

When Recorded Return To:
Michael J. Pearce
Maguire & Pearce PLLC
2999 North 44th Street, Suite
630 Phoenix , Arizona 85018

((602) 277-2195

Well Protection Program

Master Agreement

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, **ROSEMONT COPPER COMPANY**, an Arizona corporation, does this 1st day of December 2009 enter into this Well Protection Program Master Agreement ("Master Agreement") and agrees to fund, administer and provide the well protection program herein described for assistance to certain water well owners in Pima County, Arizona, as set forth in this Master Agreement.

1. Purpose of this Master Agreement

1.1. Rosemont Copper Company ("Rosemont") is a subsidiary of Augusta Resource Corporation. Rosemont owns the fee land and mineral rights associated with the Rosemont Mine in the Santa Rita Mountains , and plans to develop the ore deposits located there with water withdrawn from the Upper Santa Cruz Sub-basin of the Tucson Active Management Area ("Tucson AMA").

1.2. Rosemont has purchased or is in the process of purchasing parcels of land in the Tucson AMA, upon which Rosemont will construct and operate water production wells (the "Rosemont Wells") in accordance with a Mineral Extraction and Metallurgical Processing Permit issued by the Arizona Department of Water Resources ("ADWR"). The legal descriptions of these parcels (the "Rosemont Well Properties") are set forth in **Exhibit A** to this Master Agreement.

1.3. Production of water from the Rosemont Well Properties may affect water levels in the local area surrounding the Rosemont Well Properties. To address concerns about the influence of the Rosemont Wells on neighboring wells (within the area shown on **Exhibit B** to this Master Agreement), Rosemont desires to enter into this Well Protection Program with neighboring well owners.

1.4. The Well Protection Program shall consist of three complementary components: (1) Basic Well Survey, Analysis and Preventative Maintenance; (2) Well pump insurance; and (3) Well repair, deepening and replacement. These programs are described more fully herein.

1.5. By executing the Well Owner Agreement (**Exhibit C** to this Master Agreement), owners of neighboring wells that are invited to participate in this program shall be entitled to receive the protections offered by this Master Agreement, including the Basic Well Survey and Analysis Program as provided in Paragraph 4, the Pump Insurance program as provided in Paragraph 5, and the Well Repair, Deepening and Replacement protections as provided in Paragraph 6, as well as all other rights, remedies and protections afforded by that Master Agreement to the Well Owner (as defined below). In return, these Well Owners agree to waive all claims for damages, or other remedies at law or in equity, against Rosemont, its parent corporations and subsidiaries, and against all Rosemont Employees, for damage to or interference with Well Owner's ability to access groundwater with the Tucson Active Management Area, including, but not limited to, lowering of groundwater elevations, interference with wells, pumps, delivery and storage systems and other infrastructure related to well owner's withdrawal of groundwater, or any other interference with or impact to the well owner's water production facilities.

2. **Intended Beneficiaries**

2.1. The intended beneficiaries of this Well Protection Program and this Master Agreement (the "Well Owners") are the owners of residential water wells that are properly registered with ADWR, are within the Well Protection Zone (as defined herein), have been invited to participate in this Well Protection Program by Rosemont, and have properly executed the Well Owner Agreement. The invitation to participate will be by letter from the United Sahuarita Well Owners to the individual Well Owners, and shall specify the deadline by which the Well Owners must elect to participate, if they choose to do so. If not accepted by the deadline, the invitation to participate shall expire, to be no later than December 31, 2010 .

2.2. A list of the intended beneficiaries and the protected registered wells (the "Qualified Wells") that have accepted the invitation to participate is attached to this Master Agreement as **Exhibit D** to this Master Agreement. This list may be supplemented from time to time by a recorded document executed by Rosemont specifically referencing this Master Agreement and updating the list of Well Owners and/or the Qualified Wells by incorporation of a revised **Exhibit D**. No such updating shall have the effect of limiting or excluding any Well Owner from the benefits of this Master Agreement if that Well Owner has executed a Well Protection

Program Agreement before such update is recorded.

