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

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

Fees
The interim fee rules:

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

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

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

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

Please return the completed application and the $2,000 non-refundable fee to the:
Arizona Department of Environmental Quality
Voluntary Remediation Program, Fourth Floor
1110 W. Washington Street, MC 4415B-2
Phoenix, AZ 85007

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

Section I: Verification of VRP Eligibility

A. VRP Eligibility

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

<table>
<thead>
<tr>
<th>Are remedial actions required by the terms of any of the following:</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) a written agreement between the applicant and the Director entered into before the date of the application;</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>2) a judicial judgment or decree;</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>3) an administrative order issued before the date of the application;</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Are remedial actions:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>sought to be required in the complaint in a judicial action filed and served by the state before the date of the application;</td>
<td>Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Are remedial activities subject to:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1) corrective action at or closure of a facility, that has qualified for interim status or to which a permit has been issued pursuant to A.R.S. § 49-922;</td>
<td>Yes</td>
</tr>
<tr>
<td>2) listing on the WQARF Registry [see A.R.S. § 49-287.01(D)] or location in a WQARF boundary area with the same contaminant(s) of concern. Specifically remedial actions at a site or portion of a site listed on the registry maintained pursuant to § 49-287.01, subsection D that address a contaminant of concern at that site, except that the department may accept an application under this article for remediation of a site or a portion of a site for which a preliminary investigation has been commenced or completed pursuant to § 49-287.01 but that has not been listed on the registry maintained pursuant to § 49-287.01, subsection D;</td>
<td>Yes</td>
</tr>
<tr>
<td>3) a corrective action pursuant to A.R.S. § 49-1005, unless the person waives any right to reimbursement from the State Assurance Fund. Answer &quot;no&quot; to this question if the applicant and property owner agree not to seek reimbursement from the State Assurance Fund for LUST corrective actions, or no USTs are found on site. In all cases, if the applicant answers &quot;no&quot; to this question, the &quot;Waiver of State Assurance Fund Reimbursement&quot; must be completed.</td>
<td>Yes</td>
</tr>
</tbody>
</table>

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

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

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

By: [Signature]  Name: Stuart Brown  Date: 7/24/14

(Applicant's Signature)  (Print or type)

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

By: N/A  Name:  Date:

(Orderer's Signature)  (Print or type)

Version 3/20/03  Page 2 of 6
PART III: APPLICANT RELATED, SITE AND REMEDIAL ACTION INFORMATION

Section I: Applicant Related Information

A. Applicant
   Name: Stuart Brown
   Company: Freeport Minerals Corporation
   Address: 333 N. Central Ave.
   City: Phoenix, State: AZ, Zip Code: 85004
   Phone: (602) 366-8303, Fax: ( ), E-mail: stuart_brown@fmi.com
   Nature of the Relationship to the Site: Project Manager
   Type of Business: (Please circle ALL that apply to your business)
   N - Native American Owned Entity  O - Operator on Native American Property  F - Federal Government
   S - State Government  C - County Government  P - Partnership  R - Corporation  M - Municipality
   Other: 

B. Applicant's Authorized Agent (if any)
   Name: 
   Relationship to Applicant: 
   Company: 
   Address: 
   City: , State: 
   Zip Code: , Phone: ( ), Fax: ( ), E-mail: 
   Describe Agent's Authority: 

C. Property Owner
   Name: 
   Company: 
   Address: 
   City: , State: 
   Zip Code: , Phone: ( ), Fax: ( ), E-mail: 

D. Billing Information
   Name: Same as "Applicant"
   Company: 
   Address: 
   City: , State: 
   Zip Code: , Phone: ( ), Fax: ( ), E-mail: 

Section II: Site Information

A. Description of the Location and Boundaries of the Site or Portion of the Site, that is Subject to the Remediation
   Site Name: Stuart Brown
   Address: See attached map
   City: Clarkdale, County: Yavapai, Zip Code: 86324
   Approximate Center of the Property:
   Latitude: ° ' " , Longitude: ° ' " , ... 
   Site Size (acres or sq. feet): See attached map
   Parcel Number: See attached map
   Township: 
   Range: 
   Section: of the ¼ of the ¼ of the ¼ 
   Legal description of the Property (attach a map showing the site): See attached map
B. Investigation Information
To the best of your knowledge, is the property (or any activity conducted on the property) currently the subject of an administrative, civil, or criminal investigation related to protection of the environment? Yes [ ] No [ ]
If yes, please describe: 

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

Section III: Site Characterization
A. Description
Provide a general description of the results of the site characterization activities performed at the site or portion of the site (attach additional sheets if necessary); Freeport will provide ADEQ with a Sampling and Analysis Plan that will provide details of the proposed soil sampling to be performed in the area described in the attached map.

Section IV: Remedial Actions
A. Remediation
Indicate if the remediation is: [ ] Proposed [ ] In progress [ ] Completed
Provide a general description of the work to be performed or already performed, (attach additional sheets if necessary): Following the results of soil sampling, Freeport will provide ADEQ with a Remediation Action Work Plan for any soil remediation that is necessary based on the results of the soil sampling.

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

SOIL

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

List contaminants Arsenic, lead, and copper.

WATER

List contaminants

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

RISK ASSESSMENT
Please Describe: A risk assessment has been performed for site-specific soil remediation levels for the Site. A copy of the risk assessment is enclosed for ADEQ review and approval.

Version 3/20/03 Page 4 of 6
C. Please Check ALL the Approval(s) that you will Seek While Participating in the VRP:

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

Section V: Actions to be Suspended

A. Suspended Actions

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

N/A

PART IV: VOLUNTARY REMEDIATION AGREEMENT

Section I: Voluntary Remediation Agreement - Access

A. Access Agreement

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

By: N/A

(Property Owner Signature)

Date:

STATE OF ______________...

County of ______________...

This application was subscribed and sworn to before me this ______ day of ________________ by

________________________________________, Owner of Property.

My commission expires:

________________________________________

(Print or type)

(Notary Public)

Version 3/20/03

Page 5 of 6
Section II: Voluntary Remediation Agreement - Costs/Fees, Tasks, & Meetings

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

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

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

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

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

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

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

Applicant’s Signature
By: __________________________ Name: Stuart Brown Date: 7/24/14

(Applicant’s Signature) (Print or type)