

BHP Navajo Coal Company



BHP Billiton Limited
BHP Navajo Coal Company
PO Box 1717
16 Miles South of Fruitland on CR 6675
Fruitland, New Mexico 87416 USA
Tel +1 505 598 4200 Fax +1 505 598 3361
bhpbilliton.com

August 30, 2013

13-09-03-09

Mr. Mychal Yellowman
Navajo Mine Team Leader
Indian Programs Branch
Office of Surface Mining/Western Regional Coordinating Center
1999 Broadway, Suite 3320
Denver, Colorado 80202-3050

Re: Navajo Mine SMCRA Permit No. NM-0003F : (a) Notification of Name Change, (b) Application for Permit Transfer Approval in Conjunction with Entity Conversion; (c) Updated Ownership and Control Information, and (d) Application for Permit Transfer Approval in Conjunction with Merger

Dear Mr. Yellowman,

BHP Navajo Coal Company ("BNCC"), the current Surface Mining Control and Reclamation Act ("SMCRA") permittee and applicant, and Navajo Transitional Energy Company, LLC ("NTEC"), a wholly owned subsidiary of the Navajo Nation organized under the Navajo Nation's Limited Liability Company Act, hereby provide notification of a restructuring of BNCC and merger with NTEC (the "Transaction") and request approval of the transfer of BNCC's SMCRA permit, pursuant to SMCRA's transfer, assignment, and sale ("TAS") provisions.

BNCC and NTEC have previously informed OSM of a delay in the proposed Transaction resulting from a decision by the Arizona Public Service Company ("APS") to delay its purchase of Southern California Edison's ("SCE's") share of Units 4 and 5 at the Four Corners Power Plant ("FCPP"). APS's delay in acquiring SCE's share of Units 4 and 5 arises from the Arizona Corporation Commission's ("ACC") announcement that it is considering regulatory reform relating to electric retail competition. The deadline for submitting comments on the ACC's investigation expired August 16, 2013. The ACC has not yet set a firm date for a hearing on the investigation, but may hold a hearing as early as the first week of October.

Because the Transaction documents, including pending revisions to the existing coal supply agreement, reflect APS's prior purchase of SCE's share of Units 4, the transacting parties (BNCC and NTEC) could not close the Transaction by the July 1, 2013 deadline set forth in BNCC's original TAS application. BNCC and NTEC, however, are diligently continuing the process for signing and executing the agreement that will govern the sale of BNCC to NTEC. The sale will not close, however, until among other things, APS completes its transaction with

SCE and executes a pending amendment to the coal sales agreement. BNCC thus submits this updated TAS application, which removes references to the prior July 1, 2013 deadline and updates the application to reflect the transacting parties' current understanding of the timing of the steps of the transaction.

Significantly, other than postponing the timing of the Transaction, the delay does not affect the substance of BNCC's TAS application. Thus, BNCC and NTEC request that OSM continue to review the application and approve the permit transfer application, pending and conditioned upon the close of the Transaction. BNCC and NTEC commit to providing additional information to OSM regarding the timing of the close of the Transaction as that information becomes available.

Again, the delay does not affect or alter the steps of the Transaction outlined in the original TAS application. As described in BNCC's original TAS application, NTEC and the Navajo Nation desire to control the mineral rights and operations of Navajo Mine. As part of the Transaction, BNCC intends to change its name and convert to a Delaware limited liability company ("LLC"). NTEC then intends to acquire 100% of the equity of the Delaware LLC as a subsidiary of NTEC, and shortly thereafter (within several days), NTEC plans to merge with subsidiary, with NTEC as the surviving entity and permittee under the SMCRA permit. If the permit transfer is approved, NTEC will continue engaging in surface mining and reclamation activities at Navajo Mine in accordance with the existing SMCRA permit and the approved mine plan. As part of this process, NTEC will comply with SMCRA's regulatory requirements regarding bond and insurance.

The Transaction will have no on-the-ground impacts. Although the SMCRA permit will be held by NTEC after the Transaction, another BHP Billiton New Mexico Coal, Inc. ("BBNMC") owned company, BHP Billiton Mine Management Company ("MMCo."), will continue to operate the mine, consistent with the OSM approved mine plan and permit terms and conditions, on behalf of NTEC under a mine management agreement.