- 2.3. Well owners and groundwater users outside the Well Protection Zone, and those within the Well Protection Zone that have chosen not to enter into this Master Agreement with Rosemont, and owners of future wells (except as provided in Paragraph 7 of this Master Agreement) are not beneficiaries of this Master Agreement. There are no other third party beneficiaries to this Master Agreement, and the protections offered here do not apply to anyone outside the intended beneficiaries.
- 2.4. To be a beneficiary of this Master Agreement, the well owner must execute and deliver to Rosemont a properly signed Well Protection Agreement in the form attached hereto as **Exhibit C**. Upon receipt and recordation of such signed Well Protection Agreement, which recordation will be undertaken at the sole cost and expense of Rosemont promptly upon receipt, the well owner shall become an intended beneficiary of this Master Agreement, and entitled to all of the benefits conferred, and entitled to enforce this Master Agreement against Rosemont in any manner allowed by law.

3. Hydrologic Model and Well Protection Zone

- 3.1. Rosemont intends by this Master Agreement to provide well protection to those Well Owners that are within an area reasonably determined to be subject to possible influence by the operation of the Rosemont Wells and may need well repair, deepening or replacement as a direct and proximate result of the Rosemont Well operation. Rosemont is not responsible for water level declines caused by other groundwater users in the area, and does not intend to offer protection for such water level declines. The protection offered here is solely for water level declines and other forms of well influence caused by the operation of the Rosemont Wells.
- 3.2. To determine the area in which the Rosemont Wells may have influence, Rosemont commissioned Montgomery & Associates ("Montgomery") to prepare a hydrologic study based on a computer numeric groundwater model (the "2009 Groundwater Model"). That study is now completed and has been subject to review by representatives of the Well Owners. The 2009 Groundwater Model allows Montgomery to predict the effect of the operation of the Rosemont Wells on the surrounding groundwater aquifer, and to determine a Well Protection Zone that will define the intended beneficiaries of this Master Agreement.
- 3.3. By entering into a Well Protection Program Agreement, each Well Owner thereby agrees that the 2009 Groundwater Model is an acceptable model of the groundwater aquifer in the area of the Rosemont Wells and is capable of predicting the influence of the Rosemont Wells operations on neighboring wells.
- 3.4. The Well Protection Zone is that area depicted on the map attached hereto

as **Exhibit B**. The 2009 Groundwater Model and this map may be updated from time to time by a recorded document executed by Rosemont and specifically referencing this Master Agreement and updating **Exhibit B**, but no such updating shall have the effect of limiting or excluding any Well Owner from the benefits of this Master Agreement if that Well Owner has executed a Well Protection Program Agreement before such update is recorded.

4. Basic Well Survey, Analysis, and Preventative Maintenance Program

- 4.1. Rosemont shall provide to each Well Owner a Basic Well Survey, Analysis, and Preventative Maintenance Program (Well ASPM Program) for each Qualified Well. Commencing on the date that Rosemont obtains final approval from the United States Forest Service to commence mineral extraction and metallurgical processing activities on the federal lands associated with the Rosemont Mine (the Federal Authorization Date), and before any actual water production occurs at the Rosemont Properties, Rosemont shall give written notice to all Well Owners that the Federal Authorization Date has occurred and begin scheduling well surveys and analyses of the Qualified Wells in accordance with this paragraph (the Well S&As). Such Well S&As shall proceed according to the schedule set out here until all Qualified Wells have been surveyed and analyzed. By entering into the Well Protection Agreement, the Well Owner consents to the entry by Rosemont onto the Well Owner's property to conduct the Well S&A at a reasonably convenient time to be scheduled in good faith by the parties.
- 4.2. Upon the Federal Authorization Date as defined in Paragraph 4.1 above, Rosemont shall begin scheduling the Well S&As. The program shall be administered in phases, commencing with Qualified Wells within a one-quarter mile radius of the nearest Rosemont well located on a Rosemont Well Property. The area within this radius is depicted on **Exhibit B**. Rosemont shall notify each Well Owner of a Qualified Well within this one-quarter mile radius of the proposed scheduling of the Well S&A and offer proposed dates for same. When the Well Owner and Rosemont agree on a date, Rosemont shall, at Rosemont's sole cost and expense, and in cooperation with the Well Owner, cause a licensed well driller to conduct the Well S&A.
- 4.3. For purposes of this Agreement, Rosemont shall enter into agreements with two or more licensed well drillers (Well Driller(s)) that are licensed in the State of Arizona to construct water wells and shall, before the Federal Authorization Date, attempt in good faith to enter into such agreements with any well driller preferred by a Well Owner. A Well Owner may choose the Well Driller from among those that have such agreements in place with Rosemont or, if the Well Owner has no preference, Rosemont shall select the Well Driller.

