



News Release

Contacts:

Mark Shaffer, Arizona Department of Environmental Quality, (602) 771-2215
Carrie Marr, U.S. Department of Interior, Fish and Wildlife Service, (602) 242-0210 x214
Michael Ingraldi, Arizona Game and Fish Department, (928) 532-5625

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FOR IMMEDIATE RELEASE

Natural Resource Injury Case Settled for Freeport-McMoRan Morenci Mine

PHOENIX, AZ – U.S. District Court for the District of Arizona has approved a \$6.8 million [settlement](#) among the State of Arizona, the U.S. Department of the Interior through the U.S. Fish and Wildlife Service, and Freeport-McMoRan Corporation and subsidiaries (Freeport) for natural resource damages under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) resulting from the release of hazardous substances from the Freeport Morenci mine, located in east-central Arizona. The settlement money will be used for the restoration of Arizona wildlife populations and their habitat.

The settlement is the result of several years of negotiations among Freeport-McMoRan Corporation, the U.S. Fish and Wildlife Service, the Arizona Department of Environmental Quality and the Arizona Game and Fish Department. Settlement negotiations began in 2003 after the U.S. Fish and Wildlife Service investigated the bird mortalities at Freeport's Morenci tailings ponds.

The Morenci mine site is located near the Arizona communities of Clifton and Morenci near the New Mexico border. The mine site has numerous open pits, leach rock stockpiles, tailings impoundments and uncovered ponds. Five smelters also have operated historically at the site.

Rainwater-formed ponds on the tailings were documented to be highly acidic in 2000 and 2001 and to cause death and other injuries to migratory birds through exposure and ingestion. Hazardous substances at the mine, located between the San Francisco River and Eagle Creek, have included sulfuric acid, copper, and other dissolved metals.

Negotiations included the results of field investigations, documentation of injuries reported in 2000-2001, and the modeling of injuries that preceded the documented event and resulting future loss of wildlife productivity.

"The Arizona Game and Fish Department looks forward to putting these settlement funds to work to create wetland habitat for Arizona's migratory and resident birds," said Game and Fish Director Larry Voyles. "The Department commends Freeport-McMoRan for voluntarily reporting the bird mortalities and entering into a settlement which fairly compensates the public for lost resources."

“I am pleased to see this settlement agreement between the State of Arizona, the U.S. Fish and Wildlife Service, and Freeport-McMoRan Corporation,” said Benjamin Tuggle, Southwest Regional Director, U.S. Fish and Wildlife Service. “Now we can begin the process of restoration by working with the public and other involved stakeholders to determine what restoration project or projects will best compensate for those resource losses.”

“We feel this is a fair settlement to resolve this matter,” Arizona Department of Environmental Quality Director Henry Darwin said. “It’s also important to note that Freeport-McMoRan has proactively changed its operating procedures over time to prevent these kinds of problems in the future.”

The settlement money will be held in the Interior Department’s Natural Resource Damage Assessment and Restoration Fund until restoration projects are selected. A trustee council consisting of ADEQ, Arizona Game and Fish Department, and U.S. Fish and Wildlife Service will solicit project ideas and prepare one or more draft restoration plans for public review and comment before selecting projects for implementation.

Restoration projects will be designed to restore, rehabilitate or replace injuries to terrestrial, aquatic and avian habitats. These plans will be made available for review at a later date.

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