The following is a summary of the steps of the Transaction:

- BNCC plans to change its name to Navajo Mine Coal Company ("NMCC"). This name change is purely administrative and requires no approval by OSM. SMCRA's regulations require timely submittal of appropriate information advising of these changes and updating specified SMCRA permit information, which we are providing with this letter. See Attachment A.
- Following, NMCC will convert from a Delaware corporation to a Delaware LLC. The post-conversion entity is referred to herein as NMCC, LLC. This conversion is a transitory step intended to facilitate financial efficiencies occasioned by the sale of BNCC to NTEC, requires only administrative filings in the State of Delaware, and most importantly, only involves a change of entity-type. It will not result in any changes to the officers, ownership or operations of the company. However, this change in entity-type may technically trigger the Transfer, Assignment and Sale provisions of the regulations implementing SMCRA. See 30 C.F.R. § 774.17. In the event this conversion does trigger these regulations, we submit for your review and approval an application transferring Permit No.

NM-0003F to NMCC, LLC. As part of this application, we provide ownership and control information for both BNCC and NMCC, LLC, however the ownership and control information for these two entities is the same. See Attachment B.

- Immediately following the conversion, BBNMC (NMCC, LLC's parent company) plans to sell 100% of NMCC, LLC's membership interest to NTEC. The change in ownership and control does not require OSM approval. See 30 C.F.R. § 774.17; 72 Fed. Reg. 68000, 68008-09 (December 3, 2007). The regulations require timely submittal of appropriate information advising of these changes and updating specified SMCRA permit information. See Attachment C.
- Following NTEC's purchase of NMCC, LLC's membership interests, NTEC will merge with NMCC, LLC, and NTEC will be the surviving entity. The merger will result in a permit transfer, triggering the Transfer, Assignment and Sale provisions of the regulations implementing SMCRA. See 30 C.F.R. § 774.17. Therefore, BNCC and NTEC submit for your review and approval an application for a permit transfer in which BNCC and NTEC seek OSM's approval of the transfer of Permit No. NM-0003F. See Attachment D.

Please let us know if you have any questions or if we can provide additional information to assist your review and approval of this four part submittal.

Sincerely,



Steven Perkins

Superintendent Environmental Permitting and Technical Services

cc. John Grubb, NTEC Management Committee Executive
Harrison Tsosie, Attorney General, Navajo Nation; Project Lead
Dana Bobroff, Deputy Attorney General, Navajo Nation
Pat Risner, President, BHP Navajo Coal Company
Charles Roybal, Senior Counsel, BHP Navajo Coal Company
Craig Moyer, Manatt, Counsel to Navajo Nation and NTEC
Bryan LeRoy, Manatt, Counsel to Navajo Nation and NTEC

Enc: Attachment A (Update 1302 – Notification of Name Change)
Attachment B (Update 1303 – Application for Permit Transfer Approval in Conjunction with Entity Conversion)
Attachment C (Update 1304 – Ownership and Control Information)
Attachment D (Update 1305 – Transfer Application in Conjunction with Merger)

ATTACHMENT C

UPDATE 1304 – OWNERSHIP AND CONTROL INFORMATION

BHP Navajo Coal Company



BHP Billiton Limited
BHP Navajo Coal Company
PO Box 1717
16 Miles South of Fruitland on CR 6675
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bhpbilliton.com

August 30, 2013

Mr. Mychal Yellowman
Navajo Mine Team Leader
Indian Programs Branch
Office of Surface Mining/Western Regional Coordinating Center
1999 Broadway, Suite 3320
Denver, Colorado 80202-3050

**Re: Navajo Mine Permit Number NM-0003F; Update 1304 – Ownership and Control Information
(Attachment C)**

Dear Mr. Yellowman,

BHP Navajo Coal Company (BNCC) is submitting for your review and approval, nine (9) copies of Update 1304 – Ownership and Control Information. Immediately following the conversion of Navajo Mine Coal Company from a corporation to limited liability company (“NMCC, LLC), BHP Billiton New Mexico Coal, NMCC, LLC’s parent company, plans to sell 100% of NMCC, LLC’s membership interest to Navajo Transitional Energy Company (“NTEC”). The change in ownership and control does not require OSM approval. See 30 C.F.R. § 774.17; 72 Fed. Reg. 68000, 68008-09 (December 3, 2007). The regulations require timely submittal of appropriate information advising of these changes and updating specified SMCRAs permit information.

