> 10 well, \$10/well thereafter)				N/A
74	RW Permit Fee (Same as application fee)				N/A
	LEGAL NOTICE FEES				
	TOTAL		250.00	Phx AMA	N/A

An amended report was filed by the original filer or another separate report was filed for authority: 73-534888.0604. This report also affects the following right numbers: 70-441200.0000, 73-534888.0604, 73-545695.1400, 73-569775.1600, 73-569776.1600, 73-584466.1500, 73-593305.1800

Note created: 11/19/2013

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*input Rpt comp 70*

# ANNUAL UNDERGROUND WATER STORAGE REPORT

## UWS - SUMMARY 2008

*Phoenix AMA*

OWNER NAME  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS, PO BOX 1944

LONG TERM STORAGE ACCOUNT NO.

70-441200.0000

SUPERIOR AZ 85273



RECEIVED

MAR 13 2009

*INPUT*

REPORTING PARTY  
70-441200.0000  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS, PO BOX 1944  
SUPERIOR AZ 85273

INFO MGMT

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I PERMIT SUMMARY

Check that an annual report has been filed for each of the following permits.

73-534888.0604

- *New Magma*

### PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.	No. of months late (Maximum of 6 months)	Calculate Late Report Fee (\$25.00 for each permit X number of months)
_____	<input type="checkbox"/>	\$ <input type="text"/>
_____	<input type="checkbox"/>	\$ <input type="text"/>

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2009. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2009.

REPORTS FILED AFTER MARCH 31, 2009 ARE SUBJECT TO LATE FEES [A.R.S. § 45-875.01.(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

x *Rich A. Heig* *VP-Resolution Copper* *Nov 12, 2009*  
 AUTHORIZED SIGNATURE TITLE DATE  
*Rich A. Heig* *520-689-3338*  
 PRINTED NAME TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.



# UWS - SCHEDULE

## ANNUAL REPORT 2008

LTSA NO.

70-441200.0000

RESOLUTION COPPER MINING LLC

PERMIT HOLDER:

### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)				Total Volume of Water Delivered (Acre-feet)
			CAP	EFFLUENT	SURFACE	SPILL	
73-534888.0604	72-534888.0003	NEW MAGMA I&DD GSF	32,692	-0-	-0-	-0-	32,692
<b>TOTAL WATER DELIVERED</b>			32,692	-0-	-0-	-0-	32,692

A zero must be entered if water was not delivered pursuant to a water storage permit

An amended report was filed by the original filer or another separate report was filed for authority: 73-534888.0604. This report also affects the following right numbers: 70-441200.0000, 73-534888.0604, 73-545695.1400, 73-569775.1600, 73-569776.1600, 73-584466.1500, 73-593305.1800

Note created: 11/19/2013

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*input Rpt Corp 70*

# ANNUAL UNDERGROUND WATER STORAGE REPORT

## UWS - SUMMARY 2008

*Phoenix AMA*

OWNER NAME  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS, PO BOX 1944

LONG TERM STORAGE ACCOUNT NO.

70-441200.0000

SUPERIOR AZ 85273



RECEIVED

MAR 13 2009

*INPUT*

REPORTING PARTY  
70-441200.0000  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS, PO BOX 1944  
SUPERIOR AZ 85273

INFO MGMT

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I PERMIT SUMMARY

Check that an annual report has been filed for each of the following permits.

73-534888.0604

- *New Magma*

### PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.

No. of months late (Maximum of 6 months)

Calculate Late Report Fee (\$25.00 for each permit X number of months)

\_\_\_\_\_

\$ \_\_\_\_\_

\_\_\_\_\_

\$ \_\_\_\_\_

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2009. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2009.

REPORTS FILED AFTER MARCH 31, 2009 ARE SUBJECT TO LATE FEES [A.R.S. § 45-875.01.(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

x *Rich A. Heig* *VP-Resolution Copper* *Mar 12, 2009*  
 AUTHORIZED SIGNATURE TITLE DATE  
*Rich A. Heig* *520-689-3338*  
 PRINTED NAME TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.

# UWS - SCHEDULE

## ANNUAL REPORT 2008

LTSA NO.

70-441200.0000

RESOLUTION COPPER MINING LLC

PERMIT HOLDER:

### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)				Total Volume of Water Delivered (Acre-feet)
			CAP	EFFLUENT	SURFACE	SPILL	
73-534888.0604	72-534888.0003	NEW MAGMA I&DD GSF	32,692	-0-	-0-	-0-	32,692
<b>TOTAL WATER DELIVERED</b>			32,692	-0-	-0-	-0-	32,692

A zero must be entered if water was not delivered pursuant to a water storage permit



An amended report was filed by the original filer or another separate report was filed for authority: 73-534888.0604. This report also affects the following right numbers: 70-441200.0000, 73-534888.0604, 73-545695.1400, 73-569775.1600, 73-569776.1600, 73-584466.1500, 73-593305.1800

Note created: 11/19/2013

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# ANNUAL UNDERGROUND WATER STORAGE REPORT

## UWS - SUMMARY 2009

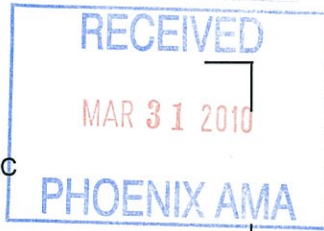
OWNER NAME  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

LONG TERM STORAGE ACCOUNT NO.

70-441200.0000



REPORTING PARTY  
70-441200.0000  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173



PHOENIX AMA

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I PERMIT SUMMARY

Check that an annual report has been filed for each of the following permits.

73-534888.0604

Input

### PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.

No. of months late (Maximum of 6 months)

Calculate Late Report Fee (\$25.00 for each permit X number of months)

\_\_\_\_\_  
\_\_\_\_\_

\$ \_\_\_\_\_  
\$ \_\_\_\_\_

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2010. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2010.

REPORTS FILED AFTER MARCH 31, 2010 ARE SUBJECT TO LATE FEES [A.R.S. § 45-875.01.(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

x Rich A. Heig VP-Resolution Copper 3/29/2010  
AUTHORIZED SIGNATURE TITLE DATE  
Rich A. Heig 520-689-3338  
PRINTED NAME TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.

# UWS - SCHEDULE

## ANNUAL REPORT 2009

LTSA NO.

70-441200.0000

PERMIT HOLDER: RESOLUTION COPPER MINING LLC

### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)				Total Volume of Water Delivered (Acre-feet)
			CAP	EFFLUENT	SURFACE	SPILL	
73-534888.0604	72-534888.0003	NEW MAGMA I&DD GSF	36,314				36,314
<b>TOTAL WATER DELIVERED</b>			36,314				36,314

A zero must be entered if water was not delivered pursuant to a water storage permit

*36,013.9*

*per ID Report DK*

*36,013.9*

An amended report was filed by the original filer or another separate report was filed for authority: 73-534888.0604. This report also affects the following right numbers: 70-441200.0000, 73-534888.0604, 73-545695.1400, 73-569775.1600, 73-569776.1600, 73-584466.1500, 73-593305.1800

Note created: 11/19/2013

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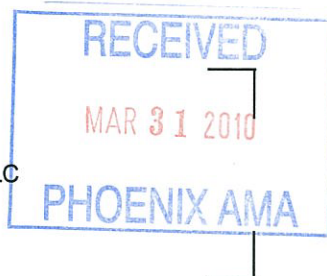
# ANNUAL UNDERGROUND WATER STORAGE REPORT

## UWS - SUMMARY 2009

OWNER NAME  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

LONG TERM STORAGE ACCOUNT NO.

✓



PHOENIX AMA

REPORTING PARTY  
70-441200.0000  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I PERMIT SUMMARY

Check that an annual report has been filed for each of the following permits.

73-534888.0604

Input

### PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.	No. of months late (Maximum of 6 months)	Calculate Late Report Fee (\$25.00 for each permit X number of months)
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2010. If hand delivered, the report must be received by the Department's Records Management Unit or local AMA office no later than 5:00 PM on March 31, 2010.

REPORTS FILED AFTER MARCH 31, 2010 ARE SUBJECT TO LATE FEES [A.R.S. § 45-875.01.(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X Rich A. Heig VP-Resolution Copper 3/29/2010  
 AUTHORIZED SIGNATURE TITLE DATE

RICH A. HEIG 520-689-3338  
 PRINTED NAME TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.

# UWS - SCHEDULE

## ANNUAL REPORT 2009

LTSA NO.

70-441200.0000

PERMIT HOLDER: RESOLUTION COPPER MINING LLC

### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)				Total Volume of Water Delivered (Acre-feet)
			CAP	EFFLUENT	SURFACE	SPILL	
73-534888.0604	72-534888.0003	NEW MAGMA I&DD GSF	36,013.9	36,314			36,314
<b>TOTAL WATER DELIVERED</b>			36,314				36,314

A zero must be entered if water was not delivered pursuant to a water storage permit

36,013.9

per ID Report DK

36,013.9

An amended report was filed by the original filer or another separate report was filed for authority: 73-534888.0604. This report also affects the following right numbers: 70-441200.0000, 73-534888.0604, 73-545695.1400, 73-569775.1600, 73-569776.1600, 73-584466.1500, 73-593305.1800

Note created: 11/19/2013

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*input*  
*70* ✓  
*Rpt comp*

# ANNUAL UNDERGROUND WATER STORAGE REPORT

## UWS - SUMMARY 2010

OWNER NAME  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

LONG TERM STORAGE ACCOUNT NO.

70-441200.0000



REPORTING PARTY  
70-441200.0000  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

RECEIVED  
MAR 25 2011  
WATER MGMT

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I PERMIT SUMMARY

Check that an annual report has been filed for each of the following permits.

- 73-534888.0604
- 73-593305.1500

### PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.	No. of months late (Maximum of 6 months)	Calculate Late Report Fee (\$25.00 for each permit X number of months)
_____	-0-	\$ -0-
_____	-0-	\$ -0-

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REPORTS FILED AFTER MARCH 31, 2011 ARE SUBJECT TO LATE FEES [A.R.S. § 45-875.01.(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

x *Rich A. Heig* *VP-Resolution Copper Co.* *3/23/11*  
 AUTHORIZED SIGNATURE TITLE DATE  
*Rich A. Heig* *520-689-3338*  
 PRINTED NAME TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.



14 per  
DK

ARIZONA DEPARTMENT OF WATER RESOURCES

# UWS - SCHEDULE

## ANNUAL REPORT 2010

LTSA NO.

70-441200.0000

PERMIT HOLDER: RESOLUTION COPPER MINING LLC

### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)						Total Volume of Water Delivered (Acre-feet)	
			CAP	EFFLUENT	SURFACE	SPILL	PLAN 6	PLAN 6		
73-534888.0604	72-534888.0003	NEW MAGMA I&DD GSF	20,116.81	20,752	-0-	-0-	-0-	-0-	20,752	20,116.81
73-593305.1500	71-593305.0002	TONOPAH DESERT RECHARGE PROJECT	19,637	-0-	-0-	-0-	-0-	-0-	19,637	5/18
<b>TOTAL WATER DELIVERED</b>			40,389	-0-	-0-	-0-	-0-	-0-	40,389	

NMIDD REPORTS 20,116.81 Delivered

A zero must be entered if water was not delivered pursuant to a water storage permit

An amended report was filed by the original filer or another separate report was filed for authority: 73-534888.0604. This report also affects the following right numbers: 70-441200.0000, 73-534888.0604, 73-545695.1400, 73-569775.1600, 73-569776.1600, 73-584466.1500, 73-593305.1800

Note created: 11/19/2013

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OK 70  
RPT compl ✓

# ANNUAL UNDERGROUND WATER STORAGE REPORT UWS - SUMMARY 2010

OWNER NAME  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

LONG TERM STORAGE ACCOUNT NO.

70-441200.0000



REPORTING PARTY  
70-441200.0000  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

RECEIVED  
MAR 25 2011  
WATER MGMT

If any of the information preprinted on this report is incorrect, please make the necessary changes.

## PART I PERMIT SUMMARY

Check that an annual report has been filed for each of the following permits.

- 73-534888.0604
- 73-593305.1500

## PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.	No. of months late (Maximum of 6 months)	Calculate Late Report Fee (\$25.00 for each permit X number of months)
_____	-0-	\$ -0-
_____	-0-	\$ -0-

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I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

x Rich A. Heig VP-Resolution Copper Co. 3/23/11  
 AUTHORIZED SIGNATURE TITLE DATE  
Rich A. Heig 520-689-3338  
 PRINTED NAME TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.

14 pwt  
DK

ARIZONA DEPARTMENT OF WATER RESOURCES

# UWS - SCHEDULE

## ANNUAL REPORT 2010

LTSA NO.

PERMIT HOLDER:

RESOLUTION COPPER MINING LLC

70-441200.0000

### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)				Total Volume of Water Delivered (Acre-feet)
			CAP	EFFLUENT	SURFACE	SPIILL	
73-534888.0604	72-534888.0003	NEW MAGMA I&DD GSF	20,752	-0-	-0-	-0-	20,752
73-593305.1500	71-593305.0002	TONOPAH DESERT RECHARGE PROJECT	19,637	-0-	-0-	-0-	19,637
<b>TOTAL WATER DELIVERED</b>			40,389	-0-	-0-	-0-	40,389

116.81  
PK  
5/18

NMIDD REPORTS 20,116.81 Delivered

A zero must be entered if water was not delivered pursuant to a water storage permit



An amended report was filed by the original filer or another separate report was filed for authority: 73-534888.0604. This report also affects the following right numbers: 70-441200.0000, 73-534888.0604, 73-545695.1400, 73-569775.1600, 73-569776.1600, 73-584466.1500, 73-593305.1800

Note created: 11/19/2013

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73 1  
D 1

# ANNUAL WATER STORAGE REPORT WS - SUMMARY 2011

# INPUT

PERMIT NUMBER

73-534888.0604

LONG TERM STORAGE ACCOUNT NUMBER

70-441200.0000

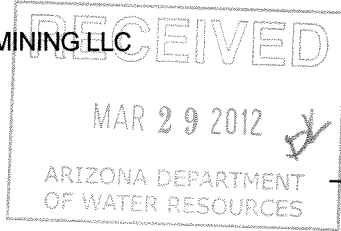


PHOENIX AMA (602) 771-8585

FACILITY NAME:

FACILITY TYPE:

PERMIT HOLDER  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173



REPORTING PARTY  
73-534888.0604  
RESOLUTION COPPER MINING LLC  
ATTN: BRAD ROSS  
102 MAGMA HEIGHTS, PO BOX 1944  
SUPERIOR AZ 85173

If any of the information preprinted on this report is incorrect, please make the necessary changes.

