

SECTION 2

OPERATION AND PERMIT DESCRIPTION

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SECTION 2

OPERATION AND PERMIT DESCRIPTION

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SECTION 2

OPERATION AND PERMIT DESCRIPTION

LIST OF EXHIBITS

EXHIBIT

NUMBER

EXHIBIT TITLE

[2-1](#)

Area 2 Permit Term Disturbance Schedule

[2-2](#)

Area 3 and 4 North Permit Term Disturbance Schedules

SECTION 2

OPERATION AND PERMIT DESCRIPTION

LIST OF REVISIONS DURING PERMIT TERM

REV. NUMBER	REVISION DESCRIPTION	DATE APPROVED
1404	2014 Navajo Mine Permit Renewal	

2 OPERATION AND PERMIT DESCRIPTION

2.1 Permit Area Description

2.1.1 Incidental Boundary Revision (IBR)

The IBR appends an additional 106 acres contiguous with the permit boundary along the east boundary of the Lowe and Dixon pits in Area 3 as shown in Exhibit 6-2, Sheet 2 of 2. The IBR area will be used for power lines and access roads, and to facilitate activities ancillary to mining and reclamation. The IBR area will not be used for any new major facilities such as preparation plants or coal mine waste disposal areas. The IBR area will not increase the size of the area from which coal will be removed beyond the existing permit boundary in accordance with the current Resource Recovery and Protection Plan (R2P2).

2.2 Permitting During the Life of the Operation

The permit term is 5 years. Each phase of mining and reclamation and its corresponding acreage for each pit through the permit is presented on an annual basis for the first five years and in five year increments for the remaining mine life. See [Exhibit 2-1](#) and [Exhibit 2-2](#) (Permit Term Disturbance Schedule) for location of Permit Area.

2.3 Socioeconomic Impact Assessment

The Navajo Mine began operation in 1963 and achieved its current production level by 1971. The mine has been an integral part of the economy and society of San Juan County, New Mexico and the Navajo Nation for more than thirty years.

2.3.1 The Navajo Mine Workforce

As of December 2003, there were 329 (247 hourly, 76 salary, and 6 NMOS salary) employees, of whom 87 percent were American Indians. Future mining and reclamation operations are anticipated to require a workforce of approximately 380 employees, most of whom would be miners.

The Navajo Mine workforce is broken down into classes as shown in [Table 2-1](#). Employees of the Navajo Mine live primarily in San Juan County, New Mexico and commute to work in private vehicles. [Table 2-2](#) shows where Navajo Mine employees reside in the vicinity. The estimated average annual wage for Navajo Mine employees in 2009 was approximately \$76,000.

2.3.2 Navajo Mine Estimates on Revenues and Services

Per Capita income of San Juan County residents in 2009 was \$20,029 for a population of 130,044 (US Census Bureau 2011). Median household income in San Juan County during the same time was \$46,007 (U.S. Census Bureau 2011). In 2010, the total employed civilian labor force in San Juan County was 56,513 with an unemployment rate of 9.6% (Univ. of New Mexico 2011b). Using 2007 employment

values, the Navajo Nation Division of Economic Development estimated the unemployment within the Navajo Nation to be nearly 50% (Navajo Nation Division of Economic Development 2009).

Since Navajo Mine was started in 1963, services provided by local towns have not fluctuated much. As noted in the 1985 La Plata Mine Environmental Impact Statement (EIS; OSM 1985), housing will keep up with demand, all four school districts are at or near capacity, health care is adequate, although rural areas are "underserved", particularly in ambulance and emergency treatment, outdoor recreational is abundant, road improvements are lacking, and water supplies are adequate.

2.3.3 Employment of Native Americans

Article 11 of the mining lease between NTEC (formerly BHP Navajo Coal Company, Utah Mining and Construction Company, and Utah International Inc. (UII)) and the Navajo Nation, dated July 26, 1957, states:

"Lessee agrees to employ Navajo Indians when available in all positions for which they are qualified in the judgment of the lessee, and to pay prevailing wages to such Navajo employees, and to utilize services of Navajo contractors whenever feasible in the judgment of the lessee. Lessee agrees to make special efforts to work Indians, giving priority to qualified members of the Navajo Tribe, into skilled, technical and other higher jobs in connection with lessee's operations under this lease".

