



United States Department of the Interior

OFFICE OF SURFACE MINING
Reclamation and Enforcement
Western Region Office
1999 Broadway, Suite 3320
Denver, CO 80202-3050



NM-0003-F-N-02

September 16, 2014

Certified Mail – Return Receipt Requested

Mr. Sam Woods
Interim Management Committee Executive
Navajo Transitional Energy Company, LLC
P.O. Box 1749
Window Rock, Navajo Nation (Arizona), 86515

Re: *Administrative Delay in Decision - Application to Renew Federal Permit NM-0003F for the Navajo Mine*

OSMRE Project Tracking Code: NM-0003-F-N-02

OSMRE ARMS Mail Number: 14/05/28-02

Dear Mr. Woods:

In accordance with the regulations at 30 CFR 774.15(a) a valid permit issued pursuant to an approved regulatory program shall carry with it the right to successive renewal. On May 28, 2014, on behalf of the permittee Navajo Transitional Energy Company (NTEC), BHP Mine Management Company (MMCo.) filed an application to renew Federal Permit NM-0003F for the Navajo Mine. This application was filed with the Office of Surface Mining Reclamation and Enforcement (OSMRE) in accordance with the requirements of the implementing regulations of the Surface Mining Control and Reclamation Act (SMCRA). As required at 30 CFR 774.15 of these regulations, the application was filed with OSMRE at least 120-days prior to the September 25, 2014, permit term expiration date.

On June 30, 2014, following completion of our initial review of the permit renewal application, OSMRE notified NTEC that the application had been determined to be administratively complete and ready for public notice. NTEC subsequently ran public notices in three local newspapers announcing the availability of the application for review and comment. The newspaper notices ran for four consecutive weeks beginning on July 3 and ending on July 27, 2014. As indicated in these notices, the public comment period extended for 30-days beyond the July 27 date to, August 25, 2014. In addition to the newspaper notices, NTEC ran radio announcements in Navajo and English on two local radio stations during this period. At the conclusion of the public comment period OSMRE had not received comments from the public on the permit renewal application nor were any requests for an informal conference received.

As you are aware, since early in 2012 the Four Corners Power Plant and Navajo Mine Energy Project (FCPP/NMEP) Environmental Impact Statement (EIS) has been under development. Among other impacts, this EIS is being prepared to analyze the impacts of OSMRE's potential approval of the permit renewal application for the Navajo Mine. Approval would extend the current term of the permit from September 25, 2014, to September 25, 2019. Please be advised that OSMRE cannot render a decision on the permit renewal application until after the EIS has been completed and published. The EIS is anticipated to be completed early in 2015, with OSMRE's subsequent Record of Decision (ROD) currently expected in April 2015.

OSM's review has determined that NTEC's May 28, 2014, submittal is in accordance with the procedural requirements for permit renewal applications at 30 CFR 774.15 (b). With this letter OSMRE is notifying NTEC that we are administratively delaying our decision regarding the renewal of Federal Permit NM-0003F until after the FCPP/NMEP EIS has been completed. NTEC may continue mining and reclamation operations under the current permit until OSMRE makes a decision on the permit renewal application. As indicated above, the ROD for the FCPP/NMEP is currently expected in April 2015. OSMRE's decision on the permit renewal application will be included within this ROD.

Should you have any questions or need further clarification, please contact OSM's Mine Team Leader for this project (Mychal Yellowman) via phone at 303-293-5049, or by email: myyellowman@osmre.gov.

Sincerely,



Rick Williamson, Manager
Indian Program Branch
Program Support Division
Western Region-OSM

Enclosure

cc: MMCo, Daphne Place-Hoskie w/enclosure
OSMRE, Albuquerque Field Office w/enclosure
Navajo Nation Minerals Department w/enclosure
BLM Farmington Resource Area Office w/enclosure
BIA Navajo Regional Office w/enclosure
T'íís Tsoh Sikaad (Burnham) Chapter - no enclosure
Nenahnezad Chapter - no enclosure