## PART I WATER DELIVERED

Enter the total volume of water in acre-feet delivered from  
WS - SCHEDULE 73 (Box 1).

*36,000. 5/15/12 DK*

37,912

ACRE - FEET

## PART II LATE FEES

Complete this section if filing after March 31 Note: A portion of a month after March 31 is counted as a full month.

A) Enter number of months late   
(Maximum of 6)

B) Calculate Late Report Fee  
(\$25.00 X Number of Months Late) .....

\$

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2012. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2012.

REPORTS FILED AFTER MARCH 31, 2012 ARE SUBJECT TO LATE FEES [A.R.S § 45-875.01(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

**X** *Bradley J. Ross* AUTHORIZED SIGNATURE      Manager Infrastructure TITLE      3-26-2012 DATE

Bradley J. Ross PRINTED NAME      520-689-3320 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.

# WS - SCHEDULE 73

REPORT OF WATER DELIVERED BY WATER STORAGE PERMITS

## ANNUAL REPORT 2011

WATER STORAGE PERMIT NUMBER

73-534888.0604

LONG TERM STORAGE ACCOUNT NUMBER

70-441200.0000

PHOENIX AMA (602) 771-8585

FACILITY NAME:

PERMIT HOLDER

RESOLUTION COPPER MINING LLC

FACILITY TYPE:

Enter the type and volume of water delivered in acre-feet

TYPE OF WATER	VOLUME DELIVERED (ACRE - FEET)
CAP	36,000
Dewatering (Groundwater)	1,912 <i>Not For Credit</i>

**TOTAL VOLUME OF WATER DELIVERED**

1	TOTAL VOLUME DELIVERED (acre-feet)	37,912
---	------------------------------------	--------

- Enter the total volume of water delivered in acre-feet and transfer this volume to Part I of the WS - Summary.
- If you are also a water service provider, please transfer the water storage information from the above table to Schedule D of your Annual Water Withdrawal and Use Report.

Note: A percentage may be debited from your Total Volume Delivered as a cut to the aquifer pursuant to A.R.S. Title 45, Chapter 3.1, Article 4.

ARIZONA DEPARTMENT OF WATER RESOURCES

Owner

RESOLUTION COPPER MINING LLC

REPORT OF WATER DELIVERIES  
TO OTHER WATER RIGHTS

**1** RIGHT/PERMIT/BMP Farm Unit NO.

73-534888.0604

**SCHEDULE D**

**ANNUAL REPORT 2011**

2	RIGHT NO. DELIVERED TO	4	DWR WELL NUMBER	5	CUSTOMER ACCOUNT NUMBER	6	FILING ON BEHALF	7	HOW MEASURED OR ESTIMATED	A					TOTAL ACRE-FEET DELIVERED	
										9	10	11	12	13		14
3	TYPE OF RIGHT									GW	CAP	EFF	SRP	Other SW		
	CAP										36,000				36,000	
	59-52492,0063 Deleterious Permit		55-525311							1,912					1,912	
Note: If you delivered water to a storage facility, enter the amounts on a UWS - Schedule.										TOTAL ACRE-FEET DELIVERED						14
EXCHANGE WATER GIVEN										9	10	11	12	13	14	
										1,912	36,000				37,912	

15	EXCHANGE NO. RECEIVING WATER	16	DWR WELL NO. IF APPLICABLE	B					TOTAL ACRE-FEET EXCHANGED
				ACRE-FEET EXCHANGED BY TYPE OF WATER					
				GW	CAP	EFF	SRP	Other SW	
TOTAL ACRE-FEET EXCHANGED				18	19	20	21	22	23
				TOT. GW	TOT. CAP	TOT. EFF	TOT. SRP	TOT. O. SW	
TOTAL ACRE-FEET DELIVERED AND EXCHANGED									24

ENTER BOX 24 IN PART II OF THE SUMMARY PAGE



An amended report was filed by the original filer or another separate report was filed for authority: 73-534888.0604. This report also affects the following right numbers: 70-441200.0000, 73-534888.0604, 73-545695.1400, 73-569775.1600, 73-569776.1600, 73-584466.1500, 73-593305.1800

Note created: 11/19/2013

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*apt comp*  
73 1  
D 1

# ANNUAL WATER STORAGE REPORT WS - SUMMARY 2011

# INPUT

PERMIT NUMBER

73-534888.0604

PERMIT HOLDER  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173



LONG TERM STORAGE ACCOUNT NUMBER

70-441200.0000



PHOENIX AMA (602) 771-8585  
FACILITY NAME:

REPORTING PARTY  
73-534888.0604  
RESOLUTION COPPER MINING LLC  
ATTN: BRAD ROSS  
102 MAGMA HEIGHTS, PO BOX 1944  
SUPERIOR AZ 85173

FACILITY TYPE:

If any of the information preprinted on this report is incorrect, please make the necessary changes.

## PART I WATER DELIVERED

Enter the total volume of water in acre-feet delivered from  
WS - SCHEDULE 73 (Box 1).

*36,000. 5/15/12 DK*

37,912

ACRE - FEET

## PART II LATE FEES

Complete this section if filing after March 31. Note: A portion of a month after March 31 is counted as a full month.

A) Enter number of months late   
(Maximum of 6)

B) Calculate Late Report Fee   
(\$25.00 X Number of Months Late) .....

\$

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2012. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2012.

REPORTS FILED AFTER MARCH 31, 2012 ARE SUBJECT TO LATE FEES [A.R.S § 45-875.01(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X *Bradley J. Ross*  
AUTHORIZED SIGNATURE

Manager Infrastructure  
TITLE

3-26-2012  
DATE

Bradley J. Ross  
PRINTED NAME

520-689-3320  
TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.

# WS - SCHEDULE 73

## REPORT OF WATER DELIVERED BY WATER STORAGE PERMITS ANNUAL REPORT 2011

WATER STORAGE PERMIT NUMBER

73-534888.0604

LONG TERM STORAGE ACCOUNT NUMBER

70-441200.0000

PHOENIX AMA (602) 771-8585

FACILITY NAME:

PERMIT HOLDER

RESOLUTION COPPER MINING LLC

FACILITY TYPE:

Enter the type and volume of water delivered in acre-feet

TYPE OF WATER	VOLUME DELIVERED (ACRE - FEET)
CAP	36,000
Dewatering (Groundwater)	1,912 <i>Not For Credit</i>

TOTAL VOLUME OF WATER DELIVERED

1	TOTAL VOLUME DELIVERED (acre-feet)	37,912
---	------------------------------------------	--------

- Enter the total volume of water delivered in acre-feet and transfer this volume to Part I of the WS - Summary.
- If you are also a water service provider, please transfer the water storage information from the above table to Schedule D of your Annual Water Withdrawal and Use Report.

Note: A percentage may be debited from your Total Volume Delivered as a cut to the aquifer pursuant to A.R.S. Title 45, Chapter 3.1, Article 4.



# SCHEDULE D

REPORT OF WATER DELIVERIES  
TO OTHER WATER RIGHTS

ANNUAL REPORT 2011

ARIZONA DEPARTMENT OF WATER RESOURCES

Owner

RESOLUTION COPPER MINING, LLC

RIGHT/PERMIT/BMP Farm Unit NO.

73-534888.0604

2 RIGHT NO. DELIVERED TO	4 DWR WELL NUMBER	5 CUSTOMER ACCOUNT NUMBER	6 FILING ON BEHALF	7 HOW MEASURED OR ESTIMATED	A ACRE-FEET DELIVERED BY TYPE OF WATER				TOTAL ACRE-FEET DELIVERED				
					9 GW	10 CAP	11 EFF	12 SRP		13 Other SW	14 TOTAL		
3 TYPE OF RIGHT CAP						36,000							36,000
59-524992.0063 Revegetation Permit	55-525311					1,912							1,912

Note: If you delivered water to a storage facility, enter the amounts on a UWS - Schedule.

TOTAL ACRE-FEET DELIVERED

9 GW 1,912

10 CAP 36,000

11 EFF

12 SRP

13 Other SW

14 TOTAL 37,912

EXCHANGE WATER GIVEN

15 EXCHANGE NO. RECEIVING WATER

16 DWR WELL NO. IF APPLICABLE

TOTAL ACRE-FEET EXCHANGED

B ACRE-FEET EXCHANGED BY TYPE OF WATER

GW CAP EFF SRP Other SW

TOTAL ACRE-FEET EXCHANGED

18 TOT. GW	19 TOT. CAP	20 TOT. EFF	21 TOT. SRP	22 TOT. O. SW	23

ENTER BOX 24 IN PART II OF THE SUMMARY PAGE

TOTAL ACRE-FEET DELIVERED AND EXCHANGED 24



An amended report was filed by the original filer or another separate report was filed for authority: 73-534888.0604. This report also affects the following right numbers: 70-441200.0000, 73-534888.0604, 73-545695.1400, 73-569775.1600, 73-569776.1600, 73-584466.1500, 73-593305.1800

Note created: 11/19/2013

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Aptcomp

70

# ANNUAL UNDERGROUND WATER STORAGE REPORT UWS - SUMMARY 2011

# INPUT

OWNER NAME  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

LONG TERM STORAGE ACCOUNT NO.

70-441200.0000



REPORTING PARTY  
70-441200.0000  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

If any of the information preprinted on this report is incorrect, please make the necessary changes.

## PART I PERMIT SUMMARY

Check that an annual report has been filed for each of the following permits.

- 73-534888.0604  73-593305.1500  - Valencia W.C. - corrected in RGR PK
- 73-545695.1400  73-593305.1800
- 73-569775.1600
- 73-569776.1600  - Not in system FILED IN RGR
- 73-584466.1500

## PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.	No. of months late (Maximum of 6 months)	Calculate Late Report Fee (\$25.00 for each permit X number of months)
_____	-0-	\$ -0-
_____	-0-	\$ -0-

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2012. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2012.

REPORTS FILED AFTER MARCH 31, 2012 ARE SUBJECT TO LATE FEES [A.R.S. § 45-875.01.(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

x Bradley J. Ross AUTHORIZED SIGNATURE      Manager Infrastructure TITLE      3-26-2012 DATE

Bradley J. Ross PRINTED NAME      520-689-3320 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.

# UWS - SCHEDULE

## ANNUAL REPORT 2011

PERMIT HOLDER:

RESOLUTION COPPER MINING LLC

LTSA NO.

70-441200.0000

### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)				Total Volume of Water Delivered (Acre-feet)
			CAP	EFFLUENT	SURFACE	SPILL	
73-534888.0604	72-534888.0003	NEW MAGMA I&DD GSF	36,000	-0-	-0-	-0-	36,000
73-545695.1400	72-545695.0004	ROOSEVELT WATER CONSERVATION DISTRICT GSF	14,000	-0-	-0-	-0-	14,000
73-569775.1600	71-569775.0006	CAWCD AGUA FRIA MANAGED USE	-0-	-0-	-0-	-0-	-0-
73-569776.1600		Not in system <i>Fixed in RGR</i>					
73-584466.1500	71-584466.0002	HIEROGLYPHIC MTNS RP	-0-	-0-	-0-	-0-	-0-
73-593305.1500	71-593305.0002	TONOPAH DESERT RECHARGE PROJECT <i>Valencia Water CO</i>	-0-	-0-	-0-	-0-	-0-
73-593305.1800	71-593305.0002	TONOPAH DESERT RECHARGE PROJECT	-0-	-0-	-0-	-0-	-0-
<b>TOTAL WATER DELIVERED</b>			50,000	-0-	-0-	-0-	50,000

A zero must be entered if water was not delivered pursuant to a water storage permit

*check this  
Valencia w.c  
@ TDRP*

An amended report was filed by the original filer or another separate report was filed for authority: 73-534888.0604. This report also affects the following right numbers: 70-441200.0000, 73-534888.0604, 73-545695.1400, 73-569775.1600, 73-569776.1600, 73-584466.1500, 73-593305.1800

Note created: 11/19/2013

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Aptcomp

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# ANNUAL UNDERGROUND WATER STORAGE REPORT UWS - SUMMARY 2011

# INPUT

OWNER NAME  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

LONG TERM STORAGE ACCOUNT NO.

70-441200.0000



REPORTING PARTY  
70-441200.0000  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173

If any of the information preprinted on this report is incorrect, please make the necessary changes.

## PART I PERMIT SUMMARY

Check that an annual report has been filed for each of the following permits.

- 73-534888.0604  73-593305.1500  - Valencia W.C. - corrected in RBR PK
- 73-545695.1400  73-593305.1800
- 73-569775.1600
- 73-569776.1600  - Not in system FILED IN RBR
- 73-584466.1500

## PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.	No. of months late (Maximum of 6 months)	Calculate Late Report Fee (\$25.00 for each permit X number of months)
_____	-0-	\$ -0-
_____	-0-	\$ -0-

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I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

x Bradley J. Ross AUTHORIZED SIGNATURE      Manager Infrastructure TITLE      3-26-2012 DATE

Bradley J. Ross PRINTED NAME      520-689-3320 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.

# UWS - SCHEDULE

## ANNUAL REPORT 2011

LTSA NO.