References

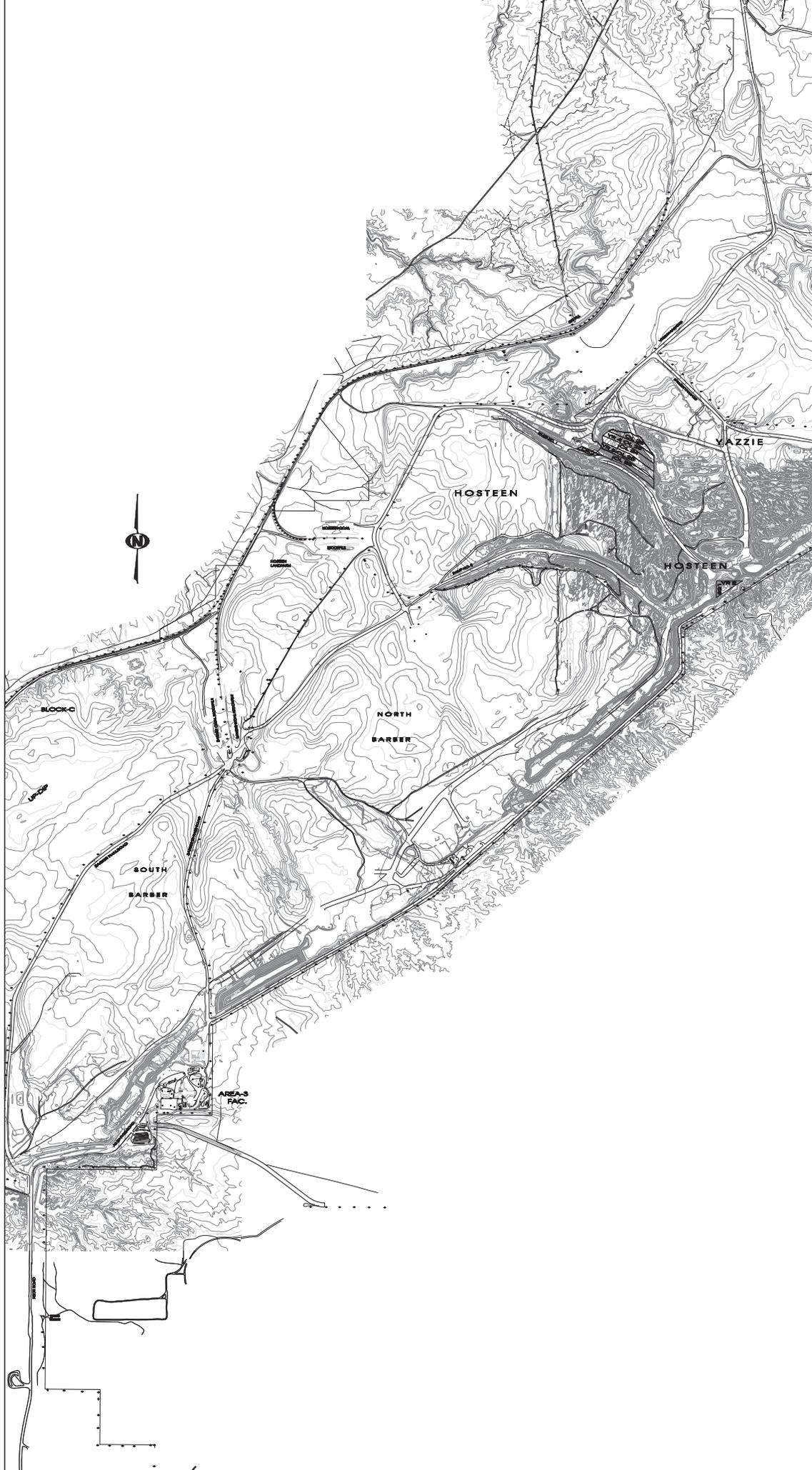
- Navajo Nation Division of Economic Development. 2009. 2009-2010 Comprehensive Economic Development Strategy. http://www.navajobusiness.com/pdf/CEDS/CED_NN_Final_09_10.pdf (verified March 29, 2012).
- Office of Surface Mining. 1985. Final Environmental Impact Statement. Proposed Mining Plan and Transportation Corridor Plan, La Plata Mine, San Juan County, New Mexico. (OSM EIS-17). September.
- U.S. Census Bureau. 2011. State and County Quick Facts, San Juan County, New Mexico. <http://quickfacts.census.gov/qfd/states/35/35045.html> (Verified on March 29, 2012).
- University of New Mexico, Bureau of Business & Economic Research. 2011b. New Mexico Counties 2010 Civilian Labor Force data tables. <http://bber.unm.edu/econ/co-uer10.htm> (verified on March 29, 2012)

