Peabody Energy and Partners Settle with the Navajo Nation

1999 royalty litigation case settlement hopes to create better cooperation between parties

Black Mesa, AZ – Last week the Navajo Nation announced the settlement of a 1999 royalty litigation case against Peabody Energy and its partners - Salt River Project and Southern California Edison. The settlement was recognized as a new beginning in the relationship between Peabody Energy and Navajo Nation as the two focus on future opportunities in coal development.

The terms of the settlement are confidential, however any settlement amounts are expected to go into the Navajo Nation General Fund and also help community development infrastructure projects for chapters in and around the Black Mesa mine operation.

“The relationship between Peabody Energy, its partners, and the Navajo Nation has existed for more than 40 years,” said Navajo Nation Speaker Johnny Naize, who was also a surveyor for the company in the 1970’s. “Their operations have provided us jobs and revenue for area residents, including scholarships and other vocational training opportunities. We’ve had our differences, but I hope this settlement will create a new harmony that will benefit everyone involved.”

Accompanying Speaker Naize was the Navajo Nation Attorney General Harrison Tsosie who also praised the agreement and the new sense of cooperation which made for a quick resolution for this dispute.

Navajo Nation Council Delegate Jonathan Nez (Tsah Bii Kin, Navajo Mountain, Shonto, Oljato) illustrated how this new relationship will be mutually beneficial.

“Last spring the Council approved a 10-year royalty reopener with Peabody Energy which not only included economic and community empowerment but also focused on infrastructure development. That was the goal of the local leaders and the Many Mules waterline for Black Mesa residents is the result, said Nez”

The Manymules water project seek to provide water service to area residents near the Black Mesa mines. Included are bathroom additions and plumbing installation for individual homes with new service to community and health facilities. The project received an Abandoned Mines Land grant for $300,000 in 2010.

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