- 4.4. The Well S&A shall consist of the Well Driller removing the pump from the Qualified Well, taking a video recording of the well bore, determining the total well depth, pump setting, perforated intervals of the well casing and current water level. The condition of the pumping equipment and above ground well related equipment shall also be noted.
- 4.5. By the one year anniversary of the Federal Authorization Date, Rosemont shall have completed the Well S&As for all wells within the first quarter-mile radius described above (and depicted in **Exhibit B**) and shall then extend the Well S&As to each Qualified Well located within a one-quarter mile to one-half mile radius of the nearest Rosemont Well on a Rosemont Well Property. Similarly, on the second year anniversary of Federal Authorization Date, Rosemont shall have completed the Well S&As for the second radius, and shall commence the Well S&As for the remaining Qualified Wells. The final Well S&As shall be completed by the third anniversary of the Federal Authorization Date.
- 4.6. During the period when Well S&As are occurring, Rosemont shall also engage in a Preventative Maintenance Program. If Well Influence on a Qualified Well is predicted based on the 2009 Groundwater Model, or if issues with the pump and pump related equipment are identified in the Well S&A, Rosemont shall schedule any such Qualified Well for priority replacement or repair with the intention that, for any Qualified Well that will experience water production problems within the next five years, a schedule for pump replacement (as described in Paragraph 5 below) or Well Repair, Deepening or Replacement (as described in Paragraph 6 below) shall be determined by Rosemont selecting those wells most at potential risk for priority repair. The repair work shall be commenced in accordance with the ASPM Program priority schedule even if the Qualified Well has not yet experienced difficulty.

5. Well Pump Insurance Program

- 5.1. Rosemont shall provide to each Well Owner a policy of insurance, the premiums for which shall be timely paid in full by Rosemont throughout the term of this Master Agreement, providing indemnity coverage against the failure of the water production pump and the pump column pipe, any electrical equipment directly connected to and functioning as the power source for the pump, the pump motor, the cable within the well bore, the column pipe, and the above ground items such as the sanitary seal (if disturbed by the repair), the bladder or hydropneumatic tank and miscellaneous above ground piping in the vicinity of the well head, as those components are generally understood (the "Pump Insurance"). Any repair shall include the cost of both labor and materials, and applicable taxes if any. The protection offered by the Pump Insurance shall not

include the well casing, unless (and only to the extent) that such casing is destroyed or rendered unusable by the pump repair.

- 5.2. Rosemont shall provide the Pump Insurance to each Well Owner for each Qualified Well listed on **Exhibit D** (as updated from time to time, but not updated to exclude any previously protected Well Owner) from the date upon which the Well Owner submits a properly executed Well Protection Agreement until the termination of this Master Agreement as defined in Paragraph 10 below. By executing and delivering to Rosemont the Well Protection Agreement, Well Owner agrees that Well Owner has reviewed the terms of the Pump Insurance and finds it to be acceptable under the terms of this Master Agreement.
- 5.3. The Pump Insurance shall be available to the Well Owner for the protection of the Qualified Well regardless of the cause of the pump failure, excepting only repetitive abuse, gross neglect or willful damage by the Well Owner. Without limiting the generality of the foregoing, such Pump Insurance shall be available whether or not the operation of the Rosemont Wells caused or contributed to the failure of the pump or any component covered by the Pump Insurance.
- 5.4. Rosemont shall, upon delivery of the executed Well Protection Program Agreement by each Well Owner, provide written materials and instructions to that Well Owner on the terms of the Pump Insurance policy and the manner in which the Well Owner can make a claim of loss to the insurance provider. Rosemont shall keep such materials up to date, and shall from time to time, as necessary, distribute new and updated materials to the Well Owners, but no such updates shall materially diminish the protections guaranteed by this Master Agreement.
- 5.5. The Pump Insurance shall become effective to the Well Owner upon the Well Owner submitting the signed Well Protection Agreement (Exhibit C) to Rosemont and shall continue until the termination of this Master Agreement, as provided in paragraph 10 below.

6. Well Repair, Deepening and Replacement Program

- 6.1. Commencing on the Federal Authorization Date and continuing through the term of this Master Agreement, Rosemont shall offer to each Well Owner for each Qualified Well a program for repair, deepening or replacement of the Qualified Well for well failure (other than pump failure as covered by the Pump Insurance) caused by Rosemont's operation of the Rosemont Wells.
- 6.2. Rosemont shall use the 2009 Groundwater Model (as updated in accordance with this Master Agreement) to predict influence of the operation of the Rosemont Wells on the Qualified Wells ("Well Influence"). For purposes of this Master Agreement, Well Influence shall mean that the water level is expected to drop to within 50 feet of the bottom of the perforated and functioning capacity of the Qualified Well, or

within 50 feet of where the pump is currently set in the Qualified Well. If the 2009 Groundwater Model predicts Well Influence on a Qualified Well that would cause a reasonably prudent well owner to take preventative steps to insure uninterrupted well service over the next two years, or sooner, Rosemont shall contact the Well Owner to discuss well repair, well deepening or well replacement options for the Qualified Well.