PERMIT HOLDER:

RESOLUTION COPPER MINING LLC

70-441200.0000

### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)				Total Volume of Water Delivered (Acre-feet)
			CAP	EFFLUENT	SURFACE	SPILL	
73-534888.0604	72-534888.0003	NEW MAGMA I&DD GSF	36,000	-0-	-0-	-0-	36,000
73-545695.1400	72-545695.0004	ROOSEVELT WATER CONSERVATION DISTRICT GSF	14,000	-0-	-0-	-0-	14,000
73-569775.1600	71-569775.0006	CAWCD AGUA FRIA MANAGED USF	-0-	-0-	-0-	-0-	-0-
73-569776.1600		Not in system <i>Fixed in RGR</i>					
73-584466.1500	71-584466.0002	HIEROGLYPHIC MTNS RP	-0-	-0-	-0-	-0-	-0-
73-593305.1500	71-593305.0002	TONOHAH DESERT RECHARGE PROJECT <i>Valencia Water CO</i>	-0-	-0-	-0-	-0-	-0-
73-593305.1800	71-593305.0002	TONOHAH DESERT RECHARGE PROJECT	-0-	-0-	-0-	-0-	-0-
<b>TOTAL WATER DELIVERED</b>			50,000	-0-	-0-	-0-	50,000

A zero must be entered if water was not delivered pursuant to a water storage permit

*Check This*  
*Valencia W.C*  
*@TD RP*

An amended report was filed by the original filer or another separate report was filed for authority: 73-534888.0604. This report also affects the following right numbers: 70-441200.0000, 73-534888.0604, 73-545695.1400, 73-569775.1600, 73-569776.1600, 73-584466.1500, 73-593305.1800

Note created: 11/19/2013

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73 1  
D 1

# ANNUAL WATER STORAGE REPORT WS - SUMMARY 2011

# INPUT

PERMIT NUMBER

73-534888.0604

PERMIT HOLDER  
RESOLUTION COPPER MINING LLC  
102 MAGMA HEIGHTS  
P.O. BOX 1944  
SUPERIOR AZ 85173



LONG TERM STORAGE ACCOUNT NUMBER

70-441200.0000



PHOENIX AMA (602) 771-8585  
FACILITY NAME:

REPORTING PARTY  
73-534888.0604  
RESOLUTION COPPER MINING LLC  
ATTN: BRAD ROSS  
102 MAGMA HEIGHTS, PO BOX 1944  
SUPERIOR AZ 85173

FACILITY TYPE:

If any of the information preprinted on this report is incorrect, please make the necessary changes.

## PART I WATER DELIVERED

Enter the total volume of water in acre-feet delivered from  
WS - SCHEDULE 73 (Box 1).

36,000. 5/15/12 DK

37,912

ACRE - FEET

## PART II LATE FEES

Complete this section if filing after March 31. Note: A portion of a month after March 31 is counted as a full month.

A) Enter number of months late (Maximum of 6)

B) Calculate Late Report Fee (\$25.00 X Number of Months Late)

\$

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I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X Bradley J. Ross AUTHORIZED SIGNATURE      Manager Infrastructure TITLE      3-26-2012 DATE

Bradley J. Ross PRINTED NAME      520-689-3320 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.



# WS - SCHEDULE 73

## REPORT OF WATER DELIVERED BY WATER STORAGE PERMITS ANNUAL REPORT 2011

WATER STORAGE PERMIT NUMBER

73-534888.0604

LONG TERM STORAGE ACCOUNT NUMBER

70-441200.0000

PHOENIX AMA (602) 771-8585

FACILITY NAME:

PERMIT HOLDER

RESOLUTION COPPER MINING LLC

FACILITY TYPE:

Enter the type and volume of water delivered in acre-feet

TYPE OF WATER	VOLUME DELIVERED (ACRE - FEET)
CAP	36,000
Dewatering (Groundwater)	1,912 Not For Credit

TOTAL VOLUME OF WATER DELIVERED

1	TOTAL VOLUME DELIVERED (acre-feet)	37,912
---	------------------------------------------	--------

- Enter the total volume of water delivered in acre-feet and transfer this volume to Part I of the WS - Summary.
- If you are also a water service provider, please transfer the water storage information from the above table to Schedule D of your Annual Water Withdrawal and Use Report.

Note: A percentage may be debited from your Total Volume Delivered as a cut to the aquifer pursuant to A.R.S. Title 45, Chapter 3.1, Article 4.



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Note created: 11/19/2013

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**INPUT** *73 1*

# ANNUAL WATER STORAGE REPORT WS - SUMMARY 2011

PERMIT NUMBER

73-545695.1400

PERMIT HOLDER

RESOLUTION COPPER MINING LLC  
ATTN: BRAD ROSS  
102 MAGMA HEIGHTS, PO BOX 1944  
SUPERIOR AZ 85173



LONG TERM STORAGE ACCOUNT NUMBER

70-441200.0000



PHOENIX AMA (602) 771-8585

FACILITY NAME:

REPORTING PARTY  
73-545695.1400

RESOLUTION COPPER MINING LLC  
ATTN: BRAD ROSS  
102 MAGMA HEIGHTS, PO BOX 1944  
SUPERIOR AZ 85173

FACILITY TYPE:

If any of the information preprinted on this report is incorrect, please make the necessary changes.

## PART I WATER DELIVERED

Enter the total volume of water in acre-feet delivered from  
WS - SCHEDULE 73 (Box 1).

14,000

ACRE - FEET

## PART II LATE FEES

Complete this section if filing after March 31

Note: A portion of a month after March 31 is counted as a full month.

A) Enter number of months late (Maximum of 6)

0

B) Calculate Late Report Fee

(\$25.00 X Number of Months Late) .....

\$ -0-

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REPORTS FILED AFTER MARCH 31, 2012 ARE SUBJECT TO LATE FEES [A.R.S § 45-875.01(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X

*Bradley J. Ross*  
AUTHORIZED SIGNATURE

*Manager Infrastructure*  
TITLE

*3-26-2012*  
DATE

*Bradley J. Ross*  
PRINTED NAME

*520-684-3320*  
TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.



# WS - SCHEDULE 73

REPORT OF WATER DELIVERED BY WATER STORAGE PERMITS

## ANNUAL REPORT 2011

WATER STORAGE PERMIT NUMBER

73-545695.1400

LONG TERM STORAGE ACCOUNT NUMBER

70-441200.0000

PHOENIX AMA (602) 771-8585

FACILITY NAME:

PERMIT HOLDER

RESOLUTION COPPER MINING LLC

FACILITY TYPE:

Enter the type and volume of water delivered in acre-feet

TYPE OF WATER	VOLUME DELIVERED (ACRE - FEET)
CAP (	14,000

TOTAL VOLUME OF WATER DELIVERED

1	TOTAL VOLUME DELIVERED (acre-feet)	14,000
---	------------------------------------------	--------

- Enter the total volume of water delivered in acre-feet and transfer this volume to Part I of the WS - Summary.
- If you are also a water service provider, please transfer the water storage information from the above table to Schedule D of your Annual Water Withdrawal and Use Report.

Note: A percentage may be debited from your Total Volume Delivered as a cut to the aquifer pursuant to A.R.S. Title 45, Chapter 3.1, Article 4.

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Note created: 4/8/2013

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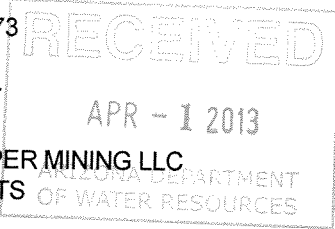
# ANNUAL UNDERGROUND WATER STORAGE REPORT

## UWS - SUMMARY 2012

OWNER NAME  
 RESOLUTION COPPER MINING LLC  
 102 MAGMA HEIGHTS  
 P.O. BOX 1944  
 SUPERIOR AZ 85173

LONG TERM STORAGE ACCOUNT NO.

70-441200.0000



REPORTING PARTY  
 70-441200.0000  
 RESOLUTION COPPER MINING LLC  
 102 MAGMA HEIGHTS  
 P.O. BOX 1944  
 SUPERIOR AZ 85173

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I PERMIT SUMMARY

Check that an annual report has been filed for each of the following permits.

- |                |                                     |                |                                     |
|----------------|-------------------------------------|----------------|-------------------------------------|
| 73-534888.0604 | <input checked="" type="checkbox"/> | 73-593305.1500 | <input checked="" type="checkbox"/> |
| 73-545695.1400 | <input checked="" type="checkbox"/> | 73-593305.1800 | <input checked="" type="checkbox"/> |
| 73-569775.1600 | <input checked="" type="checkbox"/> |                |                                     |
| 73-569776.1600 | <input checked="" type="checkbox"/> |                |                                     |
| 73-584466.1500 | <input checked="" type="checkbox"/> |                |                                     |

### PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.	No. of months late (Maximum of 6 months)	Calculate Late Report Fee (\$25.00 for each permit X number of months)
_____	<input type="checkbox"/>	\$ _____
_____	<input type="checkbox"/>	\$ _____

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2013. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2013.

REPORTS FILED AFTER MARCH 31, 2013 ARE SUBJECT TO LATE FEES [A.R.S. § 45-875.01.(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X

*[Handwritten Signature]*  
 AUTHORIZED SIGNATURE

Acting Manager of Infrastructure 3/19/13  
 TITLE DATE

David Stanley  
 PRINTED NAME

520 689 3219  
 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.

# UWS - SCHEDULE

## ANNUAL REPORT 2012

PERMIT HOLDER: RESOLUTION COPPER MINING LLC LTSA NO. 70-441200.0000

### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)				Total Volume of Water Delivered (Acre-feet)
			CAP	EFFLUENT	SURFACE	SPILL	
73-534888.0604	72-534888.0004	NEW MAGMA IRRIGATION & DRAINAGE DISTRICT GSF					
73-545695.1400	72-545695.0005	ROOSEVELT WATER CONSERVATION DISTRICT GSF					
73-569775.1600	71-569775.0006	CAWCD AGUA FRIA MANAGED USF					
73-569776.1600	71-569776.0007	AGUA FRIA USF (CONSTRUCTED)					
73-584466.1500	71-584466.0003	HIEROGLYPHIC MTNS RP					
73-593305.1500	71-593305.0002	TONOPAH DESERT RECHARGE PROJECT					
73-593305.1800	71-593305.0002	TONOPAH DESERT RECHARGE PROJECT					

**TOTAL WATER DELIVERED**

A zero must be entered if water was not delivered pursuant to a water storage permit






# ADWR Annual Report WS Summary Electronic Filing Receipt 2012



JANICE K. BREWER  
Governor  
SANDRA A. FABRITZ-WHITNEY  
Director

<b>ADWR Right Number:</b>	73-534888.0604	 73-534888.0604
<b>Report Year:</b>	2012	
<b>AMA:</b>	PHOENIX AMA	
<b>Right Type:</b>	WATER STORAGE PERMIT	
<b>Date Report Electronically Filed:</b>	3/20/2013	
<b>Confirmation ID:</b>	6027537	
<b>FD ID:</b>	6217417	

<b>Filed By:</b>	
<b>Name:</b>	David Stanley
<b>Title:</b>	Acting Manager of Infrastructure
<b>Phone:</b>	520-689-3219
<b>E-mail</b>	<a href="mailto:david.stanley@riotinto.com">david.stanley@riotinto.com</a>

**ZERO WATER USED PURSUANT  
TO THIS RIGHT/PERMIT**

\* No water was pumped from a well pursuant to this Right/Permit

\* No water was received from another source, and used pursuant to this right/permit.

Sources from which water would be received include:

- Municipal Provider
- Irrigation District Provider
- Grandfathered Right
- Any type of Withdrawal Permit
- Any other water source

An amended report was filed by the original filer or another separate report was filed for authority: 73-534888.0604. This report also affects the following right numbers: 70-441200.0000, 73-534888.0604, 73-545695.1400, 73-569775.1600, 73-569776.1600, 73-584466.1500, 73-593305.1800

Note created: 4/24/2014

--- The document starts on the next page. ---

# ANNUAL UNDERGROUND WATER STORAGE REPORT

## UWS - SUMMARY 2013

OWNER NAME  
 RESOLUTION COPPER COMPANY  
 102 MAGMA HEIGHTS  
 P.O. BOX 1944  
 SUPERIOR AZ 85173

LONG TERM STORAGE ACCOUNT NO.

70-441200.0000



REPORTING PARTY  
 70-441200.0000  
 RESOLUTION COPPER MINING LLC  
 102 MAGMA HEIGHTS  
 P.O. BOX 1944  
 SUPERIOR AZ 85173

RECEIVED

MAR 24 2014

ADWR

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I PERMIT SUMMARY

Check that an annual report has been filed for each of the following permits.

- |                |                                     |                |                                     |
|----------------|-------------------------------------|----------------|-------------------------------------|
| 73-534888.0604 | <input checked="" type="checkbox"/> | 73-593305.1800 | <input checked="" type="checkbox"/> |
| 73-545695.1400 | <input checked="" type="checkbox"/> |                |                                     |
| 73-569775.1600 | <input checked="" type="checkbox"/> |                |                                     |
| 73-569776.1600 | <input checked="" type="checkbox"/> |                |                                     |
| 73-584466.1500 | <input checked="" type="checkbox"/> |                |                                     |

### PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.	No. of months late (Maximum of 6 months)	Calculate Late Report Fee (\$25.00 for each permit X number of months)
_____	<input type="checkbox"/>	\$ _____
_____	<input type="checkbox"/>	\$ _____

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2014. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2014.

REPORTS FILED AFTER MARCH 31, 2014 ARE SUBJECT TO LATE FEES [A.R.S. § 45-875.01.(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X *[Signature]* AUTHORIZED SIGNATURE      Principal Adviser Infrastructure TITLE      3/24/14 DATE  
David Stanley PRINTED NAME      520-689-3219 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.





# UWS - SCHEDULE

## ANNUAL REPORT 2013

LTSA NO.

PERMIT HOLDER:

RESOLUTION COPPER COMPANY

70-441200.0000

### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)				Total Volume of Water Delivered (Acre-feet)
			CAP	EFFLUENT	SURFACE	SPILL	
73-534888.0604	72-534888.0004	NEW MAGMA IRRIGATION & DRAINAGE DISTRICT GSF	0	0	0	0	0
73-545695.1400	72-545695.0005	ROOSEVELT WATER CONSERVATION DISTRICT GSF	0	0	0	0	0
73-569775.1600	71-569775.0006	CAWCD AGUA FRIA MANAGED USF	0	0	0	0	0
73-569776.1600	71-569776.0007	AGUA FRIA USF (CONSTRUCTED)	0	0	0	0	0
73-584466.1500	71-584466.0003	HIEROGLYPHIC MTNS RECHARGE PROJECT	0	0	0	0	0
73-593305.1800	71-593305.0002	TONOPAH DESERT RECHARGE PROJECT	0	0	0	0	0


### TOTAL WATER DELIVERED

0	0	0	0	0	0
---	---	---	---	---	---

A zero must be entered if water was not delivered pursuant to a water storage permit



# ADWR Annual Report WS Summary Electronic Filing Receipt 2013

<b>ADWR Right Number:</b>	73-534888.0604	
<b>Report Year:</b>	2013	
<b>AMA:</b>	PHOENIX AMA	73-534888.0604
<b>Right Type:</b>	WATER STORAGE PERMIT	
<b>Date Report Electronically Filed:</b>	3/24/2014 8:31:17 AM	
<b>Confirmation ID:</b>	6194387	
<b>FD ID:</b>	6376371	

<b>Filed By:</b>	
<b>Name:</b>	David Stanley
<b>Title:</b>	Principal Advisor Infrastructure
<b>Phone:</b>	520-689-3219
<b>E-mail</b>	<a href="mailto:david.stanley@riotinto.com">david.stanley@riotinto.com</a>

### ZERO WATER USED PURSUANT TO THIS RIGHT/PERMIT

\* No water was pumped from a well pursuant to this Right/Permit

\* No water was received from another source, and used pursuant to this right/permit.

