



**FOR IMMEDIATE RELEASE**  
April 7, 2014

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## **Resources and Development Committee receives report regarding Nacogdoches Oil and Gas Inc.**

**RED VALLEY, Ariz.** – Last Tuesday, the Resources and Development Committee received a report from Red Valley chapter president Lee Zhonnie, regarding Nacogdoches Oil and Gas Inc. located four miles west of Red Valley, regarding concerns involving contracts, environmental and employment issues.

Issues included failure to comply with safety procedures within the work environment, unmaintained oil spills, animal safety, road conditions, air quality, and non-payment to contract workers.

According to the controller of Nacogdoches Oil and Gas Inc., Taylor Matthew, the company took over a lease which was previously owned by Mountain States, Inc., which was also owned by Mike Finley, current owner of Nacogdoches Oil and Gas, Inc.

“When we took over the lease, the previous company had a tremendous amount of debt. We couldn’t pay all of it. We made deals to pay portions of the debt, but some wanted all or nothing,” stated Matthew, regarding the issue over non-payment to subcontractors.

During the discussion, little information was disclosed about the company. When questions arose about the whereabouts of company owner, Mike Finley, Matthew said, “Finley is stepping back and will not be involved in today’s activities.”

Chapter president Zhonnie, said he has been informed of an array of issues regarding the condition of the company and its impact on the Red Valley community.

“Nobody knows about this company. The Resource and Development Committee needs to know more. We need to see reports from this company and the community needs to know what their goals are,” stated Zhonnie.

Also in attendance were representatives from the Navajo Nation Department of Justice, Navajo Nation Division of Natural Resources and the Navajo Nation Environmental Protection Agency.

RDC chair Council Delegate Katherine Benally (Chilchinbeto, Dennehotso, Kayenta) inquired about the current number of Navajo employees and subcontractors that the company employs and whether they are complying with the Navajo Nation Preference Law.

Matthews was unable to give the exact number of Navajo employees, explaining that the company now hires subcontractors for economical reasons but he says they try to use as many Navajo subcontractors as possible.

“To me, I feel that any company can come into the Navajo Nation and walk off with our money. This is wrong,” stated Zhonnie. “Have them pay their dues. They are not even giving money back to our community.”

RDC member Council Delegate Leonard Pete (Chinle) expressed his concern relating to the monitoring of water activity to prevent contamination.

“How often do you come into this area to do certain monitoring activities? Has any report been on contamination of the water? Sounds like you have been running a perfect operation until now, which I do not believe. When the community raises their voice, there is a reason,” stated Delegate Pete.

In addition, the company will be issued a notice of violation in the Aneth area for unauthorized landfills, according to Navajo Nation EPA environmental program supervisor Cassandra Bloedel.

“There are four areas that they have been cited for and that will need to be cleaned up and addressed. For this area, Red Valley, we do not know yet of anything that has come up but we will be willing to take a look at what the Minerals Department has on the siting of these different areas and take an inspection. If there are any findings, we will share that with your committee,” stated Bloedel.

RCD members agreed to meet with the involved entities during the first week of May.

RDC members voted 4-0 to accept the report.

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