



## The 21<sup>st</sup> Navajo Nation Council

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## Navajo Council discuss lease agreements between Navajo Nation, Peabody Western Coal Company

**WINDOW ROCK, Ariz.** –The 21<sup>st</sup> Navajo Nation Council discussed Legislation No. 0592-09 regarding Coal Mining Lease No. 14-20-0603-8580 and Coal Mining Lease No. 14-20-0603-9910, which are lease agreements between the Navajo Nation and the Peabody Western Coal Company.

If the legislation is approved by Council, it would grant Peabody a continued lease throughout 2007 to 2016. The royalty rate during these years will be maintained at a 12.5 percent fixed rate for both leases. Coal Mining Lease No. 14-20-0603-9910 will split the 12.5 percent rate between the Navajo Nation and Hopi Tribe to 6.25 percent each. A \$1.55 million one-time signing bonus and a bonus of \$3.5 million per year for ten years on both leases will be granted, as well as scholarship increases for both leases.

If the legislation is denied there will be a loss of \$36.5 million from the 2007 to 2016 lease period, of which \$3.5 million has been received by the Navajo Nation, and possibly the return of \$3.5 million dollars back to Peabody if denied as well.

For the people's best interest, the legislation was tabled with a directive for a work session. According to Council Delegate George Arthur (T'iistoh Sikaad/San Juan/Nenanezad), chairman of the Resources Committee and sponsor of the legislation, the legislation was tabled because the Council expressed the need for input from Black Mesa United Inc. and other key figures impacted by the coal leasing.

In agreement with tabling the legislation, Council Delegate Amos Johnson (Forest Lake) said, "I think that people have a right to know what's going on up there on Black Mesa."

At the work session, the people's voice was heard through Black Mesa United Inc. The Black Mesa United group spoke particularly on the health of the people and animals, and the need for improved living conditions through community and economic development.

Kee T. Yazzie, a representative of Black Mesa United, suggested, "As a result of this particular legislation, all we are asking is that we receive 50% of royalty for Black Mesa residents. We are also requesting public hearings for Black Mesa on any royalty negotiations."

Johnson said, "As recommended by Mr. Kee Yazzie, the scholarship needs to be increased and I would like to see that fulfilled as well."

Council Delegate Katherine Benally (Dennehotso) agreed stating, "We are going to hold this legislation hostage until the demands of our people and the local communities are met."

In an effort to include public input, Johnson sponsored legislation relating to the involvement of Navajo Chapters, which could help in future royalty rate reopener and other mineral negotiations.

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