



FOR IMMEDIATE RELEASE
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Navajo Nation prevails in bankruptcy court case

Anadarko Petroleum and Kerr-McGee Corporation to repay billions in settlement



On Dec. 12, Navajo Nation President Ben Shelly listened to a report from Stephen Etsitty on uranium cleanup efforts on the Navajo Nation. Etsitty is the executive director of Navajo Environmental Protection Agency. (Photo by Rick Abasta)

Navajo Nation Attorney General Harrison Tsosie announced on Dec. 13, 2013 that the Nation has prevailed in its claims against Anadarko Petroleum Corporation and Kerr-McGee Corporation involving a number of former uranium mines and one former Kerr-McGee uranium processing site. These sites were located in Cove, Ariz. and Shiprock, N.M.

Navajo Nation President Ben Shelly said, “Our work in this bankruptcy case began when I was vice president and Louis Denetsosie was attorney general. The Shelly-Jim Administration has made mine cleanup a priority. In April, we met with Allison Macfarlane, chairman of the U.S. Nuclear Regulatory Commission about prioritizing cleanups on the Navajo Nation.”

“Any funds resulting from this lawsuit are welcomed and long overdue. The Navajo

Nation Department of Justice and Navajo EPA worked together to bring this effort to finality,” President Shelly added.

A decision released December 12 from the U.S. Bankruptcy Court for the Southern District of New York stated Judge Allan L. Gropper found that the defendants Anadarko and Kerr-McGee acted to “hinder and delay” certain creditors, including the Navajo Nation,

The Navajo Nation is one of a number of claimants in the case. Other claimants include the U.S., 22 states, four environmental response trusts and a trust for the benefit of certain tort plaintiffs. Prior to the trial this group of environmental and tort claimants reached an agreement on how they would allocate any recovery in the lawsuit.

While the proceeds distribution formula is rather complicated, Tsosie noted that 88 percent of all proceeds go to the group of environmental creditors, including the Navajo Nation. The remaining 12 percent will go to private tort creditors and for administrative expenses. Of the 88 percent distributed to environmental creditors, 23 percent will be available for use in cleaning up former Kerr-McGee abandoned uranium mines located on the Navajo Nation and the former Shiprock Mill site.

Judge Gropper’s decision finds that Anadarko and Kerr-McGee are liable to the plaintiffs for damages, setting a range for

recognize the uncertainties of the appeal process and the long road that may be ahead of us, this is still a day of celebration for the Navajo Nation. A federal judge has issued a ruling that could result in over a billion dollars being made available for cleaning up some of the uranium contamination from past uranium mining and processing on the Navajo Nation. We want to thank our outstanding litigation team, which included attorneys from the Chicago-based firm of Kirkland & Ellis, John Hueston of the Irell and Manella Firm from Los Angeles, the Office of the U.S. Attorney for the Southern District of New York and representatives of the U.S. Department of Justice in Washington, D.C.”

Other recognition for the court case included David Taylor, Navajo DOJ attorney; Navajo trial witnesses, Navajo EPA; Perry Charley, an instructor at Diné College Shiprock Campus; and the U.S. EPA Region 9 San Francisco Office of Regional Counsel.

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“The Shelly-Jim Administration has made mine cleanup a priority.”

when Kerr-McGee “transferred out and then spun off” oil and gas assets, leaving the spin off companies “insolvent and undercapitalized.”

such damages between \$5.1 and \$14.1 billion. The exact amount of damages will be determined after briefing by the parties.

Tsosie stated, “While we