Sources from which water would be received include:

- Municipal Provider
- Irrigation District Provider
- Grandfathered Right
- Any type of Withdrawal Permit
- Any other water source

An amended report was filed by the original filer or another separate report was filed for authority: 73-534888.0604. This report also affects the following right numbers: 70-441200.0000, 73-534888.0604, 73-545695.1400, 73-569775.1600, 73-569776.1600, 73-584466.1500, 73-593305.1800

Note created: 4/7/2015

--- The document starts on the next page. ---

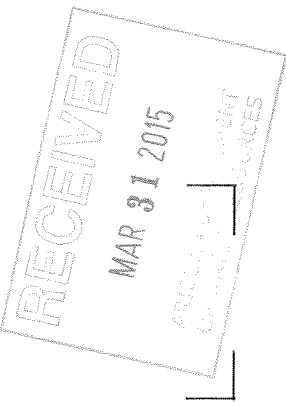
# ANNUAL UNDERGROUND WATER STORAGE REPORT

## UWS - SUMMARY 2014

OWNER NAME  
 RESOLUTION COPPER COMPANY  
 102 MAGMA HEIGHTS  
 P.O. BOX 1944  
 SUPERIOR AZ 85173

LONG TERM STORAGE ACCOUNT NO.

70-441200.0000



REPORTING PARTY  
 70-441200.0000  
 RESOLUTION COPPER MINING LLC  
 102 MAGMA HEIGHTS  
 P.O. BOX 1944  
 SUPERIOR AZ 85173

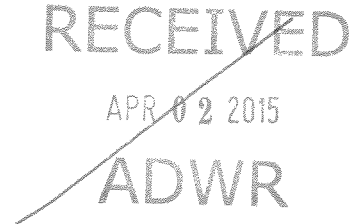
PHOENIX AMA (602) 771-8585

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I PERMIT SUMMARY

Filing the UWS Summary and UWS Schedule will satisfy the annual reporting requirements for the associated permits listed below.

- 73-534888.0604
- 73-545695.1400
- 73-569775.1600
- 73-569776.1600
- 73-584466.1500
- 73-593305.1800



### PART II LATE FEES

Complete this section if filing after March 31.

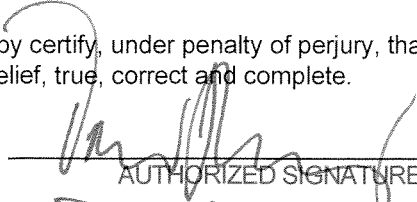
Note: A portion of a month after March 31 is counted as a full month.

List Permit No.	No. of months late (Maximum of 6 months)	Calculate Late Report Fee (\$25.00 for each permit X number of months)
_____	<input type="checkbox"/>	\$ _____
_____	<input type="checkbox"/>	\$ _____

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be mailed to P.O. Box 36020 Phoenix, AZ. 85067 and postmarked no later than March 31, 2015. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2015.

REPORTS FILED AFTER MARCH 31, 2015 ARE SUBJECT TO LATE FEES [A.R.S. § 45-875.01.(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

X  AUTHORIZED SIGNATURE      Principal Infrastructure TITLE      3/20/15 DATE

David Stanley PRINTED NAME      520 689 3219 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.



# UWS - SCHEDULE

## ANNUAL REPORT 2014

LTSA NO.

PERMIT HOLDER:

RESOLUTION COPPER COMPANY

70-441200.0000

### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)				Total Volume of Water Delivered (Acre-feet)
			CAP	EFFLUENT	SURFACE	SPILL	
73-534888.0604	72-534888.0005	NEW MAGMA IRRIGATION & DRAINAGE DISTRICT GSF					0
73-545695.1400	72-545695.0005	ROOSEVELT WATER CONSERVATION DISTRICT GSF					0
73-569775.1600	71-569775.0006	CAWCD AGUA FRIA MANAGED USE					0
73-569776.1600	71-569776.0007	AGUA FRIA USF (CONSTRUCTED)					0
73-584466.1500	71-584466.0003	HIEROGLYPHIC MTNS RECHARGE PROJECT					0
73-593305.1800	71-593305.0002	TONOPAH DESERT RECHARGE PROJECT					0

### TOTAL WATER DELIVERED

A zero must be entered if water was not delivered pursuant to a water storage permit

An amended report was filed by the original filer or another separate report was filed for authority: 73-534888.0604. This report also affects the following right numbers: 70-441200.0000, 73-534888.0604, 73-545695.1400, 73-569775.1600, 73-569776.1600, 73-584466.1500, 73-593305.1800

Note created: 4/5/2016

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# ANNUAL UNDERGROUND WATER STORAGE REPORT

## UWS - SUMMARY 2015

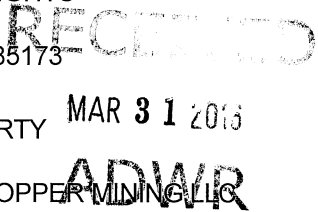
OWNER NAME  
 RESOLUTION COPPER COMPANY  
 102 MAGMA HEIGHTS  
 P.O. BOX 1944  
 SUPERIOR AZ 85173

LONG TERM STORAGE ACCOUNT NO.

70-441200.0000



REPORTING PARTY  
 70-441200.0000  
 RESOLUTION COPPER MINING LLC  
 102 MAGMA HEIGHTS  
 P.O. BOX 1944  
 SUPERIOR AZ 85173



PHOENIX AMA (602) 771-8585

If any of the information preprinted on this report is incorrect, please make the necessary changes.

### PART I PERMIT SUMMARY

Filing the UWS Summary and UWS Schedule will satisfy the annual reporting requirements for the associated permits listed below.

- 73-534888.0604
- 73-545695.1400
- 73-569775.1600
- 73-569776.1600
- 73-584466.1500
- 73-593305.1800

### PART II LATE FEES

Complete this section if filing after March 31.

Note: A portion of a month after March 31 is counted as a full month.

List Permit No.	No. of months late (Maximum of 6 months)	Calculate Late Report Fee (\$25.00 for each permit X number of months)
_____	<input type="checkbox"/>	\$ <input type="text"/>
_____	<input type="checkbox"/>	\$ <input type="text"/>

Mail or hand deliver this report, together with the appropriate schedules, worksheets, supplemental material and fees to the Arizona Department of Water Resources. If mailed, the report must be mailed to P.O. Box 36020 Phoenix, AZ. 85067 and postmarked no later than March 31, 2016. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2016.

REPORTS FILED AFTER MARCH 31, 2016 ARE SUBJECT TO LATE FEES [A.R.S. § 45-875.01.(E)].

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

x  AUTHORIZED SIGNATURE  
 David Stanley PRINTED NAME  
 Principal Advisor Infrastructure TITLE  
 5/31/16 DATE  
 520 689 3219 TELEPHONE NUMBER

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS DELIVERED PURSUANT TO THE PERMIT(S) LISTED IN PART 1.

# UWS - SCHEDULE

## ANNUAL REPORT 2015

LTSA NO.

PERMIT HOLDER: RESOLUTION COPPER COMPANY

70-441200.0000

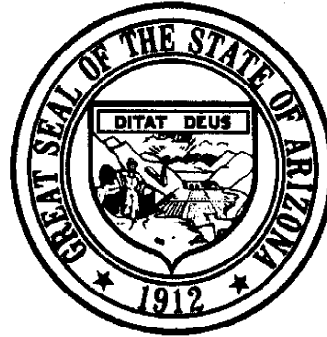
### WATER STORAGE INFORMATION

Water Storage Permit No. (1)	Facility Permit No. (2)	Facility Name (3)	Volume of Water Delivered to Facility (Acre-Feet) (4)				Total Volume of Water Delivered (Acre-feet)
			CAP	EFFLUENT	SURFACE	SPILL	
73-534888.0604	72-534888.0005	NEW MAGMA IRRIGATION & DRAINAGE DISTRICT GSF					0
73-545695.1400	72-545695.0006	ROOSEVELT WATER CONSERVATION DISTRICT GSF					0
73-569775.1600	71-569775.0006	CAWCD AGUA FRIA MANAGED USF					0
73-569776.1600	71-569776.0007	AGUA FRIA USF (CONSTRUCTED)					0
73-584466.1500	71-584466.0003	HIEROGLYPHIC MTNS RECHARGE PROJECT					0
73-593305.1800	71-593305.0002	TONOPAH DESERT RECHARGE PROJECT					0

### TOTAL WATER DELIVERED

A zero must be entered if water was not delivered pursuant to a water storage permit





**ARIZONA DEPARTMENT OF WATER RESOURCES**  
**WATER STORAGE PERMIT**  
**MODIFIED**

PERMIT NO. 73-534888.0604

STATE OF ARIZONA       )ss.  
                                  )  
COUNTY OF MARICOPA   )

This is to certify that I have examined Application No. 73-534888.0604 for a Water Storage Permit to store water in a storage facility, and I have determined that the application meets the requirements of Arizona Revised Statutes Title 45, Chapter 3.1, Article 3 for a Water Storage Permit. The Department hereby grants authority to Resolution Copper Mining, L.L.C. to store water, subject to the following limitations and conditions:

**Permit Limitations**

Permittee:

Resolution Copper Mining, L.L.C.  
102 Magma Heights, PO Box 1944  
Superior, AZ 85273

Storage Facility Name: New Magma Irrigation and Drainage District  
Groundwater Savings Facility

Storage Facility Permit Number: No. 72-534888

Active Management Area: Phoenix

Sub-basin: East Salt River Valley

Water To Be Stored: Central Arizona Project (CAP) water

Legal Basis for Acquiring  
Water To Be Stored: CAP Excess Water Contract No. IR 078-05 dated  
November 9, 2005, with Central Arizona Water  
Conservation District including any renewals thereof,  
and any other contracts under which Permittee  
acquires the right to receive CAP water.

Maximum Permitted Storage: 54,000 acre feet per annum

Effective Date: October 29, 2008

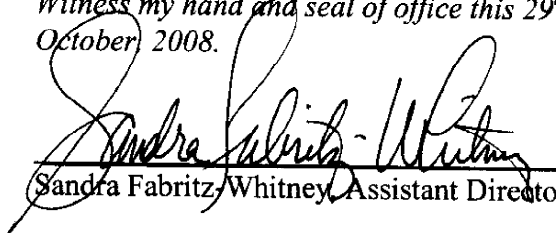
Expiration Date: Expiration of Groundwater Savings Facility  
Permit No. 72-534888

**Permit Conditions**

1. The quantity of water stored shall be reported to the Information Management Unit, Arizona Department of Water Resources, 3550 North Central Ave., Phoenix, Arizona, 85012 in the form of annual data reports. The annual report shall be submitted no later than March 31 following the end of each completed annual reporting period. The first annual reporting period shall be from the effective date of this permit through December 31, 2008. Subsequent annual reporting periods shall be January 1 through December 31.
2. The Permittee shall continue to meet the requirements of A.R.S. § 45-831.01 during water storage.
3. Recovery of stored water is prohibited unless a recovery well permit is obtained pursuant to A.R.S. § 45-834.01.

4. Stored water shall not be recovered in excess of the amount allowed by Title 45, Chapter 3.1, Article 4, Arizona Revised Statutes.
5. The Permittee shall report all assignments of long-term storage credits accrued pursuant to this permit to the Arizona Department of Water Resources in accordance with A.R.S. § 45-854.01.
6. Water may be stored pursuant to this permit only at New Magma Irrigation and Drainage District Groundwater Savings Facility Permit No. 72-534888, and any amendments thereto.
7. The Permittee shall comply with the plan of operation associated with New Magma Irrigation and Drainage District Groundwater Savings Facility Permit No. 72-534888, and any amendments thereto.
8. If the Permittee's contract with Central Arizona Water Conservation District November 9, 2005 is renewed, or if the Permittee acquires any additional contract for the receipt of Central Arizona Project water, the Permittee shall submit a copy of the renewed or additional contract to the Recharge Coordinator, Department of Water Resources prior to storing water received under the renewed or additional contract pursuant to this permit.
9. Please note that under A.R.S § 45-852.01(B)(1), water stored pursuant to a water storage permit may be credited to a long-term storage account only if the water is water that cannot reasonably be used directly as defined by A.R.S. § 45-802.01(22).
10. The Director may withhold long-term storage credits or prohibit recovery on an annual basis for water stored under this permit during any period of time in which permittee's storage activities are not in compliance with all state and federal water quality standards if the Director determines, after consultation with the director of environmental quality, that the violation has had or will have a significant adverse effect on aquifer water quality.

*Witness my hand and seal of office this 29<sup>th</sup> day of  
October, 2008.*

  
Sandra Fabritz-Whitney, Assistant Director

**ARIZONA DEPARTMENT OF WATER RESOURCES**

3550 North Central Avenue, Phoenix, Arizona 85012

Telephone 602 771-8585

Fax 602 771-8688



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

October 29, 2008

Brad Ross  
Resolution Copper Mining LLC  
102 Magma Heights, PO Box 1944  
Superior, AZ 85273

**Re: Resolution Copper Mining LLC, Water Storage Permit No. 73-534888.0604.**

Dear Mr. Ross:

This is the signed water storage permit No. 73-534888.0604 for Resolution Copper Mining at the New Magma Irrigation and Drainage District Groundwater Savings Facility.

Please contact me at (602) 771-8594 with any additional questions.