- 6.3. In the event that a Well Owner experiences an unanticipated problem with a Qualified Well, the Well Owner may contact Rosemont concerning the possible causal relation between the operation of the Rosemont Wells and the problem with the Qualified Well. Upon such contact, Rosemont shall promptly investigate the problem. Rosemont shall, in cooperation with the Well Owner, use the 2009 Groundwater Model to determine if Well Influence is causing the problem. If Rosemont and the Well Owner determine that the problem is caused by Well Influence, Rosemont shall promptly enter into discussions with the Well Owner on well repair, well deepening or well replacement options.
- 6.4. If a problem occurs, whether anticipated under Paragraph 6.2 or unanticipated under Paragraph 6.3, Well Owner shall grant Rosemont access to the well to perform such tests, and make such inspections of the well, as may be reasonably necessary to evaluate the options for well repair, deepening or replacement. This may include measuring the actual depth to water in the well, and depth of the well and pump, to determine if reported data are accurate. After such inspection, the Well Owner and Rosemont shall meet and confer to determine a suitable option. If, upon discussions with Rosemont, the Well Owner and Rosemont jointly decide to pursue a selected option for repair, Rosemont shall promptly, at its sole cost and expense, implement the repairs, deepening or replacement of the well in the manner agreed upon. If the parties cannot agree, Rosemont shall offer a written proposal of how Rosemont thinks that the situation should be addressed. The Well Owner may accept such written proposal or contest it. If contested, the matter shall proceed to arbitration as set forth below in this Agreement. If the final determination of such contest is that the written proposal by Rosemont was a proper manner of performance by Rosemont of the terms of this Master Agreement, Rosemont shall still be responsible for the cost of the repair as set forth in the written proposal, but shall not be responsible or liable for any additional costs, including delay, litigation or alternative dispute resolution costs, or consequential damages. If contested and the final determination of such contest is that Rosemont did not meet its obligations under this Master Agreement, Rosemont shall be responsible for the cost of the necessary remedial actions, together with all associated costs that may be allowed by law.
- 6.5. Some Qualified Wells within the Well Protection Zone may have unknown or inaccurate data on the depth of the well, the depth of perforated casing, the actual depth to water, or the depth of the pump. In cases where Rosemont reasonably believes that such information is inaccurate or missing, the Well Owner agrees to allow Rosemont reasonable access to the well, at a mutually convenient time, to inspect the well and take such measurements as are reasonably necessary to acquire the missing information. Rosemont shall notify the Well Owner of the need to collect such data, and the Well Owner and Rosemont shall cooperate to allow such testing to occur

- 6.6. If a well is to be replaced or deepened under this Paragraph, the work shall be performed, and the well replaced or deepened to the standards set forth in Paragraph 7.3(ii) below.

7. Replacement of Qualified Wells by Well Owner and New Qualified Wells

- 7.1. In the event that a Well Owner elects to replace a Qualified Well with a new well (or a replacement well in the same location), such Well Owner may notify Rosemont of the replacement. The new well shall, if it meets the standards of this paragraph, be substituted for the old well and thereafter entitled to the protections afforded by this Master Agreement, provided that the old well is properly abandoned in accordance with applicable law and the new well is constructed to the standards set forth in Paragraph 7.3 below.
- 7.2. If a landowner within the Well Protection Zone as determined by the 2009 Groundwater Model does not yet have a Qualified Well in place, but can demonstrate to Rosemont's reasonable satisfaction that the landowner has made a substantial capital investment in the landowner's property with the expectation of constructing an exempt water well (as defined by A.R.S. § 45-455) for purposes of developing that property, the landowner may become a Well Owner and the well a Qualified Well within the meaning of this Master Agreement, upon Rosemont's written consent, which shall not be unreasonably withheld. To qualify for this status, the well must actually be constructed and registered within 2 years from the date of recording this Master Agreement, and must be constructed to the standards specified in this paragraph.
- 7.3. To qualify for protection as a Qualified Well under this Master Agreement, a new well authorized by this Master Agreement must meet the following minimum standards: (i) it must be constructed by a licensed well driller in compliance with all applicable federal, state and local laws and properly registered with ADWR; (ii) it must be constructed with a minimum of 5" casing and screened to capture water at least 100 feet below the predicted ambient water level 20 years after commencement of Rosemont's well production at the location of the new well as determined by the 2009 Groundwater Model; (iii) it must be constructed with reasonable care and of materials commonly used by reputable well drillers operating in Pima County.

