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Congress of the United States
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March 4, 2008

John E. Rickus, President
Resolution Copper Company
102 Magma Heights
P.O. Box 1944
Superior, AZ 85273

Dear Mr. Rickus:

On November 1st, 2007 the Subcommittee on National Parks, Forests and Public Lands of the House Committee on Natural Resources held a hearing on H.R. 3301, the Southeast Arizona Land Exchange and Conservation Act of 2007.

We would like to bring your attention to the attached written testimony from Luke Johnson, Deputy Director of the Bureau of Land Management. Mr. Johnson spoke about the possibility of a Riparian National Conservation Area on the lower San Pedro River [either an addition to the existing RNCA in the Upper San Pedro or a new RNCA].

Regarding the possible exchange of 3,073 acres along the Lower San Pedro River near Mammoth, Arizona [the 7 B Ranch] to be conveyed to the Secretary of the Interior, Mr. Johnson commented that:

The acquisition of these lands would enhance a key migratory bird habitat along the San Pedro River, and we would welcome them into BLM management. While H.R. 3301 directs the BLM to manage the lower San Pedro parcel consistent with the management of the existing San Pedro Riparian National Conservation Area (NCA) designated by Public Law 100-696, it specifically does not make these lands a component of that NCA.

The underlined clause suggests that a new Riparian National Conservation Area [RNCA], or an addition to the current RNCA, could be specified in the legislation. We would support RNCA language or another appropriate protection designation in the legislation.

We understand that provisions have been made in the new bill draft to include the 7-B Ranch in the Riparian National Conservation Area [RNCA]. We support this inclusion. Additionally, we understand that Resolution has made several unsuccessful attempts to acquire BHP's property along the San Pedro upstream from the 7-B Ranch. This

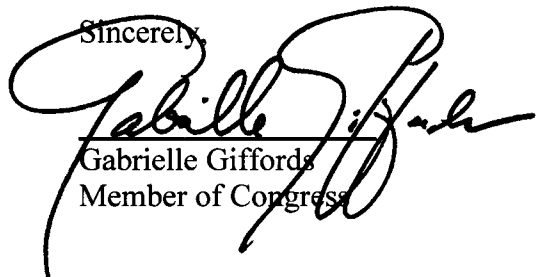
acquisition would improve this legislation and we appreciate your continued efforts to include this property in the land exchange.

Funding to manage this internationally recognized watershed and adding additional San Pedro lands to the RNCA are critical to the future of the San Pedro. Your proposed legislative change to purchase additional San Pedro properties and manage these lands from funds owed, if any, by Resolution Copper to equalize the land exchange appraisal is a positive development. We are also pleased to learn that you have agreed to designate any future royalties owed to the United States and dedicate them to the purchase of additional conservation properties in Arizona.

While there have been several positive changes in the new draft bill, we still have concerns about the future well being of the San Pedro watershed. Sufficient water rights to guarantee the protection of the riparian area in the flood plain, as well as the desert between the floodplain and the mine tailings on the BHP land are vital. We also believe that a cap on the water use on the remaining BHP land at San Manuel is necessary. We strongly believe that BHP must demonstrate that any future development in the San Manuel area will not have a detrimental impact on the future health of the San Pedro watershed. It is our hope that Resolution and/or BHP will share hydrological information with all stakeholders as soon as possible.

We hope you will give serious consideration to our suggestions. We look forward to working with you as this important bill moves through the legislative process.

Sincerely,



Gabrielle Giffords
Member of Congress



Harry Mitchell
Member of Congress

Cc: Chairman Raul Grijalva
Subcommittee on National Parks, Forests, and Public Lands
House Committee on Natural Resources