Sincerely,

Stella Murillo  
Recharge Coordinator

Enclosures

c: Matthew A. Bailey, Snell & Wilmer

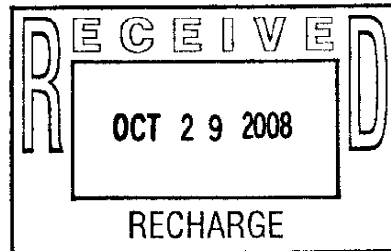






102 Magma Heights  
PO Box 1944  
Superior, AZ 85273  
Tel: (520) 689-9374  
Fax: (520) 689-9304

10/28/2008



Stella Murillo  
Arizona Department of Water Resources  
3550 North Central Avenue  
Phoenix, AZ 85012

Dear Stella,

Please find attached the original copy of Resolution Copper's executed appealable agency action waiver for the director's modification to water storage permit no. 73-534888.0604. Thank for processing this permit and please let me know if you have any questions or need additional information.

Best regards,

A handwritten signature in cursive script that reads 'Brad Ross'.

Brad Ross  
Manager Infrastructure  
Resolution Copper Mining  
Phone 520-689-3320  
Cell 520-827-9649  
Fax 520-689-9304

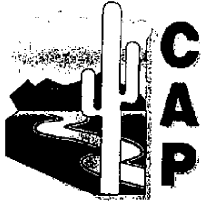
**Appealable Agency Action Waiver**

I, RICH A. HEIG, duly authorized by the Applicant for Water Storage Permit, assert that the Applicant has reviewed the Final Appealable Draft Permit of Application No. 73-534888.0604 and hereby waives all rights that the Applicant may have pursuant to Arizona Revised Statutes, Title 41, Chapter 6, Article 10, and Title 45, Chapter 3.1, Article 5, to administrative and judicial appeal, review or hearing concerning the issuance of the above listed Permit, including all limitations and conditions contained therein.

Rich A. Heig  
Signature

28 October 2008  
Date

Vice President - Resolution Copper Mining  
Title



# CENTRAL ARIZONA PROJECT

P.O. Box 43020 • Phoenix, Arizona 85080-3020 • 23636 North Seventh Street (85024)  
(623) 869-2333 • [www.cap-az.com](http://www.cap-az.com)

November 9, 2005

Kimberly A. Grouse, Esq.  
Snell & Wilmer  
One Arizona Center  
400 E. Van Buren  
Phoenix, Arizona 85004-2202

Subject: Central Arizona Project Incentive Recharge Contract

Dear Ms. Grouse:

Enclosed is a fully executed original of the agreement between the Central Arizona Water Conservation District and Resolution Copper Mining for the delivery of Central Arizona Project water.

Sincerely,

Sheila Brennemann  
Paralegal

lo\incentive\tr\Grouse2 - RCM

Enclosures

221.01

cc: w/out encls.: Larry Dozier, CAWCD  
Jodi Gould, CAWCD  
Tina Brown, CAWCD

**Stella A. Murillo**

---

**From:** Bailey, Matthew [mbailey@swlaw.com]  
**Sent:** Monday, October 20, 2008 1:19 PM  
**To:** Stella A. Murillo  
**Cc:** Ross, Brad ( RCC ); Ronstadt, Carlos  
**Subject:** Resolution Copper: CAP Excess Water Contract  
**Attachments:** Resolution Copper\_ Excess Water Contract with CAP (IR 078-05)\_9198235\_1.PDF

Stella,  
Please find attached Resolution Copper's Excess Water Contract with CAP. Although not listed on the contract, CAP informed me that the actual contract number is "IR 078-05". Per our previous conversation, please update Resolution Copper's Water Storage Permit No. 73-534888.0603 with this contract number. You mentioned this would be handled as a formality through a Director's Modification.

Thank you for all your help and patience with this. Please let me know if you have any questions or need anything further.

**Snell Wilmer**  
DENVER LAS VEGAS ORANGE COUNTY PHOENIX SALT LAKE CITY TUCSON

**Matthew A. Bailey**

Snell & Wilmer L.L.P.  
One Arizona Center  
Phoenix, AZ 85004-2202  
602.382.6528

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1 Contract No IR 075-05

2 Incentive Recharge Contract

3  
4 AGREEMENT BETWEEN THE CENTRAL ARIZONA  
5 WATER CONSERVATION DISTRICT AND  
6 RESOLUTION COPPER MINING, L.L.C.  
7 PROVIDING FOR THE DELIVERY OF EXCESS  
8 CENTRAL ARIZONA PROJECT WATER

9 This Agreement is made as of the 9 day of NOVEMBER, 2005, in pursuance generally of  
10 the Act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto, including  
11 but not limited to the Boulder Canyon Project Act of December 21, 1928 (45 Stat. 1057, as amended, the  
12 Reclamation Project Act of August 4, 1939 (53 Stat. 1187), as amended, the Reclamation Reform Act of  
13 October 12, 1982 (96 Stat. 1263), and particularly the Colorado River Basin Project Act of September 30,  
14 1968 (82 Stat. 885), as amended (the "Basin Project Act"), between the CENTRAL ARIZONA WATER  
15 CONSERVATION DISTRICT ("CAWCD"), and RESOLUTION COPPER MINING, L.L.C. (the  
16 "Contractor"), with its principal place of business in Phoenix, Arizona.

17 **RECITALS**

18 A. The Basin Project Act provides, among other things, that for the purposes of  
19 furnishing irrigation and municipal and industrial ("M&I") water supplies to water deficient areas of Arizona  
20 and western New Mexico through direct diversion or exchange of water, control of floods, conservation  
21 and development of fish and wildlife resources, enhancement of recreation opportunities, and for other  
22 purposes, the Secretary shall construct, operate, and maintain the Central Arizona Project ("CAP").

23 B. The United States and CAWCD have entered into Contract No. 14-06-W-245,  
24 Amendment No. 1, dated December 1, 1988 (the "Repayment Contract"), which is incorporated by  
25 reference, providing for the delivery of water and repayment of costs of the CAP.

26 C. The United States and CAWCD have entered into the Stipulation Regarding a Stay  
of Litigation, Resolution of Issues During the Stay and for Ultimate Judgment upon the Satisfaction of

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Conditions, filed with the United States District Court on May 3, 2000, in Central Arizona Water Conservation District v. United States, No. CIV 95-625-TUC-WDB (EHC), No. CIV 95-1720-PHX-EHC (Consolidated Action) (the "Stipulation"), which modifies the Repayment Contract in certain respects.

D. Paragraph 5(d)(2) of the Stipulation grants CAWCD the exclusive right to sell or use Excess Water.

E. The Contractor is in need of a water sfor Incentive Recharge Water, which is specifically priced Excess Water made available for recharge purposes only.

### AGREEMENT

#### Repayment Contract and Stipulation Controlling

1. The Contractor expressly approves and agrees to all the terms presently set out in the Repayment Contract and Stipulation, or as such terms may be hereafter amended, and agrees to be bound by the actions to be taken and the determinations to be made under those agreements, except as otherwise provided herein. In the event of any inconsistency between this Agreement and the Repayment Contract, the provisions of the Repayment Contract, as modified by the Stipulation, shall be controlling. Definitions included in the Repayment Contract and Stipulation are applicable to this Agreement. The first letters of terms so defined are capitalized herein.

#### Delivery of Water by CAWCD

2. In so far as Project Water supplies and the delivery capability of the Project will permit, and subject to the provisions of the Repayment Contract and Stipulation, CAWCD will deliver Incentive Recharge Water to the Contractor in an amount, and at a water service charge, to be determined in accordance with the terms of this Agreement. The determination of whether Incentive Recharge Water is available for delivery in any Year, and, if so, the amount of such Incentive Recharge Water that is available for delivery under this Agreement in any Year, is a determination within the exclusive discretion of CAWCD; Provided, however, That delivery of Incentive Recharge Water under this Agreement shall be subject to the prior satisfaction of all water deliveries scheduled pursuant to a long-term contract or subcontract for Project Water service, as that term is used in the Stipulation.

Term

1           3.       The initial term of this Agreement expires on December 31, 2005. This Agreement will be  
2 automatically renewed for successive one-year terms unless either party notifies the other by October 1 of  
3 any year that it does not wish to renew the Agreement for the following year or unless sooner terminated  
4 in accordance with Article 6 or Article 11.

Conditions Relating to Delivery and Use

6           4.       The delivery and use of water under this Agreement is conditioned on the following, and the  
7 Contractor hereby agrees that:

8                   (a)       All uses of Project Water and Return Flow shall be consistent with Arizona water  
9 law unless such law is inconsistent with the Congressional directives applicable to the Central Arizona  
10 Project.

11                   (b)       Project Water made available pursuant to this Agreement shall be used within  
12 Contractor's service area or place of use for direct or indirect recharge purposes only. The Contractor's  
13 service area or place of use is described in Exhibit A, which is incorporated by this reference, and may be  
14 amended by the Contractor from time to time.

15                   (c)       The system or systems through which Project Water is conveyed after delivery to  
16 the Contractor shall consist of pipelines, canals, distribution systems, or other conduits which will prevent  
17 excessive conveyance losses.

18                   (d)       Project Water furnished pursuant to this Agreement shall be delivered through  
19 Project Works for use directly or by exchange as permitted by law.

20                   (e)       Project Water furnished to the Contractor pursuant to this Agreement may not be  
21 resold or transferred, but the Contractor may enter into an arrangement with a groundwater savings facility  
22 allowed under state law to store Project Water.

23                   (f)       The Contractor shall not pump, or within its legal authority, permit others to pump  
24 groundwater from within the exterior boundaries of the Contractor's service area for use outside of said  
25 service area unless such pumping is permitted under Title 45, Chapter 2, Arizona Revised Statutes, as it may  
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1 be amended from time to time, and CAWCD and the Contractor shall agree, or shall have previously  
2 agreed, that a surplus of groundwater exists and drainage is or was required; Provided, however, That such  
3 pumping may be approved by CAWCD, and approval shall not be unreasonably withheld, if such pumping  
4 is in accord with the Basin Project Act and upon submittal by the Contractor of a written certification from  
5 the Arizona Department of Water Resources or its successor agency that the pumping and transportation  
6 of groundwater is in accord with Title 45, Chapter 2, Arizona Revised Statutes, as it may be amended from  
7 time to time.

8 (g) Notwithstanding any other provision of this Agreement, Project Water shall not be  
9 delivered to the Contractor unless and until the Contractor has obtained final environmental clearance from  
10 CAWCD for the system or systems through which Project Water is to be conveyed after delivery to the  
11 Contractor at the Contractor's Project delivery point.

12 (h) The Contractor may direct that Incentive Recharge Water made available pursuant  
13 to this Agreement be delivered to a groundwater savings facility for indirect recharge pursuant to a separate  
14 agreement between the Contractor and the operator of the groundwater savings facility; Provided, however,  
15 that:

16 (i) Incentive Recharge Water shall be used by an identified groundwater user on  
17 a gallon-for-gallon substitute basis directly in lieu of groundwater as provided in A.R.S. ¶ 45-812.01.

18 (ii) The Contractor and the operator of the groundwater savings facility must  
19 demonstrate to CAWCD's satisfaction that they have the appropriate permits issued by the Arizona  
20 Department of Water Resources.

21 (iii) Where the operator of the groundwater savings facility is an agricultural entity  
22 participating in CAWCD's target pricing program, only Project Water over and above the amount of  
23 Project Water taken by the agricultural entity in the immediately preceding year, not including Incentive  
24 Recharge Water, may qualify as Incentive Recharge Water.

25 (iv) The Contractor shall provide CAWCD a copy of its agreement with the  
26 operator of the groundwater savings facility for Incentive Recharge Water.



1 (i) Only Project Water for which the Contractor receives long-term storage credits  
2 from the Arizona Department of Water Resources may qualify as Incentive Recharge Water. In determining  
3 the amount of Project Water that qualifies as Incentive Recharge Water in any year, any long-term storage  
4 credits earned by storing CAP water that are recovered by the Contractor in that year shall be deducted  
5 from the long-term storage credits received by the Contractor in that year.

6 (j) Upon the expiration of this Agreement, CAWCD will determine whether any  
7 Project Water delivered pursuant to this Agreement did not qualify as Incentive Recharge Water for the  
8 reasons specified in sections 4(g)(iii) or 4(h) of this Agreement. For any such Project Water not qualifying  
9 as Incentive Recharge Water, CAWCD will bill the Contractor for the difference between the water service  
10 charge for Incentive Recharge Water and the standard M&I water service charge.

11 Procedure for Ordering Water

12 5. (a) On or before the date of execution of this Agreement, or as soon thereafter as is  
13 practicable, CAWCD will notify the Contractor of the amount of Incentive Recharge Water available for  
14 delivery during the first Year under this Agreement (the initial Year of water delivery). The Contractor shall,  
15 within a reasonable period of time as determined by CAWCD, submit a written schedule to CAWCD  
16 showing the quantity of Incentive Recharge Water desired by the Contractor during each month of the initial  
17 Year of water delivery. CAWCD will review the requested schedule and determine whether Incentive  
18 Recharge Water is available for delivery in the initial Year of water delivery, and, if so, the amount of  
19 Incentive Recharge Water available for delivery under this Agreement during such Year. Within thirty (30)  
20 days of CAWCD's receipt of the Contractor's requested schedule, CAWCD shall determine and furnish  
21 to the Contractor the water delivery schedule for the initial Year of water delivery which shall show the  
22 amount of Incentive Recharge Water projected to be delivered to the Contractor during each month of such  
23 Year, contingent upon the Contractor remaining eligible to receive water under all terms contained herein.

24 (b) The amounts, times, and rates of delivery of Incentive Recharge Water to the  
25 Contractor during each Year subsequent to the initial Year of water delivery shall be in accordance with a  
26 water delivery schedule for that Year. Such schedule shall be determined in the following manner:

1 (i) On or before July 1 of each Year beginning with July 1 of the initial Year of  
water delivery, CAWCD shall issue a notice of availability of Incentive Recharge Water to the Contractor.

2 (ii) On or before October 1 of each Year beginning with October 1 of the initial  
3 Year of water delivery, the Contractor shall submit in writing to CAWCD a water delivery schedule  
4 indicating the amounts of Incentive Recharge Water desired by the Contractor during each month of the  
5 following Year.