8. Arbitration

- 8.1. In the event that a dispute arises under this Agreement, including with respect to a disagreement between a Well Owner and Rosemont over the correct means by which to repair, replace or deepen a well, the parties agree to arbitrate the matter. If a Well Owner contests the proposal by

Rosemont for well repair, replacement or deepening under Paragraph 6.4 of this agreement, or (after the notice and cure provisions expressed in Paragraph 13.4 below for any other dispute) either Rosemont or a Well Owner has another type of dispute under this Agreement, the party making such claim shall notify the other party of such contest or dispute in writing and shall request arbitration. The contest or dispute will thereafter be determined by the American Arbitration Association ("AAA") in accordance with its procedures for Construction Arbitration as set forth in its website, <http://www.adr.org/fileacase>.

- 8.2. If a Well Owner requests arbitration, the request for arbitration shall include payment of 'A of the Initial Filing Fee for Arbitration as set forth on the then current AAA website. Upon receipt of notice, Rosemont shall, within 10 business days, contact AAA and request that a case file be opened for Arbitration, and shall pay Rosemont's 'A of the Initial Filing Fee. Thereafter, the two parties shall split all applicable AAA arbitration fees, 'A to each respective party. The arbitrator may elect to order reimbursement of such fees to either side as part of the arbitration. If Rosemont requests arbitration, Rosemont shall pay all arbitration fees, subject to reimbursement by the decision of the arbitrator. Unless the matter is settled, it shall proceed with diligence to a final decision of the arbitrator.
- 8.3. Rosemont and the Well Owner may elect to adopt, by mutual agreement, another form of dispute resolution, including self appointed arbitrators or any other agreeable means of determining the dispute. If the matter proceeds to arbitration by the American Arbitration Association, the arbitration decision shall be binding.

9. Emergency Water Supply and Water Storage Tank Program

- 9.1. In the event that any difficulty with a Qualified Well results in an outage of water for more than 24 consecutive hours, Rosemont shall arrange a temporary water supply to replace the Qualified Well's production capacity until the matter can be resolved. Such temporary water supply may include a portable water tank, to be filled and refilled by Rosemont as necessary, to maintain the water supply for those normally dependent on the Qualified Well's water production.
- 9.2. After the Federal Authorization Date as defined in Paragraph 4.1 above, Rosemont shall begin offering a water tank installation program as described in this Paragraph to those Qualified Wells where the circumstances indicate that Well Influence may limit the availability of water to the point where additional water storage capacity may be required. For these Qualified Wells, Rosemont shall offer the Well

Owners the option of installing a water storage tank on the Well Owner's property to provide additional security to the Well Owner's water supply. If the Well Owner elects to accept Rosemont's offer, Rosemont shall promptly, at Rosemont's sole cost and expense, and in cooperation with the Well Owner, cause to be constructed a potable water storage tank on the Well Owner's property, and cause same to be connected to the

Qualified Well and its distribution system, so that the water storage tank can provide suitable on-site water storage for each single family residence connected to the Qualified Well. All such work shall be done in a workmanlike manner, by qualified personnel, and the work and materials shall meet all standards generally applicable to residential water wells in Pima County , Arizona . Acceptance of the water storage tank shall not alter or lessen Rosemont's obligations under this Master Agreement, all of which shall remain in full force and effect. Rosemont shall not be required to install any tank underground, nor shall Rosemont be required to upgrade any electrical service to the Well Owner's property to accommodate the water storage tank.

