



Gila Resources Information Project
Ten Years of Promoting Healthy Communities by Protecting Our Environment

FOR IMMEDIATE RELEASE

Friday, June 27, 2008

DRINKING WATER PROTECTED FROM MINE IN SOUTHERN NEW MEXICO

Silver City, NM—The Gila Resources Information Project (GRIP) and the New Mexico Environmental Law Center have won a five-year fight against Chino Mine's proposal to dilute contaminated water with clean groundwater rather than use more effective treatment technology. GRIP and the New Mexico Environmental Law Center announced today they have reached a settlement with the mine. Chino is now required to use an advanced form of reverse osmosis to remove metals and sulfates from the wastewater it will produce for hundreds of years after mining stops at the site.



The Chino mine and processing facilities are located in Hurley, New Mexico, near the historic mining community of Silver City. It is one of the largest open-pit copper mines in the world: the Chino mine covers over 9,000 acres, the pit is 1.75 miles across and is mined for copper, silver and gold. Chino is a porphyry open-pit copper mine and was one of the first low-grade, open-pit copper mines in the world. Freeport McMoRan is the parent company of the Chino Mine, having completed acquisition of Phelps Dodge Corp. in March 2007.

"After five years of legal wrangling, this is an enormous victory for the residents of Grant County," stated GRIP president Sally Smith. "After committing to this new technology, it is unlikely that Chino Mines will ever return to its irresponsible and unsustainable plan to waste nearly 9,000 acre-feet per year of clean drinking water. This adds up to an annual savings of three times the amount of water Silver City uses each year. In an arid state like New Mexico, we must do our utmost to conserve our valuable groundwater resources. Freeport-McMoRan is no exception."

"The Chino settlement represents a major step forward for Phelps Dodge's closure plan for the Chino Mine and a substantial victory for GRIP and the New Mexico Environmental Law Center," says Bruce Frederick, New Mexico Environmental Law Center attorney. "Instead of 'treating' polluted groundwater by diluting it with clean water and wasting thousands of acre-feet in the process, Phelps Dodge has agreed to reclaim the polluted groundwater at the Mine Site using a state-of-the art treatment plant. This is the same goal we had in the litigation, but the settlement agreement has saved us years of costly litigation."

In exchange for Chino's commitment to use the new water treatment technology, GRIP has agreed to withdraw its appeal of the mine's closure plan, which was approved by the state in 2003. GRIP had appealed to the Water Quality Control Commission both the dilution plan and the mine's proposal to leave unreclaimed several hundred acres of waste rock side slopes around the open pit.

“This is the best use of GRIP’s limited resources,” said GRIP executive director Allyson Siwik. “Eliminating dilution was our top priority. Reclaiming the outslopes of the piles nearest the pit is important, and we believe it would be the responsible thing for Chino to do, but saving up to 9,000 acre-feet of water per year represents the biggest bang for the buck.”

“We had to ask ourselves how much longer we could spend our supporters’ donations on technical and legal hearings in Santa Fe,” Smith added. “Freeport has enough money to drag our appeal out for several more years, so when they offered to settle in advance of yet another round of hearings, we took the proposal seriously.”

Both GRIP and Freeport-McMoRan are bound by the settlement for 10 years. After that period, the mine would be free to propose other water treatment options and GRIP would have the right to oppose any unreclaimed waste rock piles still included in the mine’s closure plan. “We believe that now that the mine has acknowledged that advanced water treatment is technically feasible at Chino, it will be very difficult for them to convince the state to accept dilution again,” said Smith.

The New Mexico Environmental Law Center filed an appeal on behalf of GRIP in August 2003. At that time, Chino was owned by Phoenix-based Phelps Dodge Corporation. GRIP’s appeal and related permit conditions forced the company to reassess its dilution proposal. As the legal process unfolded, the company developed and tested a water treatment technology that would remove enough heavy metals and sulfates from pit water and runoff to meet water quality standards. After two years of design and testing by Chino, the results of which were reviewed by GRIP and the New Mexico Environment Department, Chino’s new water treatment proposal appears capable of eliminating dilution while achieving water quality standards for discharges of treated water. Under the settlement agreement, this new water treatment proposal will be included in the five-year renewal of Chino Mine’s closure permit that is scheduled to be approved this year.

“We applaud the mine’s research and development efforts,” said Siwik. “Our technical consultant proposed this kind of technology five years ago, but only with Chino’s expertise and commitment could it be adapted to the specific chemistry of the Santa Rita pit and surrounding area.”

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The mission of the New Mexico Environmental Law Center is to protect New Mexico’s natural environment and communities through legal and policy advocacy, and public education. The New Mexico Environmental Law Center’s attorneys have handled over 100 critical cases in low-income and minority communities fighting pollution and environmental degradation. The Law Center charges few, if any, fees to its clients, most of whom are from Hispanic and Native American communities. The NMELC is celebrating its 20th anniversary in 2008. Membership and gifts help New Mexico communities protect their natural environment and their health from toxic pollution, the degrading effects of growth and liabilities created by irresponsible mining. Contact: Sebia Hawkins, Director of Development 505-989-9022.

INTERVIEWS AND IMAGES ARE AVAILABLE UPON REQUEST

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