

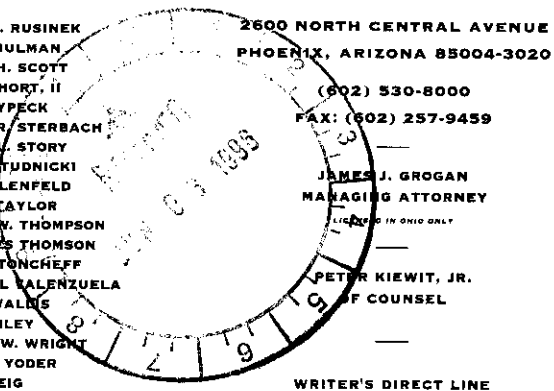
GALLAGHER & KENNEDY

MICHAEL J. AHEARN
ANN-MARIE ANDERSON
DANA STAGG BELKNAP
STEVEN N. BERGER
STEVEN A. BETTS
ROBERT W. BOATMAN
BRIAN R. BOOKER
ALEXANDER L. BROADFOOT
ROGER E. BRODMAN
RANDY E. BROGDON
TIMOTHY D. BROWN
TREVOR H. CHAIT
CAMERON T. CHANDLER
MARK D. CHESTER
J. MICHAEL CHRISTOPHER
JAMES B. CONNOR
JOSEPH E. COTTERMAN
J. STANTON CURRY
MARK DEATHERAGE
D. LEE DECKER

DAVID A. DURFEE
HELENE S. FENLON
E. CALVIN FUCHS
MICHAEL L. GALLAGHER
MATTHEW R. HARTLEY
KIRK H. HAYS
SCOTT K. HENDERSON
TOM HENZE
DOUGLAS L. HICKS
BRAD HOLM
JAMES D. HOWARD, JR.
LAURA W. JANZIK
DONALD PEDER JOHNSEN
ROBERT E. JONES, JR.
WILLIAM H. JURY
ANDREW P. KELLY
MICHAEL K. KENNEDY
DAVID P. KIMBALL, III
THOMAS A. LANGAN

ANNE L. LEARY
MARA G. LINDER
JOHN E. LUNDIN
THOMAS A. MARAZ
GREGORY L. MAST
ROBERT J. MILLIGAN
BARRY D. MITCHELL
DALVA L. MOELLENBERG
LUCRETIA P. MURPHY
KEVIN E. O'MALLEY
THOMAS F. O'MALLEY
LEAH PALLIN
MARK A. PALMER
PATRICK J. PAUL
DONALD B. PETRIE
JEFFREY T. PYBURN
TODD W. RALLISON
KARILEE S. RAMALEY
MICHAEL J. RUSHMAN

WALTER E. RUSINEK
BRIAN SCHULMAN
STEPHEN H. SCOTT
DEAN C. SHORT, II
DON D. SKYPECK
CHARLES R. STERBACH
REBECCA L. STORY
ADAM A. STUDNICKI
ELLIOT TALENFELD
JAMES R. TAYLOR
TERENCE W. THOMPSON
W. CHARLES THOMSON
LAURA C. TONCHEFF
R. MICHAEL VALENZUELA
DAVID L. WALLIS
TODD C. WILEY
MATTHEW W. WRIGHT
ROBERT R. YODER
JAY A. ZWIEG



(602) 530-8422

May 23, 1996

CERTIFIED/RETURN
RECEIPT REQUESTED

2520190030841

Top Hat Plan Exemption
Pension and Welfare Benefit Administration, Room N-5644
U. S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

Re: Phelps Dodge Corporation Executive Life Insurance
Program

Gentlemen:

Pursuant to the provisions of Section 2520.104-23 of the Department of Labor regulations, we hereby notify you of an employee pension benefit plan covering only a select group of management and highly compensated employees of Phelps Dodge Corporation. Pursuant to the above-referenced regulations, we advise you as follows:

1. Name and address of employer:

Phelps Dodge Corporation
2600 North Central Avenue
Phoenix, Arizona 85004

2. Employer Identification Number of Phelps Dodge Corporation: 13-1808503.

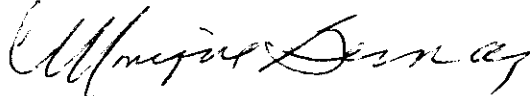
3. Declaration: Phelps Dodge Corporation sponsors a deferred compensation plan primarily for the purpose of providing deferred compensation for a select group of management and highly

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compensated employees. There are currently 97 employees in the plan.

If you have any questions regarding the foregoing, or if we may be of assistance in any way, please contact the undersigned.

Very truly yours,



Monique Bernauer
Legal Assistant

MEB:wjw
cc: Kim Bolton
369837/3316-0155