This letter provides notification of the change in ownership and control, and instructions for the replacement of updated SMCRAs permit contents follow:

<u>Revisions</u>	<u>Comments/Instructions</u>
Ch. 1 Vol. 1, <i>Appendix</i>	Remove Appendix 1-A BHP Billiton Ownership and Control Add Appendix 1-A-A Owner Ownership and Control Add Appendix 1-A-B Operator Ownership and Control. Appendix 1-E Certification of Liability Insurance – Will be provided to OSM prior to the name change.
Ch. 1 Vol.1, <i>Table</i>	Replace Tables 1-1 Information for Entities with Ownership and Control Interest in Navajo Mine (page 1-4) with revised page. General Purpose Rider for Surety Bond to be submitted prior to name change.

If you have any questions, please contact Kara Hart at 505-598-2134.



Sincerely,



Steven Perkins
Superintendent Environmental Permitting and Technical Services



VERIFICATION OF PERMIT UPDATE

NAVAJO MINE COAL COMPANY LLC
NAVAJO MINE PERMIT UPDATE
SAN JUAN COUNTY, NEW MEXICO

I swear and affirm, under oath and in writing that the information regarding this submittal contained in the Navajo Mine PAP is accurate and complete in accordance with Federal regulations under 30 CFR 778.

The following changes have occurred to the PAP:

- Owner and Operator; and,
- Officers and Directors.

Signature: 

John W. Grubb

Management Committee Executive

Navajo Mine Coal Company LLC

STATE OF NEW MEXICO

§

COUNTY OF SAN JUAN

§

SUBSCRIBED AND SWORN to before me, in my presence, this 3rd day of May, 2013, a Notary Public in and for the State of New Mexico.


Notary Public

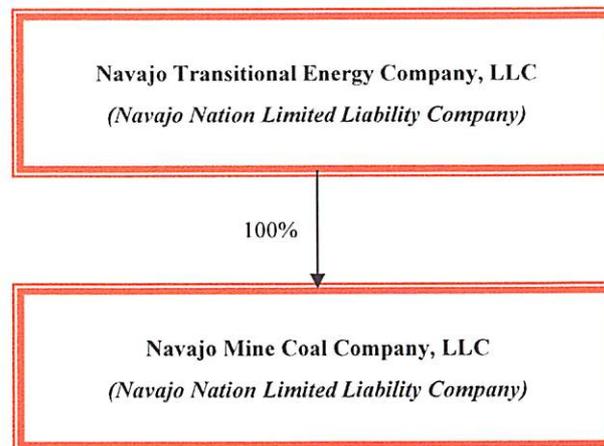
My Commission Expires: 7/26/2016

APPENDIX 1-A

OWNERSHIP & CONTROL

APPENDIX 1-A-A
OWNER
OWNERSHIP & CONTROL

Owner Corporate Organizational Structure



**BHP BILLITON LIMITED
ACTIVE OFFICERS**

Name	Title	Date Elected
Crawford, David Alexander	Director	5/1/1994
Schubert, John Michael	Director	6/1/2000
Buchanan, John Gordon St. Clair	Director	2/1/2003
Codeiro, Carlos Antonio Souza	Director	8/26/2005
Kloppers, Marius Jacques	Director	1/1/2006
Nasser, Jacques	Director	6/6/2006
McAloon, Jane	Secretary	10/25/2006
Rumble, Keith Christopher	Director	9/1/2008
Murdy, Wayne William	Director	6/18/2009
Broomhead, Malcolm William	Director	3/31/2010
Hewson, Carolyn Judith	Director	3/31/2010
Vadera, Shriti	Director	1/1/2011
Maxsted, Lindsay Philip	Director	3/23/2011
Kleynhans, Nicola Emma	Secretary	12/16/2011
Davies, Lawrence Patrick Adrian	Director	6/1/2012

RESIGNED OFFICERS

Name	Title	Date Elected	Date Resigned
Anderson, Paul Milton	Director	6/6/2006	1/31/2010
de Planque, Eileen Gail	Director	10/19/2005	1/31/2010
Argus, Donald Robert	Director	11/30/1996	3/30/2010
Boeckmann, Alan Lee	Director	9/1/2008	3/23/2011
Smith, Fiona Catherine Davis	Secretary	6/28/2007	3/24/2011
Joyner, Elisabeth Jane	Secretary	3/24/2011	12/16/2011
Peter, Paul	Alternate Director	12/1/2010	12/31/2010