6 (iii) Upon receipt of the schedule, CAWCD shall review it together with all other  
7 water delivery schedules, and determine whether Incentive Recharge Water is available for delivery in the  
8 following Year, and, if so, the amount of Incentive Recharge Water available for delivery under this  
9 Agreement in the following Year.

10 (iv) On or before November 15 of each Year beginning with November 15 of  
11 the initial Year of water delivery, CAWCD shall determine and furnish to the Contractor the water delivery  
12 schedule for the following Year which shall show the amount of Incentive Recharge Water to be delivered  
13 to the Contractor during each month of that Year, contingent upon the Contractor remaining eligible to  
14 receive water under all terms contained herein.

15 (c) The monthly water delivery schedules may be amended upon the Contractor's  
16 written request to CAWCD. Proposed amendments shall be submitted by the Contractor to CAWCD no  
17 later than 15 days before the desired change is to become effective, and shall be subject to review and  
18 modification in like manner as the schedule. CAWCD shall notify the Contractor of its action on the  
19 Contractor's requested schedule modification within 10 days of CAWCD's receipt of such request.

20 (d) The Contractor shall hold CAWCD, its officers, agents, and employees, harmless  
21 on account of damage or claim of damage of any nature whatsoever arising out of or connected with the  
22 actions of CAWCD regarding water delivery schedules furnished by or to the Contractor.

23 Contractor's Project Delivery Point, Measurement  
24 and Responsibility for Distribution of Water

25 6. (a) Incentive Recharge Water furnished to the Contractor pursuant to this agreement  
26 shall be delivered to the Contractor at such point(s) on the Water Supply System as are agreed upon in

1 writing by CAWCD and the Contractor. All such point(s) shall hereinafter be referred to as the  
2 "Contractor's Project delivery point."

3 (b) Unless CAWCD and the Contractor agree by contract to the contrary, the  
4 Contractor shall construct and install, at its sole cost and expense, all connection facilities required to convey  
5 water furnished to the Contractor pursuant to this Agreement to the Contractor's service area or place of  
6 use, as the case may be. The Contractor shall furnish, for written approval by CAWCD, drawings and  
7 specifications showing all connection facilities to be constructed or installed within the Water Supply System  
8 right-of-way, and shall obtain such approval before commencing construction or installation of such facilities.  
9 All facilities constructed, installed, operated or maintained on the Water Supply System right-of-way by or  
10 for the Contractor shall be subject to such further agreements and to such restrictions and regulations as to  
11 type, location, method of installation, operation, and maintenance as may be prescribed by CAWCD.

12 (c) The Contractor shall construct, operate, and maintain its connection facilities and  
13 appurtenant works in a good and workmanlike manner and in full compliance with the laws of the State of  
14 Arizona and with all laws, regulations, and orders of the United States affecting such operations. The failure  
15 of the Contractor after due notice to construct, operate, and maintain its connection facilities and appurtenant  
16 works in a good and workmanlike manner or to abide by any of the terms and conditions of any applicable  
17 laws, regulations, or orders, shall cause this Agreement to be subject to immediate termination at the option  
18 of CAWCD. The Contractor shall reimburse CAWCD within thirty (30) days of Contractor's receipt of  
19 a statement for the costs of repairing any damage to Project facilities or Project rights-of-way caused by  
20 or arising out of the Contractor's activities under this Agreement.

21 (d) Upon termination of this Agreement, the Contractor shall promptly remove, at its  
22 sole cost and expense, all connection facilities constructed or installed on the Water Supply System  
23 right-of-way and restore said right-of-way and all Project facilities affected to their condition immediately  
24 prior to the construction or installation of such connection facilities. If the Contractor fails to remove said  
25 connection facilities and restore said right-of-way and Project facilities within thirty (30) days after receiving  
26 any written notice from CAWCD to do so, CAWCD may remove said connection facilities and restore said

1 right-of-way and Project facilities at the Contractor's cost and expense, and, within thirty (30) days after  
2 receiving written demand from CAWCD to do so, the Contractor shall pay CAWCD, as specified in such  
3 written demand, for all costs and expenses incurred by CAWCD in removing said connection facilities and  
4 restoring said right-of-way and Project facilities.

5 (e) If the Contractor's Project delivery point is a Project turnout or Project turnouts  
6 constructed by the United States, and if the Contractor intends to convey water furnished to the Contractor  
7 pursuant to this agreement through connection facilities owned or operated by others, the use by the  
8 Contractor of such connection facilities shall be the subject of written agreement(s) between the Contractor  
9 and the owner(s) or operator(s) of such connection facilities, and all such agreements shall include such  
10 terms and conditions as may be required by CAWCD and shall be subject to the prior, written approval  
11 of CAWCD before becoming binding upon the parties thereto.

12 (f) Unless the Contractor's Project delivery point is a Project turnout or Project  
13 turnouts constructed by the United States, all water delivered from the Water Supply System shall be  
14 measured with equipment furnished and installed by the Contractor and operated and maintained by the  
15 Contractor at the Contractor's sole cost and expense. The results of such measurements shall be reported  
16 to CAWCD in such manner and at such time(s) as CAWCD may prescribe. Upon the request of  
17 CAWCD, the accuracy of such measurements shall be investigated by the Contractor, and any errors which  
18 are determined to have occurred therein shall be adjusted; Provided, however, That in the event the parties  
19 cannot agree on the required adjustment, CAWCD's determination shall be conclusive.

20 (g) If the Contractor's Project delivery point is a Project turnout or Project turnouts  
21 constructed by the United States, all water delivered from the Water Supply System shall be measured with  
22 equipment furnished and installed by the United States and operated and maintained by CAWCD. Upon  
23 the request of the Contractor, or CAWCD, the accuracy of such measurements shall be investigated by  
24 CAWCD and the Contractor, and any errors which are mutually determined to have occurred therein shall  
25 be adjusted; Provided, however, That in the event the parties cannot agree on the required adjustment,  
26 CAWCD's determination shall be conclusive.



1 (h) Neither the United States nor CAWCD shall be responsible for the control,  
2 carriage, handling, use, disposal, or distribution of water beyond the Contractor's Project delivery point.  
3 The Contractor shall hold the United States and CAWCD harmless on account of damage or claim of  
4 damage of any nature whatsoever for which there is legal responsibility, including property damage, personal  
5 injury, or death arising out of or connected with the control, carriage, handling, use, disposal, or distribution  
6 of water beyond the Contractor's Project delivery point.

7 Interruptions and Reductions

8 7. In addition to the right of the United States under Subarticle 8.3(a)(iv) of the Repayment  
9 Contract to temporarily discontinue or reduce the amount of water to be delivered, CAWCD may  
10 discontinue or reduce the quantity of water to be furnished to the Contractor as herein provided for the  
11 purposes of investigation, inspection, construction, testing, maintenance, repair, or replacement of any of  
12 the Project facilities or any part thereof. CAWCD may also discontinue or reduce the quantity of water to  
13 be furnished to the Contractor if there is insufficient Project Water or Project delivery capacity to deliver  
14 the Contractor's water order, the water orders of other contractors of Incentive Recharge Water and Excess  
15 water service, and all water deliveries scheduled pursuant to a contract with the United States or a  
16 subcontract with the United States and CAWCD providing for Project Water service for a period of 50  
17 years or more. So far as feasible, CAWCD shall attempt to coordinate any such discontinuance or  
18 reduction with the Contractor and to give the Contractor due notice in advance of such discontinuance or  
19 reduction. In case of emergency, no notice need be given. The United States, its officers, agents, and  
20 employees, and CAWCD, its officers, agents, and employees, shall not be liable for damages when, for any  
21 reason whatsoever, any interruption, discontinuance, or reduction in delivery of water occurs. If any such  
22 discontinuance or temporary reduction results in deliveries to the Contractor of less water than what has  
23 been paid for in advance, the Contractor shall be entitled to be reimbursed for the appropriate proportion  
24 of such advance payments prior to the date of the Contractor's next payment of water service charges or  
25 the Contractor may be given credit toward the next payment of water service charges if the Contractor  
26 should so desire.

No Long-Term Commitment to the Delivery of Project Water

1           8.       Nothing in this Agreement shall be construed as an allocation of Project Water to the  
2 Contractor, nor shall this Agreement entitle the Contractor to any Project Water other than as provided  
3 herein.

Quality of Water

4  
5           9.       CAWCD does not warrant the quality of any Project Water furnished under this Agreement  
6 and is under no obligation to construct or furnish water treatment facilities to maintain or better the quality  
7 of any Project Water. The Contractor waives its right to make a claim against the United States, CAWCD,  
8 or any other Project subcontractor or contractor on account of the quality of Project Water or any changes  
9 in water quality caused by the commingling of Project Water with other water.

Water Service Charges

10  
11           10.     (a)     The Contractor shall pay in advance water service charges established annually by  
12 CAWCD. On or before the date of execution of this Agreement, or as soon thereafter as is practicable,  
13 CAWCD shall furnish the Contractor with the Contractor's water service charges for the initial Year of  
14 water delivery (the "initial Year"). Within a reasonable time of receipt of said charges, but prior to the  
15 delivery of water, the Contractor shall advance to CAWCD, in monthly installments payable on or before  
16 the first day of each month of the initial Year, as determined by CAWCD, the water service charges due  
17 for Incentive Recharge Water scheduled for delivery in the initial Year. For each subsequent Year,  
18 CAWCD will establish water service charges, and CAWCD will notify the Contractor of the amount of  
19 such charges on or before November 15 preceding each said subsequent Year. The Contractor shall make  
20 payments of such charges in monthly installments due on or before the first day of each month of said  
21 subsequent Year, as determined by CAWCD, for Incentive Recharge Water scheduled for delivery in said  
22 subsequent Year. The Contractor shall pay in advance all water service charges established by CAWCD  
23 for Incentive Recharge Water scheduled for delivery under this Agreement; Provided, however, That the  
24 Contractor shall be relieved of the pumping energy portion of the water service charges associated with any  
25 Incentive Recharge Water scheduled for delivery that is not delivered to the Contractor.  
26

1 (b) The payment of all water service charges when due under this Agreement is a  
2 condition precedent to delivery of Incentive Recharge Water.

3 (c) The obligation of the Contractor to pay CAWCD as provided in this Agreement  
4 is a general obligation of the Contractor notwithstanding the manner in which the obligation may be  
5 distributed among the Contractor's water users and notwithstanding the default of individual water users in  
6 their obligations to the Contractor.

### 7 Termination of Contract

8 11. If the Contractor remains in arrears in the payment of any charges due CAWCD for a  
9 period of 60 days or more, CAWCD may terminate this Agreement, which termination shall be effective  
10 30 days after mailing written notice of termination to the Contractor. The Contractor shall remain obligated  
11 to pay all charges required to be paid under this Agreement during the time period until and including the  
12 date of termination. The Contractor's obligation to pay any amounts due but unpaid as of the date of  
13 termination shall survive termination of this Agreement. CAWCD's right to terminate this Agreement as  
14 provided in this Article 11 shall be in addition to the other rights of CAWCD under this Agreement and to  
15 all other rights provided by law.

### 16 Charges for Delinquent Payments

17 12. (a) The Contractor shall be subject to interest, administrative and penalty charges on  
18 delinquent installments or payments. The Contractor shall pay an interest charge for each day the payment  
19 is delinquent beyond the due date. When a payment becomes 60 days delinquent, the Contractor shall pay  
20 an administrative charge to cover additional costs of billing and processing the delinquent payment. When  
a payment is delinquent 90 days or more, the Contractor shall pay an additional penalty charge of 6 percent  
per year for each day the payment is delinquent beyond the due date. Further, the Contractor shall pay any  
fees incurred for debt collection services associated with a delinquent payment.

21 (b) The interest charge rate shall be the greater of the rate prescribed quarterly in the  
22 Federal Register by the Department of the Treasury for application to overdue payments, or the interest rate  
of 0.5 percent per month prescribed by Section 6 of the Reclamation Project Act of 1939 (Public Law  
76-260). The interest charge rate shall be determined as of the due date and remain fixed for the duration  
of the delinquent period.

23 (c) When a partial payment on a delinquent account is received, the amount received  
24 shall be applied first to the penalty and administrative charges, second, to the accrued interest, and third to  
25 the overdue payment.

26 \* \* \*

Rules, Regulations and Determinations

1           13. (a) The parties agree that the delivery of water or the use of Federal facilities pursuant  
2 to this Agreement is subject to Reclamation law, as amended and supplemented, and the rules and  
3 regulations promulgated by the Secretary of the Interior under Reclamation law.

4           (b) The Contracting Officer shall have the right to make determinations necessary to  
5 administer this Agreement that are consistent with the expressed and implied provisions of this Agreement,  
6 the laws of the United States and the State of Arizona, and the rules and regulations promulgated by the  
7 Secretary of the Interior. Such determinations shall be made in consultation with CAWCD and the  
8 Contractor.

Compliance with Environmental Laws

9           14. The Contractor, in carrying out this Agreement, shall comply with all applicable  
10 environmental laws and regulations of the United States and the State of Arizona and shall obtain all required  
11 permits or licenses from the appropriate Federal, State, or local authorities.

Equal Opportunity

12           15. During the performance of this Agreement, the Contractor agrees as follows:

13           (a) The Contractor will not discriminate against any employee or applicant for  
14 employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative  
15 action to ensure that applicants are employed, and that employees are treated during employment, without  
16 regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to  
17 the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff  
18 or termination; rates of pay or other forms of compensation; and selection for training, including  
19 apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants  
20 for employment, notices to be provided by the Contracting Officer setting forth the provisions of this  
21 nondiscrimination clause.

22           (b) The Contractor will, in all solicitations or advertisements for employees placed by  
23 or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment  
24 without discrimination because of race, color, religion, sex, or national origin.

25           (c) The Contractor will send to each labor union or representative of workers with  
26 which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided  
by the Contracting Officer, advising said labor union or workers' representative of the Contractor's  
commitments under Section 202 of Executive Order 11246 of September 24, 1965, as amended, and shall  
post copies of the notice in conspicuous places available to employees and applicants for employment.

          (d) The Contractor will comply with all provisions of Executive Order No. 11246 of  
September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of  
Labor.