Table 2-1 Navajo Mine Workforce by Class

Position	Number
Management	37
Professional	30
Technical	8
Clerical	7
Skilled	120
Semi-skilled	105
Warehouse	15
Total	7
	329

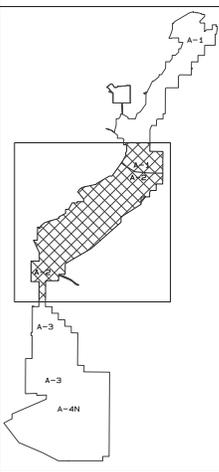
Table 2-2 Navajo Mine Employee Residence by Vicinity

State	City	Total Percent
AZ	Kayenta	0.3%
	Red Valley	0.3%
	Rock Point	0.3%
	Teec Nos Pos	0.3%
AZ Total		1.2%
NM	Aztec	0.9%
	Bloomfield	4.3%
	Crownpoint	0.3%
	Farmington	26.4%
	Flora Vista	1.8%
	Fruitland	21.0%
	Kirtland	24.0%
	La Plata	0.3%
	Newcomb	0.6%
	Prewitt	0.3%
	Sanostee	0.6%
	Sheepspring	0.3%
	Shiprock	11.6%
	Tohatchi	0.6%
	Vanderwagon	0.3%
	Waterflow	5.2%
Yah-Ta-Hey	0.3%	
NM Total		98.8%



LEGEND

- ROAD
- WATERSHED
- BUILDING
- FENCE
- IRRIGATION LINE
- CULVERT
- DAM
- DRAINAGE
- RAILROAD
- TREE
- POWER LINE
- SPOT ELEVATION
- INDEX CONTOUR
- INTERMEDIATE CONTOUR
- LEASE CORNER
- L-30
- LEASE/PERMIT BOUNDARY



"NOTE"
 ADDITIONAL MINE STRUCTURES, INCLUDING ROADS, RAILROADS, PONDS, IMPROVEMENTS AND CULVERTS, ALTHOUGH PRESENT ON THIS EXHIBIT AS PART OF THE AS-BUILT RECORD, ARE NOT INTENDED TO BE CURRENT OR ACCURATE ON THIS EXHIBIT. PLEASE REFER TO THE APPROPRIATE A.P. TEXT SECTION FOR A MINE STRUCTURE EXHIBIT.

YEAR 1 COMMENCES SEPT. 1, 2014



NO.	DATE	DESCRIPTION	BY	CHKD.	APP.
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100	4/10/22	REVISED DESIGN	KB	KB	KB

CERTIFICATION STATEMENT
 I, KEVIN A. BAHE, HEREBY CERTIFY THAT THE INFORMATION DISPLAYED ON THIS DRAWING IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

KEVIN A. BAHE
 P.E. 17850
 REGISTERED PROFESSIONAL ENGINEER

Kevin Bahe

Digitally signed by Bahe, Kevin
 KA
 Reason: I attest to the accuracy and integrity of this document
 Date: 2014.05.21 12:48:29 -06'00'

EXHIBIT 2-01

NTEC
 Navajo Transitional Energy Company, LLC
 Navajo Mine

P.O. Box 1727
 11111 Navajo Blvd. Window Rock, AZ 86515

Project No: 2014-001-0001

AREA-II PERMIT TERM DISTURBANCE SCHEDULES

PREPARED BY: C.B. [initials] DRAWN BY: C.B. [initials] SCALE: 1" = 1000'
 APPROVED BY: KAB DATE: 4/14/2014