Names in Bold indicate new changes since last report

**BHP COAL HOLDINGS PTY. LIMITED
ACTIVE OFFICERS**

Name	Title	Date Elected
Dennis, Michael Allan	Secretary	1/1/2012
Parker, Joy Kittikhoun	Director	7/19/2013
Oberholzer	Director	7/19/2013

RESIGNED OFFICERS

Name	Title	Date Elected	Date Resigned
Heath, Gerard John	Director	8/25/2000	6/26/2008
Scott, Neil John	Director	3/1/2006	12/16/2008
McKaig, Natalie Ellen	Secretary	10/4/2007	9/1/2008
Wong, Susie	Secretary	10/4/2007	9/1/2008
Peter, Paul	Alternate Director	12/1/2009	7/5/2010
Peter, Paul	Alternate Director	6/17/2011	7/4/2011
Wiltshire, Toni	Secretary	9/5/2011	10/10/2011
Oberholzer, Gideon Johannes	Director	12/15/2008	1/1/2012
Buckle, Jill Margaret	Secretary	9/22/2008	1/1/2012
Ruddell, David	Alternate Director	7/28/2011	1/1/2012
Liebenberg, Andre Leon	Director	1/1/2012	8/24/2012
Johnson, Paul Richmond	Alternate Director	1/20/2012	8/24/2012
Johnson, Paul Richmond	Alternate Director	9/4/2012	11/15/2012
Johnson, Paul Richmond	Director	11/14/2012	7/19/2013
Summerhayes, Frances	Director	8/24/2012	7/19/2013

Names in Bold indicate new changes since last report

BHP BILLITON NEW MEXICO COAL INC.
(formerly Chaco Valley Energy LLC)
ACTIVE OFFICERS

Name	Title	Date Elected
Clarke, Steve C.	Director & Treasurer	4/18/2011
Goekner, Shawn D	Director	11/5/2012
Risner, Patrick	COO & President & Director	11/5/2012 & 04/18/2011
Long, Geoffrey	Secretary	3/22/2013

RESIGNED OFFICERS

Name	Title	Date Elected	Date Resigned
Kellow, Glenn Leslie	President	3/14/2007	4/1/2010
Clarke, Steve C.	Assistant Treasurer	3/19/2004	4/18/2011
Roybal, Charles E.	Secretary	3/3/2009	4/18/2011
Jr., David T. Grand	Assistant Secretary	12/22/2009	4/16/2011
Groves, Darrell	Treasurer	7/1/2008	4/18/2011
Moore, Earl Kenneth	Vice President	3/19/2004	7/15/2011
Teel, Paul Lawrence	Vice President	6/1/2005	2/25/2011
Jones, Evan Y.	Vice President	3/19/2004	2/7/2011
Jr., David T. Grand	Secretary	4/18/2011	7/6/2012
Fourie, Jacobus Gerhardus	President & COO & Director	4/1/2010 & 4/18/2011	11/5/2012
Risner, Patrick	Vice President	4/18/2011	11/5/2012
Ford, Kristen	Secretary	7/6/2012	3/22/2013

Names in Bold indicate new changes since last report

**SAN JUAN COAL COMPANY
ACTIVE OFFICERS**

Name	Title	Date Elected
Jones, James Scott	Vice President	8/11/2008
Clarke, Steve C.	Director & Treasurer	2/7/2011 & 8/31/2011
Jacobs, Carin	Vice President	10/1/2011
Goeckner, Shawn D	Director	11/5/2012
Risner, Patrick	COO & President & Director	11/5/2012 & 2/15/2011
Long, Geoffrey A.	Secretary	3/22/2013

RESIGNED OFFICERS

Name	Title	Date Elected	Date Resigned
Kellow, Glenn Leslie	President & COO	3/14/2007	4/1/2010
Kellow, Glenn Leslie	Director	4/24/2007	4/1/2010
Moore, Earl Kenneth	Vice President	3/9/1999	2/15/2011
Moore, Earl Kenneth	Director	1/17/2000	2/15/2011
Moore, Earl Kenneth	Assistant Treasurer	3/9/1999	1/17/2000
Jones, Evan Y.	Vice President & Director	3/1/2001	2/15/2011
Teel, Paul Lawrence	Vice President	6/1/2005	2/25/2011
Clarke, Steve C.	Assistant Treasurer	10/30/2001	8/31/2011
Jr., David T. Grand	Assistant Secretary	3/3/2009	8/31/2011
Roybal, Charles E.	Secretary	3/3/2009	8/31/2011
Groves, Darrell	Treasurer	2/15/2011	8/31/2011
Jr., David T. Grand	Secretary	8/31/2011	7/6/2012
Fourie, Jacobus Gerhardus	Director, President & COO	4/1/2010	11/5/2012
Risner, Patrick	Vice President	2/15/2011	11/5/2012
Ford, Kristen	Secretary	7/6/2012	3/22/2013