          (e) The Contractor will furnish all information and reports required by said amended  
Executive Order and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto,  
and will permit access to its books, records, and accounts by the Contracting Officer and the Secretary of  
Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

\* \* \*



1 (f) In the event of the Contractor's noncompliance with the nondiscrimination clauses  
2 of this agreement or with any of such rules, regulations, or orders, this agreement may be canceled,  
3 terminated, or suspended, in whole or in part, and the Contractor may be declared ineligible for further  
4 Government contracts in accordance with procedures authorized in said amended Executive Order, and  
5 such other sanctions may be imposed and remedies invoked as provided in said amended Executive Order,  
6 or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7 (g) The Contractor will include the provisions of paragraphs (a) through (g) in every  
8 subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor  
9 issued pursuant to Section 204 of said amended Executive Order, so that such provisions will be binding  
10 upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract  
11 or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions,  
12 including sanctions for noncompliance; Provided, however, That in the event the Contractor becomes  
13 involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the  
14 Contractor may request the United States to enter into such litigation to protect the interests of the United  
15 States.

#### 16 Compliance With Civil Rights Laws and Regulations

17 16. (a) The Contractor shall comply with Title VI of the Civil Rights Act of 1964 (42  
18 U.S.C. 2000d), Section 504 of the Rehabilitation Act of 1975 (Public Law 93-112, as amended), the Age  
19 Discrimination Act of 1975 (42 U.S.C. 6101, et seq.) and any other applicable civil rights laws, as well as  
20 with their respective implementing regulations and guidelines imposed by the U.S. Department of the Interior  
21 and/or Bureau of Reclamation.

22 (b) These statutes require that no person in the United States shall, on the grounds of  
23 race, color, national origin, handicap, or age, be excluded from participation in, be denied the benefits of,  
24 or be otherwise subjected to discrimination under any program or activity receiving financial assistance from  
25 the Bureau of Reclamation. By executing this agreement, the Contractor agrees to immediately take any  
26 measures necessary to implement this obligation, including permitting officials of the United States to inspect  
premises, programs, and documents.

(c) The Contractor makes this agreement in consideration of and for the purpose of  
obtaining any and all Federal grants, loans, contracts, property discounts or other Federal financial  
assistance extended after the date hereof to the Contractor by the Bureau of Reclamation, including  
installment payments after such date on account of arrangements for Federal financial assistance which were  
approved before such date. The Contractor recognizes and agrees that such Federal assistance will be  
extended in reliance on the representations and agreements made in this article, and that the United States  
reserves the right to seek judicial enforcement thereof.

#### 21 Books, Records, and Reports

22 17. The Contractor shall establish and maintain accounts and other books and records pertaining  
23 to administration of the terms and conditions of this Agreement, including: the Contractor's financial  
24 transactions, water supply data, project operation, maintenance and replacement logs, and Project land and  
25 right-of-way use agreements; the water users' land-use (crop census), land ownership, land-leasing and  
26 water-use data; and other matters that CAWCD may require. Reports thereon shall be furnished to  
CAWCD in such form and on such date or dates as CAWCD may require. Subject to applicable Federal  
laws and regulations, each party to this Agreement shall have the right during office hours to examine and  
make copies of each other party's books and records relating to matters covered by this Agreement.

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Notices

18. Any notice, demand, or request authorized or required by this Agreement shall be deemed to have been given, on behalf of CAWCD, when mailed, postage prepaid, or delivered to Mr. Frank D. Hegner, Vice President and General Manager, Resolution Copper Mining, L.L.C., 2525 E. Biltmore Circle, Suite C-135, Phoenix, Arizona 85016 and on behalf of the Contractor when mailed, postage prepaid, or delivered to the General Manager, Central Arizona Water Conservation District, 23636 North 7th Street, Phoenix, Arizona 85024. The designation of the addressee or the address may be changed by notice given in the same manner as provided in this Article for other notices.

Assignment Limited--Successors and Assigns Obligated

19. The provisions of this Agreement shall apply to and bind the successors and assigns of the parties hereto, but no assignment or transfer of this Agreement or any right or interest therein shall be valid until approved in writing by CAWCD.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement No. 16118-5 effective the day and year first above-written.

CENTRAL ARIZONA WATER  
CONSERVATION DISTRICT

Attest: [Signature]  
Secretary

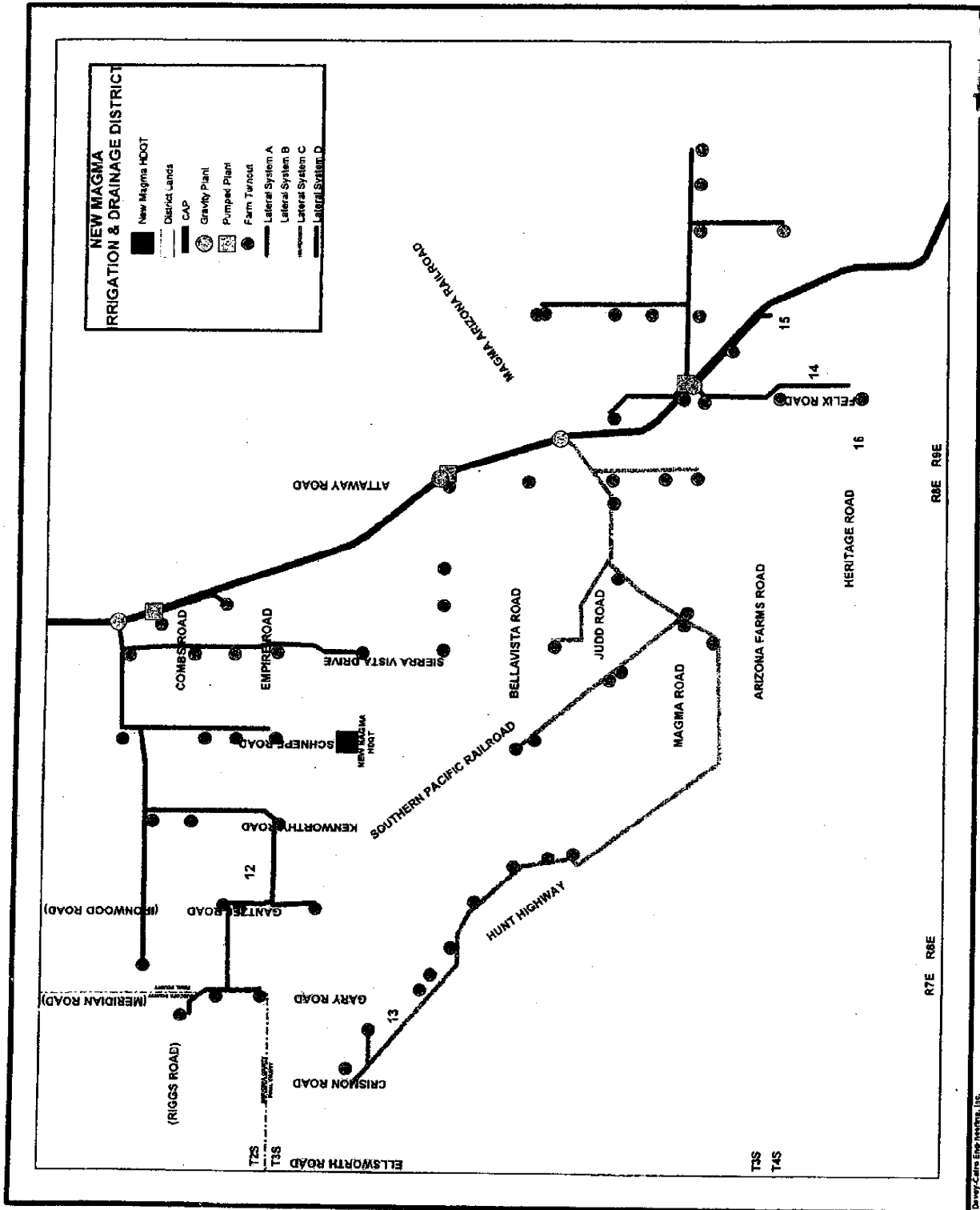
By: [Signature]  
President

RESOLUTION COPPER MINING, L.L.C.

Attest: \_\_\_\_\_  
Its: \_\_\_\_\_

By: F.D. Hegner  
Its: General Manager

wpdocs\Incentive\resolution copper mining  
221.01



**NEW MAGMA IRRIGATION & DRAINAGE DISTRICT**

- New Magma HOOT
- District Lands
- CAP
- Gravity Plant
- Pumped Plant
- Farm Turbidity
- Lateral System A
- Lateral System B
- Lateral System C
- Lateral System D

3030 inc

Dwy-Care Engineering, Inc.

**ARIZONA DEPARTMENT OF WATER RESOURCES**  
3550 North Central Avenue, Phoenix, Arizona 85012  
Telephone 602 771-8585  
Fax 602 771-8688



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

October 21, 2008

**CERTIFIED MAIL**

Brad Ross  
Resolution Copper Mining LLC  
102 Magma Heights, PO Box 1944  
Superior, AZ 85273

**Re: Decision of the Director to Modify Water Storage Permit No. 73-534888.0603.**

Dear Mr. Ross:

This letter is the Decision of the Director of the Arizona Department of Water Resources (Department) to modify Resolution Copper Mining LLC, water storage permit No.73-534888.0603 at the New Magma Irrigation and Drainage District Groundwater Savings Facility.

The Department is issuing this permit under a Director's modification. The proposed change is outlined below and the new modified facility permit number will be No. 73-534888.0604.

- Update the Excess Water contract number between Resolution Copper Mining LLC and CAP.

You are entitled to appeal this decision. If you wish to appeal this decision, you must file a written appeal within **thirty (30) days** from receipt of this letter. I am providing you with a summary of the appeal process and appeal form, should you elect to pursue this option.

You may elect to complete and file the enclosed Appealable Agency Action Waiver Form, waiving your right to appeal the Director's Decision, so that your permit can be signed without delay. If you do not file a notice of appeal or the Appealable Agency Action Waiver Form within the 30 day appeal period, the permit shall be signed and issued at the end of the 30 day appeal period.



Mr. Ross  
 Resolution Copper Mining LLC  
 October 21, 2008  
 Page 2

Please direct any questions concerning the permit or the appeal process to Stella Murillo, the Arizona Department of Water Resources Recharge Coordinator at (602) 771-8585.

Sincerely,

*Sandra Fabritz-Whitney*  
 Sandra Fabritz-Whitney  
 Assistant Director

Enclosures

SFW:sm

c: Stella Murillo, Recharge Coordinator  
 Drew Swieczkowski, ADWR Hydro  
 Matthew A. Bailey, Snell & Wilmer

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Return Receipt Fee (Endorsement Required)	\$ 2.20
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 5.90</b>

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 PHOENIX, ARIZONA STA 85013

7584 8598 0000 0552 41

21-211271-0000 73-534884-06103

<b>SENDER: COMPLETE THIS SECTION</b>		<b>COMPLETE THIS SECTION ON DELIVERY</b>	
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>		A. Signature <input checked="" type="checkbox"/> <i>Jan Layne</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to:  Brad Ross Resolution Copper Mining LLC 102 Magma Heights, PO Box 1644 Superior, AZ 85273		B. Received by (Printed Name) <i>Jan Layne</i> C. Date of Delivery <i>10-31-08</i>	
2. Article Number (Transfer from service label)  7004 2510 0000 8658 4891		D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:	
3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

**Appealable Agency Action Waiver**

I, \_\_\_\_\_, duly authorized by the Applicant for Water Storage Permit, assert that the Applicant has reviewed the Final Appealable Draft Permit of Application No. 73-534888.0604 and hereby waives all rights that the Applicant may have pursuant to Arizona Revised Statutes, Title 41, Chapter 6, Article 10, and Title 45, Chapter 3.1, Article 5, to administrative and judicial appeal, review or hearing concerning the issuance of the above listed Permit, including all limitations and conditions contained therein.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