10. Term of this Master Agreement

- 10.1. This Master Agreement shall commence upon the date that the first Well Protection Agreement is properly executed and delivered to Rosemont from a Well Owner for a Qualified Well.
- 10.2. This Master Agreement may be terminated by Rosemont on December 31, 2014 if by that date the Federal Authorization Date (as defined above) has not occurred. By December 1, 2014 , Rosemont shall make the election whether to terminate this Master Agreement for failure of the Federal Authorization Date to occur, or to extend this Master Agreement for an additional five years. If extended, Rosemont shall have the right to terminate this Master Agreement on December 31, 2019 if the Federal Authorization Date has not yet occurred. Rosemont shall provide written notice to all Well Owners of any such termination under this subparagraph on or before December 1st of the applicable year of termination. This Agreement shall be automatically reinstated in the event that federal authorization is received after termination when that authorization involves withdrawal of groundwater from the Rosemont Properties shown on Exhibit A for mineral extraction and metallurgical processing activities.
- 10.3. If the Federal Authorization Date occurs before December 31, 2014 (or before December 31, 2019, if Rosemont extends the agreement pursuant to the Paragraph 10.2 above), Rosemont shall no longer have the option to terminate this Master Agreement pursuant to Paragraph 10.2 above, and this Master Agreement shall terminate on December 31st of the 5th year after the calendar year in which Rosemont begins mine closure of the Rosemont Mine, as the term "mine closure" is defined and controlled by, and in accordance with, the Mine Plan of Operation on file with the United States Forest Service, or the Mine Reclamation Plan approved by the Arizona State Mine Inspector, whichever is later. Rosemont shall notify all Well Owners in writing of the date Rosemont begins the mine closure, and shall specify the year in which, as of December 31st of that year, this Agreement will terminate.

- 10.4. Whether the termination of this Master Agreement occurs before or after the Federal Authorization Date, Rosemont shall notify all Well Owners of the termination date (the "Termination Date").
- 10.5. A claim for protection under this Master Agreement must be made in writing and delivered to Rosemont before the Termination Date. After the Termination Date, Rosemont's obligations under this Master Agreement shall be limited to the settlement of claims made before the Termination Date, and Rosemont shall not be responsible for any claims made thereafter. The Pump Insurance shall be paid through December 31st of the year of Termination Date year and shall thereafter expire. Any claim for Pump Insurance must be made in accordance with the terms of the applicable Pump Insurance policy prior to the Termination Date.

11. Security for Rosemont Performance

- 11.1. Rosemont agrees that its right to extract groundwater from the Rosemont Well Properties shall serve as security for Rosemont's performance under this Master Agreement. In the event that Rosemont fails to perform its obligations under this Master Agreement, any Well Owner may, after complying with the dispute resolution provisions set out in this Master Agreement, seek temporary or permanent injunctive relief from a court of competent jurisdiction compelling Rosemont to cease water production from these sites until the breach of this Master Agreement has been cured by Rosemont.

12. Transfer or Abandonment of Wells After Mine Closure

- 12.1. Within one year after mine closure, as that term is defined in Paragraph 10.2 above, Rosemont shall make an election on the future existence of the water production wells located on the Rosemont Well Properties. Such election shall be made in accordance with this Paragraph.
- 12.2. In the event that a water cooperative, public service corporation, special water district or a municipal provider ("Public Water System") is in existence and validly providing, or is prepared to provide upon normal terms and conditions, municipal water service to lands within the Well Protection Zone, Rosemont shall offer to transfer the water production wells located on the Rosemont Well Properties to the Public Water System, together with a one acre well site surrounding the well, and access to the well site, as reasonably necessary across Rosemont Well Properties. If the Public Water System accepts the offer of transfer, Rosemont shall prepare the necessary well registration conveyance forms, deeds and easements necessary to accomplish the transfer. The transfer shall be without any permit to operate the well for municipal

provider purposes, or any associated groundwater withdrawal right for operation of the wells. Such permits and withdrawal rights shall be the exclusive responsibility of the transferee Public Water System to obtain and maintain.

- 12.3. In the event that there is no Public Water System for the Well Protection Zone, or the Public Water System declines to accept the wells, Rosemont shall cause all water production wells on the Rosemont Well Properties to be fully abandoned in accordance with applicable law.
- 12.4. Upon transfer or abandonment of the wells on the Rosemont Well Properties, and upon reaching the Termination Date of this Master Agreement, Rosemont shall be entitled to cause a Notice of Termination of this Master Agreement to be recorded in the Pima County Recorder's Office, specifying that this Master Agreement has ended, and is no longer an encumbrance on the Rosemont Well Properties.

