



COUNTY ADMINISTRATOR'S OFFICE

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C. H. HUCKELBERRY
County Administrator

December 19, 2006

Janine Derby, Forest Supervisor
Coronado National Forest
300 West Congress
Tucson, Arizona 85701

Re: Rosemont Mine Validity of Claims

Dear Ms. Derby:

I wrote to you on October 6, 2006 regarding Pima County's concerns with the July 31, 2006 Rosemont mining plan of operations submitted by Augusta. It was my understanding that the Forest Service had found the draft to be insufficient and in need of more detail. Since then, in a letter dated November 28, 2006 to the Pima County Board of Supervisors, Jaime Sturgess stated that Augusta is working on a Comprehensive Plan of Operations that is scheduled for completion during the first quarter of 2007.

I am writing to you today because of statements that have been made questioning the validity of Augusta's unpatented mining claims on Forest Service land. It is my understanding that for a claim to be valid, the claim must be valuable. In order to prove that the claim is valuable, the claimant must be able to show that the mineral can be extracted, removed and marketed at a profit, after accounting for costs of compliance with all applicable Federal, State and local laws.

Per Augusta's July 31st Plan of Operations, and in previous mining plans regarding this property, the claimants have proposed using the unpatented Forest Service claims to dump waste rock created after extracting valuable copper and other minerals on adjacent private lands (patented mining claims). Claimants do not propose to extract, remove, or market the minerals associated with the Forest Service claims. In my opinion, this brings up the very obvious question of whether the Forest Service claims are valuable if claimants do not propose to improve them, but instead propose to use them as a dumping ground.

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It would seem to me that the Forest Service could save itself, tax payers, interested parties and the claimant much time and money by requiring claimant to submit information proving the validity of the mining claims prior to accepting the next draft Plan of Operations for review. If claimant cannot prove these claims are valuable, then the Forest Service should refuse to accept and review the Plan of Operations and request that the Department of Interior and Bureau of Land Management initiate a mineral contest action. Such a request by the Forest Service is well within the agency's authority.

Thank you for your continued assistance in this matter.

Sincerely,



C.H. Huckelberry
County Administrator

CHH/dr

c: The Honorable Chairman and Members, Pima County Board of Supervisors
The Honorable Congressman Raul Grijalva, United States Congress
The Honorable Congresswoman Gabrielle Giffords, United States Congress
Patrick Madigan, Tucson Field Office Manager, Bureau of Land Management
Jamie Struggess, Augusta Resource Company