**ATTACHMENT 7**

Excel Spreadsheet of Downloaded Documents

Resolution recharge research

A	B	C	D	E	F	
1 ADWR documents downloaded from <a href="https://infoshare.azwater.gov/docushare/dsweb/HomePage">https://infoshare.azwater.gov/docushare/dsweb/HomePage</a> (recharge documents)						
2	File name	References	Content	Water stored at NMIDD (ac-ft)	Notes	Water stored at NMIDD not for credit (ac-ft)
3	73-534888.0600_1.pdf		2005 Annual Water Storage Report	0	NMIDD	
4	73-534888.0600_Permit.pdf		2005 permit and associated correspondence		New Magma IID for storing 20,000 ac-ft/year for 10 years	
5	73-534888.0601_1.pdf		2008 Annual Water Storage Report	34,807	NMIDD	
6	73-534888.0601_2.pdf		2007 Annual Water Storage Report	36,127	NMIDD	
7	73-534888.0601_Permit.pdf		2006 Permit modification to .060C		increase storage to 36,500 ac-ft/yr for 2 years	
8	73-534888.0602_Permit.pdf		2007 Permit modification to .0601		increase storage to 36,500 ac-ft/yr for 10 years	
9	73-534888.0603_1.pdf		2007 Annual Water Storage Report	36,000	NMIDD	
10	73-534888.0603_Permit.pdf		2008 (September) permit and associated correspondence		modification to permit 73-534888.0601	
11	73-534888.0604_1.pdf	73-534888.0604	2008 Annual Water Storage Report	32,692	NMIDD	
12	73-534888.0604_2.pdf	73-534888.0604	2009 Annual Water Storage Report	36,013.90	NMIDD	
13	73-534888.0604_3.pdf	73-534888.0604 and 73-593305.150C	2010 Annual Water Storage Report	20,116.81	NMIDD (20,116.81) Tonopah Desert (19,637)	
14	73-534888.0604_4.pdf	73-534888.0604	2011 Annual Water Storage Report	36,000	NMIDD (36,000), 1,912 (dewatering not for credit)Roosevelt Water Conservation District (14,000)	1912
15	73-534888.0604_5.pdf		2012 Annual Water Storage Report	0		
16	73-534888.0604_6.pdf		2013 Annual Water Storage Report	0		
17	73-534888.0604_7.pdf		2014 Annual Water Storage Report	0		
18	73-534888.0604_8.pdf		2015 Annual Water Storage Report	0		
19	73-534888.0604_Permit.pdf		2008 (October) permit and associated correspondence		modification to permit 73-534888.0603	
20			<b>TOTALS</b>	<b>231,757</b>		<b>1,912</b>
21						
22	THESE ARE DUPLICATES OF DOCUMENTS FOR 73-534888.0604					
23	73-569776_1.pdf					
24	73-569776_2.pdf					
25	73-569776_3.pdf					
26	73-569776_4.pdf					
27	73-569776_5.pdf					
28	73-569776_6.pdf					
29	73-569776_7.pdf					
30	73-569776_8.pdf					
31	73-569775_1.pdf	73-534888.0604	2008 Annual Water Storage Report	32,692	NMIDD	
32	73-569775_2.pdf	73-534888.0604	2009 Annual Water Storage Report	36,013.90	NMIDD	
33	73-569775_3.pdf	73-534888.0604 and 73-593305.150C	2010 Annual Water Storage Report	20116.81/19,637	NMIDD (20,116.81) Tonopah Desert (19,637)	
34	73-569775_4.pdf		2011 Annual Water Storage Report	36,000	NMIDD (36,000), 1,912 (dewatering not for credit)Roosevelt Water Conservation District (14,000)	
35	73-569775_5.pdf		2012 Annual Water Storage Report	0		
36	73-569775_6.pdf		2013 Annual Water Storage Report	0		
37	73-569775_7.pdf		2014 Annual Water Storage Report	0		
38	73-569775_8.pdf		2015 Annual Water Storage Report	0		
39	73-584466_1.pdf		2008 Annual Water Storage Report	32,692	NMIDD	
40	73-584466_2.pdf		2009 Annual Water Storage Report	36,013.90	NMIDD	
41	73-584466_3.pdf		2010 Annual Water Storage Report	20116.81/19,637	NMIDD (20,116.81) Tonopah Desert (19,637)	
42	73-584466_4.pdf		2011 Annual Water Storage Report	36,000	NMIDD (36,000), 1,912 (dewatering not for credit)Roosevelt Water Conservation District (14,000)	
43	73-584466_5.pdf		2012 Annual Water Storage Report	0		
44	73-584466_6.pdf		2013 Annual Water Storage Report	0		
45	73-584466_7.pdf		2014 Annual Water Storage Report	0		
46	73-584466_8.pdf		2015 Annual Water Storage Report	0		
47	73-545695_1.pdf		2008 Annual Water Storage Report	32,692	NMIDD	
48	73-545695_2.pdf		2009 Annual Water Storage Report	36,013.90	NMIDD	
49	73-545695_3.pdf		2010 Annual Water Storage Report	20116.81/19,637	NMIDD (20,116.81) Tonopah Desert (19,637)	
50	73-545695_4.pdf		2011 Annual Water Storage Report	36,000	NMIDD (36,000), 1,912 (dewatering not for credit)Roosevelt Water Conservation District (14,000)	
51	73-545695_5.pdf		2012 Annual Water Storage Report	0		
52	73-545695_6.pdf		2013 Annual Water Storage Report	0		
53	73-545695_7.pdf		2014 Annual Water Storage Report	0		
54	73-545695_8.pdf		2015 Annual Water Storage Report	0		
55	73-593305_1.pdf		2008 Annual Water Storage Report	32,692	NMIDD	
56	73-593305_2.pdf		2009 Annual Water Storage Report	36,013.90	NMIDD	
57	73-593305_3.pdf		2010 Annual Water Storage Report	20116.81/19,637	NMIDD (20,116.81) Tonopah Desert (19,637)	
58	73-593305_4.pdf		2011 Annual Water Storage Report	36,000	NMIDD (36,000), 1,912 (dewatering not for credit)Roosevelt Water Conservation District (14,000)	
59	73-593305_5.pdf		2012 Annual Water Storage Report	0		
60	73-593305_6.pdf		2013 Annual Water Storage Report	0		
61	73-593305_7.pdf		2014 Annual Water Storage Report	0		

Resolution recharge research

	A	B	C	D	E	F
62	73-593305_8.pdf		2015 Annual Water Storage Report	0		
63	73-545695_1.pdf		2008 Annual Water Storage Report	32,692	NMIDD	
64	73-545695_2.pdf		2009 Annual Water Storage Report	36,013.90	NMIDD	
65	73-545695_3.pdf		2010 Annual Water Storage Report	20116.81/19,637	NMIDD (20,116.81) Tonopah Desert (19,637)	
66	73-545695_4.pdf		2011 Annual Water Storage Report	36,000	NMIDD (36,000), 1,912 (dewatering not for credit)Roosevelt Water Conservation District (14,000)	
67	73-545695_5.pdf		2012 Annual Water Storage Report	0		
68	73-545695_6.pdf		2013 Annual Water Storage Report	0		
69	73-545695_7.pdf		2014 Annual Water Storage Report	0		
70	73-545695_8.pdf		2015 Annual Water Storage Report	0		
71						
72						
73						
74	<b>STORAGE IN PINAL AMA</b>					
75	73-534489_1.pdf		2007 Annual Water Storage Report	2,670	Hohokam IDD in Pinal Cty	
76	73-534489_2.pdf		2008 Annual Water Storage Report	18,000	Hohokam IDD in Pinal Cty	
77	73-534489_3.pdf		2009 Annual Water Storage Report	39,720	Hohokam IDD in Pinal Cty	
78	73-534489_4.pdf		2010 Annual Water Storage Report	0	Hohokam IDD in Pinal Cty	
79	73-534489_5.pdf		2011 Annual Water Storage Report	0	Hohokam IDD in Pinal Cty	
80	73-534489_6.pdf		2012 Annual Water Storage Report	0	Hohokam IDD in Pinal Cty	
81	73-534489_7.pdf		2013 Annual Water Storage Report	0	Hohokam IDD in Pinal Cty	
82	73-534489_8.pdf		2014 Annual Water Storage Report	0	Hohokam IDD in Pinal Cty	
83	73-534489_9.pdf		2015 Annual Water Storage Report	0	Hohokam IDD in Pinal Cty	
84	73-534489_permit.pdf		2007 permit and associated correspondence			



**Resolution Water Rights Research**

	A	B	C	D
1	<b>ADWR documents downloaded from <a href="https://infoshare.azwater.gov/docushare/dsweb/HomePage">https://infoshare.azwater.gov/docushare/dsweb/HomePage</a> (groundwater documents)</b>			
2	<b>File name</b>	<b>Water Right</b>	<b>Content</b>	<b>Notes</b>
3	58-117402_2014AnnualRpt	58-117402.0001	2014 Annual Water Withdrawal and Use Report	68 acre-feet from 55-525311 and 55-525312
4	59-222427_2013AnnualRpt	59-222427	2013 Annual Water Withdrawal and Use Report	0.34 acre-feet for well 55-201850 *not listed in GPO.
5	58-130703_2012AnnualRpt	58-130703.0001	2012 Annual Report	no water was used for this type 2
6	58-112158_Application_1993AnnualRpt	58-112158.0001	1993 Annual Water Withdrawal and Use Report/ Certificate of Irrigation Grandfathered Groundwater Right/1981 Application	*not listed in GPO
7	58-130703_2015AnnualRpt	58-130703.0001	2015 Annual Report	no water used
8	58-117402_2012AnnualRpt	58-117402.0001	2012 Annual Water Withdrawal and Use Report	53 acre-feet from 55-525311 and 55-525312
9	59-524492_2015AnnualRpt	59-524492.0003	2015 Annual Water Withdrawal and Use Report	
10	58-117402_2008AnnualRpt	58-117402.0001	2008 Annual Water Withdrawal and Use Report	64.13 acre-feet from 55-525312
11	58-116137_Allotment-StatusChg	58-116137.0002	Status change/Notice of Allotment	*not listed in GPO
12	58-117402_2011AnnualRpt	58-117402.0001	2011 Annual Water Withdrawal and Use Report	69 acre-feet from 55-525311
13	58-130703_2011AnnualRpt	58-130703.0001	2011 Annual Report	no water used
14	59-221340_HydrologicTest	59-221340	hydrologic test permit	*Hydrologic testing permit for 55-914044 /not listed in GPO
15	59-221350_HydrologicTest	59-221350	hydrologic test permit	*Hydrologic testing permit for 55-914079, 55-914087, 55-914087, 55-914088, 55-9148089, 55-914090 /not listed in GPO
16	59-222427_HydrologicTest	59-222427	hydrologic test permit	*Hydrologic testing permit for 55-201850 /not listed in GPO
17	59-524492_2011AnnualRpt	59-524492.0003	2011 Annual Water Withdrawal and Use Report	2,373 acre-feet from 55-525311 and 55-525312. <b>**Note, these wells are on WR58-117402 as well</b>
18	73-534489_2011AnnualRpt	73-534489.0500	2011 Annual Report	*not listed in GPO/ no water used
19	73-569775_2011AnnualRpt	73-569775.1600	2011 Annual Report	*not listed in GPO/ no water used
20	73-584466_2011AnnualRpt	73-584466.1500	2011 Annual Report	*not listed in GPO/ no water used
21	58-117402_2015AnnualRpt	58-117402.0001	2015 Annual Water Withdrawal and Use Report	99 acre-feet from 55-525312
22	58-130703_2010AnnualRpt	58-130703.0001	2010 Annual Report	no water used
23	59-524492_2013AnnualRpt	59-524492.0003	2013 Annual Water Withdrawal and Use Report	1,532 acre-feet from 55-218766 and 55-525312. <b>**Note, wells are on WR58-117402 as well</b>
24	58-130703_2009AnnualRpt	58-130703.0001	2009 Annual Report	no water used
25	59-524492_2009FacilityRpt	59-524492.0003	2009 Facility Report	
26	58-117402_2006AnnualRpt	58-117402.0001	2006 Annual Water Withdrawal and Use Report	50.15 acre-feet from 55-525312
27	59-524492_DewateringPermit	59-524492.0001	Dewatering Permit	points of withdrawl 55-525311 and 55-525312
28	59-524492_2009AnnualRpt	59-524492.0003	2009 Annual Water Withdrawal and Use Report	1,696.71 acre-feet from 55-525312. <b>**Note, these wells are on WR58-117402 as well</b>
29	59-524492_2006AnnualRpt	59-524492.0001	2006 Annual Water Withdrawal and Use Report	no water used
30	58-117402_2009AnnualRpt	58-117402.0001	2009 Annual Water Withdrawal and Use Report	65.21 acre-feet from 55-525312
31	58-130703_2013AnnualRpt	58-130703.0001	2013 Annual Report	no water used
32	59-524492_2007AnnualRpt	59-524492.0001	2007 Annual Water Withdrawal and Use Report	no water used

**Resolution Water Rights Research**

	A	B	C	D
33	58-112158_1994HistoricalDocs	58-112158.0004	1994 Historical documents transferring water right to Resolution. .0001 is old number .0004 is Resolutions new number	*not listed in GPO
34	58-117402_2005AnnualRpt	58-117402.0001	2005 Annual Water Withdrawal and Use Report	53.67 acre-feet from 55-525312
35	58-117402_2010AnnualRpt	58-117402.0001	2010 Annual Water Withdrawal and Use Report	82.43 acre-feet from 55-525312
36	59-221340_2012AnnualRpt	59-221340	2012 Annual water Withdrawal and Use Report	*0.0056 ac-ft used from 55-914044 /not listed in GPO
37	58-130703_2005AnnualRpt	58-130703.0001	2005 Annual Report	no water used - associated wells55-624606, 55-62607, 55-624608, 55-624609
38	58-117402_Certificate	58-117402.0001	Certificat for Type 2 non-irrigation Grandfathered Right	
39	59-524492_2008PermitMod	59-524492.0002	2008 Permit Modification	for increase in maxs volume for dewatering/associated wells 55-525311 and 55-525312
40	58-130703_2006AnnualRpt	58-130703.0001	2006 Annual Report	no water used
41	58-130703_2005Certificate	58-130703.0001	Certificat2 for Type 2 Non-irrigation Grandfathered Right	associated wells55-624606, 55-62607, 55-624608, 55-624609
42	58-130176_2001AnnualRpt	58-130176.0002	2001 Annual water Withdrawal and Use Report	*not listed in GPO/ no water used
43	58-130703_2008AnnualRpt	58-130703.0001	2008 Annual Report	no water used
44	59-524492_2010AnnualRpt	59-524492.0003	2010 Annual Water Withdrawal and Use Report	2,004 ac-ft from 55-525311 and 55-525312
45	58-101621_1994HistoricalDocs	58-101621.0003	1994 Historical documents trasferring water right to Resolution.	58-101621.0001 and 58-130022.1 are old numbers 58-101621.0003 is Resolutions new #/ *not listed in GPO
46	59-524492_2005AnnualRpt	59-524492.0001	2005 Annual Water Withdrawal and Use Report	no water used
47	58-117402_2007AnnualRpt	58-117402.0001	2007 Annual Water Withdrawal and Use Report	58.58 ac-ft from 55-525312
48	59-524492_2008AnnualRpt	59-524492.0001	2008 Annual Water Withdrawal and Use Report	no water used
49	58-130703_2007AnnualRpt	58-130703.0001	2007 Annual Report	no water used
50	58-130703_2014AnnualRpt	58-130703.0001	2014 Annual Report	no water used
51	59-524492_2014AnnualRpt	59-524492.0003	2014 Annual Water Withdrawal and Use Report	1,489 ac-ft from 55-525312
52	59-524492_2012AnnualRpt	59-524492.0003	2012 Annual Water Withdrawal and Use Report	1,287 ac-ft from 55-525311 and 55-525312
53	59-221350_2012AnnualRpt	59-221350	2012 Annual Water Withdrawal and Use Report	* 55-914079, 55-914080, 55-914087, 55-914087, 55-914088, 55-9148089, 55-914090 /not listed in GPO
54	BoR_Draft EA_2016	CAP allotment	EA for relocation of Non-Indian Water	associated with Resolution application for [2,238 ac-ft per year] CAP water
55	58-117402_2013AnnualRpt	58-117402.0001	2013 Annual Water Withdrawal and Use Report	70 ac-ft from 55-525312
56	Resolution_NIA_Application	CAP allotment	Application to ADWR for reallocation of Non-Indian Agricultural water	request is for 6,350 ac-feet of CAP water