13. Miscellaneous

- 13.1. Definition of "Rosemont." For purposes of this Master Agreement, the term "Rosemont" shall mean Rosemont Copper Company, as it currently exists, and any successor corporation or entity that owns, operates, or has authority to operate, water production wells on the Rosemont Well Properties for the purpose of conducting mineral extraction and metallurgical processing at the Rosemont Mine. "Rosemont" shall not include a successor in interest to the Rosemont Well Properties that is not using water for mineral extraction and metallurgical processing at the Rosemont Mine.
- 13.2. Definition of " Montgomery ." Currently, Rosemont is employing the services of Montgomery & Associates, a hydrologic consulting firm located in Tucson , Arizona , and has no present intention of altering that arrangement. In the future, however, Rosemont may elect to engage an alternative hydrologic consulting firm to take over the duties currently assigned to Montgomery . In such event, Rosemont shall notify all Well Owners that have executed and delivered the Well Protection Agreement to Rosemont of such change and, upon such notice, the new hydrologic consulting firm shall act in the stead of " Montgomery " for all purposes so assigned under the terms of this Master Agreement. Rosemont shall exercise due care in the substitution of any hydrologic consultant, and shall only retain a firm or hydrologist of known reputation and standing in the State of Arizona .
- 13.3. Contact Information. Rosemont may be contacted at the following address:

Mr. Jamie Sturgess
4500 Cherry Creek South Drive
Suite 1040
Denver , CO 80246

(303) 300-0138

Rosemont may update this contact information at any time, upon written notification to the Well Owners, which notification shall take effect at the

time specified in this paragraph. Rosemont shall promptly notify Well Owners of any change of contact information. The Well Owner may be contacted at the contact information included in the executed Well Protection Agreement. The Well Owner may update this information at any time, upon written notification to Rosemont, which shall take effect at the time specified in this subparagraph. Well Owner shall promptly notify Rosemont of any change of contact information, and Rosemont shall not be responsible for any delay caused by outdated contact information of Well Owner. If the change of contact information is caused by or involves a sale or conveyance of the Qualified Well, such notice must contain a copy of a Change of Well Information Form properly filed with the Arizona Department of Water Resources evidencing the sale or conveyance of the Qualified Well to the new Well Owner. Any notification under this Master Agreement shall be deemed complete ten business days after it is postmarked if mailed by United States first class or priority mail, postage prepaid. Notification shall be deemed complete upon the date of delivery if delivered by a reputable national carrier such as UPS , Federal Express, USPS or similar carrier and a receipt of delivery is returned to the sender.

- 13.4. This Master Agreement is to be administered and construed under the laws of the State of Arizona . Rosemont and Well Owners agree that this Master Agreement was the subject of negotiation between the parties, both of which were represented by counsel. No term herein shall be construed against the drafter. Time is of the essence in the performance of this Master Agreement, and all parties shall act promptly on their respective duties. In the event that performance by any party to this Master Agreement is contested in a court of law or equity, the prevailing party shall be entitled to recover from the non-prevailing party all costs of such litigation, including attorneys' fees, expert witness fees, and any alternative dispute resolution fees or costs. No party shall be deemed in default under this Master Agreement unless the party claiming such default has provided written notice to the party claimed to be in default, specifying the exact nature of the default and requesting a specific form of reconciliation. The party claimed to be in default shall have a reasonable time, acknowledging the difficulty that can arise due to well failure, to cure the default.
- 13.5. By entering into this Master Agreement, through execution and delivery of the Well Protection Agreement to Rosemont, Well Owner agrees to be bound by the terms herein, and the terms of the Well Protection Agreement, including the terms of the Well Protection Agreement waiving any claims against Rosemont as specified in the Well Protection Agreement. By executing this Master Agreement, Rosemont agrees to be bound by its terms, and by the terms of the Well Protection Agreement, as to any Well Owner that properly executes and delivers the Well Protection Agreement to Rosemont. For purposes of this Master Agreement, "proper execution and delivery" shall mean that the Well Protection Agreement is duly executed and acknowledged by the correct Well Owner of the

Qualified Well and delivered to Rosemont at Rosemont's contact information, that the Qualified Well is within the Well Protection Zone, and that the Well Owner has due authority to act on behalf of all who may have an interest in the Qualified Well.

0
JENNIFER FORTNER
NOTARY PUBLIC - ARIZONA
Maricopa County
My Commission Expires
June 14, 2012

EXHIBIT A
LEGAL DESCRIPTION OF ROSEMONT PROPERTY

ROSEMONT WELL PROPERTIES

SANRITA EAST

The South 723.30 feet of the East Half of the Northeast Quarter of Section 21, Township 17 South, Range 14 East, GSRBM, Pima County, Arizona, excepting therefrom the East 40.00 feet and the South 45.00 feet thereof.

SANRITA SOUTH

The East Half of the Southwest Quarter of the Southeast Quarter of Section 29, Township 17 South, Range 14 East, GSRBM, Pima County , Arizona , excepting therefrom the South 30.00 feet thereof.

SANRITA WEST

The South Half of the Northwest Quarter of Section 17, Township 17 South, Range 14 East, GSRBM, Pima County , Arizona , excepting therefrom the North 330.00 feet and the South 30.00 feet thereof, and further excepting therefrom the West Half of the Southwest Quarter of the Southwest Quarter of the Northwest Quarter of said Section 17.

EXHIBIT B
WELL PROTECTION ZONE MAP

EXHIBIT C
WELL PROTECTION AGREEMENT FORM

When Recorded Return To:
Michael J. Pearce

Maguire & Pearce PLLC

2999 North 44th Street, Suite 630
Phoenix , Arizona 85018

(602) 277-2195

Well Protection Program

Well Owner Agreement

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, **ROSEMONT COPPER COMPANY**, an Arizona corporation, does hereby agree to fund, administer and provide well protection assistance to that certain water well, registered with the Arizona Department of Water Resources (ADWR) as **Well No. 55-**_____ located on certain real property in Pima County, Arizona (the "Qualified Well"), described as follows:

Pima

County Assessor Parcel No.: Lot 10

etc.

The real property above described is currently owned by _____ (Well Owner) who, by acceptance of this agreement, does/do hereby agree to its terms with the intention that this agreement shall run with the land above described and the benefits and burdens thereof shall be available to, and shall bind, all successors in interest to this agreement until this agreement is either terminated in accordance with its provisions or expires by its own terms.

This Well Protection Program Well Owner Agreement (Well Owner Agreement) incorporates by reference that certain Well Protection Program Master Agreement, which is executed by Rosemont Copper Company (Rosemont) and recorded at _____ . The Well Protection Program Master

Agreement encumbers certain lands owned by Rosemont and sets forth the specific obligations by Rosemont to local landowners that have chosen to enter into this form of Well Owner Agreement.

By executing this Well Owner Agreement, Rosemont agrees to be bound to the Well Owner and the Well Owner's successors in interest to perform the terms and carry out the obligations of the Well Protection Program Master Agreement until termination of that Agreement, or termination of this Well Owner Agreement (according to the terms of the Well Protection Program Master Agreement).

By executing this Well Owner Agreement, Well Owner shall be entitled to receive the protections offered by the Well Protection Master Agreement, including the Well Analysis, Survey and Preventative Maintenance Program provided in Paragraph 4 of that Master Agreement, the Pump Insurance program as provided in Paragraph 5 of that Master Agreement, and the Well Repair, Deepening and Replacement protections as provided in Paragraph 6 of that Master Agreement, as well as all other rights, remedies and protections afforded by that Master Agreement to the Well Owner. In return, Well Owner agrees to waive all claims for damages, or other remedies at law or in equity, against Rosemont, its parent corporations and subsidiaries, and against all Rosemont Employees, for damage to or interference with Well Owner's ability to access groundwater with the Tucson Active Management Area, including, but not limited to, lowering of groundwater elevations, interference with wells, pumps, delivery and storage systems and other infrastructure related to Well Owner's withdrawal of groundwater, or any other interference with or impact to Well Owner's water production facilities.

Well Owner represents and warrants that the person(s) signing below have authority to act on behalf of Well Owner and on behalf of the Qualified Well, and all persons that have an interest in the Qualified Well, for purposes of entering into this Well Owner Agreement.

IN WITNESS WHEREOF Rosemont Copper Company and Well Owner have mutually and duly executed, acknowledged and delivered this Well Owner Agreement, and the same may be recorded by Rosemont in the office of the Pima County Recorder.

Executed this _____ day of _____, 20____ .

Rosemont Copper Company

By: _____

Its:

Well Owner

By: _____

Its

State of Arizona)

County of Pima)

The foregoing document was acknowledged before me by
_____ of Rosemont Copper Company this _____ day of
_____, 20__ .

Notary Public

My Commission Expires: _____

State of Arizona)

) ss.

County of Pima

The foregoing document was acknowledged before me by
_____ and _____ (if
needed) this _____ day of _____, 20__

Notary Public

My Commission Expires: _____

EXHIBIT D
LIST OF WELL OWNERS AND REGISTERED WELLS

It really is really recommended to have fun with online roulette prior to playing for real. . . коммерческая недвижимость украина