Names in Bold indicate new changes since last report

**SAN JUAN TRANSPORTATION COMPANY
ACTIVE OFFICERS**

Name	Title	Date Elected
Jones, James Scott	Vice President	8/11/2008
Clarke, Steve C.	Director & Treasurer	2/7/2011 & 8/31/2011
Jacobs, Carin	Vice President	10/1/2011
Goeckner, Shawn D	Director	11/5/2012
Risner, Patrick	COO & President & Director	11/5/2012 & 2/15/2011
Long, Geoffrey, A	Secretary	3/22/2013

RESIGNED OFFICERS

Name	Title	Date Elected	Date Resigned
Kellow, Glenn Leslie	President & COO	3/14/2007	4/1/2010
Kellow, Glenn Leslie	Director	4/24/2007	4/1/2010
Jones, Evan Y.	Director	3/1/2001	2/7/2011
Jones, Evan Y.	Vice President	3/1/2001	2/15/2011
Moore, Earl Kenneth	Vice President	3/9/1999	2/15/2011
Moore, Earl Kenneth	Director	1/17/2000	2/15/2011
Moore, Earl Kenneth	Assistant Treasurer	3/9/1999	1/17/2000
Teel, Paul Lawrence	Vice President	6/1/2005	2/25/2011
Clarke, Steve C.	Assistant Treasurer	10/30/2001	8/31/2011
Jr., David T. Grand	Assistant Secretary	12/22/2009	8/31/2011
Roybal, Charles E.	Secretary	3/3/2009	8/31/2011
Groves, Darrell	Treasurer	2/15/2011	8/31/2011
Jr., David T. Grand	Secretary	8/31/2011	7/6/2012
Risner, Patrick	Vice President	2/15/2011	11/5/2012
Fourie, Jacobus Gerhardus	Director, President & COO	4/1/2010	11/5/2012
Ford, Kristen	Secretary	7/6/2012	3/22/2013

Names in Bold indicate new changes since last report

**BHP Billiton Mine Management Company
ACTIVE OFFICERS**

Name	Title	Date Elected
Allen, J Robert	Director & Treasurer	3/28/2013
Goeckner, Shawn D	Director	3/28/2013
Risner, Patrick	Director	3/28/2013
Long, Geoffrey A	Secretary	3/28/2013

RESIGNED OFFICERS

Name	Title	Date Elected	Date Resigned
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Names in Bold indicate new changes since last report

NAVAJO TRANSITION ENERGY COMPANY
ACTIVE OFFICERS

Name	Title	Date Elected
McLaughlin, Timothy H.	Management Committee Member	5/3/2013
Passamaneck, Richard S.	Management Committee Member	5/3/2013
Jenkins, Peter E.	Management Committee Member	5/3/2013
Grey, Steve L.	Management Committee Member	5/3/2013
Wood, Grant R.	Management Committee Member	5/3/2013
Grubb, John W.	Management Committee Executive	5/3/2013
Gundersen, Steve	Management Committee Member	5/3/2013
Denetclaw, Peter	Management Committee Member	5/3/2013

RESIGNED OFFICERS

Name	Title	Date Elected	Date Resigned
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Names in Bold indicate new changes since last report

**NAVAJO MINE COAL COMPANY LLC
ACTIVE OFFICERS**

Name	Title	Date Elected
McLaughlin, Timothy H.	Management Committee Member	5/3/2013
Passamaneck, Richard S.	Management Committee Member	5/3/2013
Jenkins, Peter E.	Management Committee Member	5/3/2013
Grey, Steve L.	Management Committee Member	5/3/2013
Wood, Grant R.	Management Committee Member	5/3/2013
Grubb, John W.	Management Committee Executive	5/3/2013
Gundersen, Steve	Management Committee Member	5/3/2013
Denetclaw, Peter	Management Committee Member	5/3/2013

RESIGNED OFFICERS

Name	Title	Date Elected	Date Resigned
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Names in Bold indicate new changes since last report

REVISED 8/30/2013

APPENDIX 1-A-B
OPERATOR
OWNERSHIP & CONTROL

Operator Corporate Organizational Structure

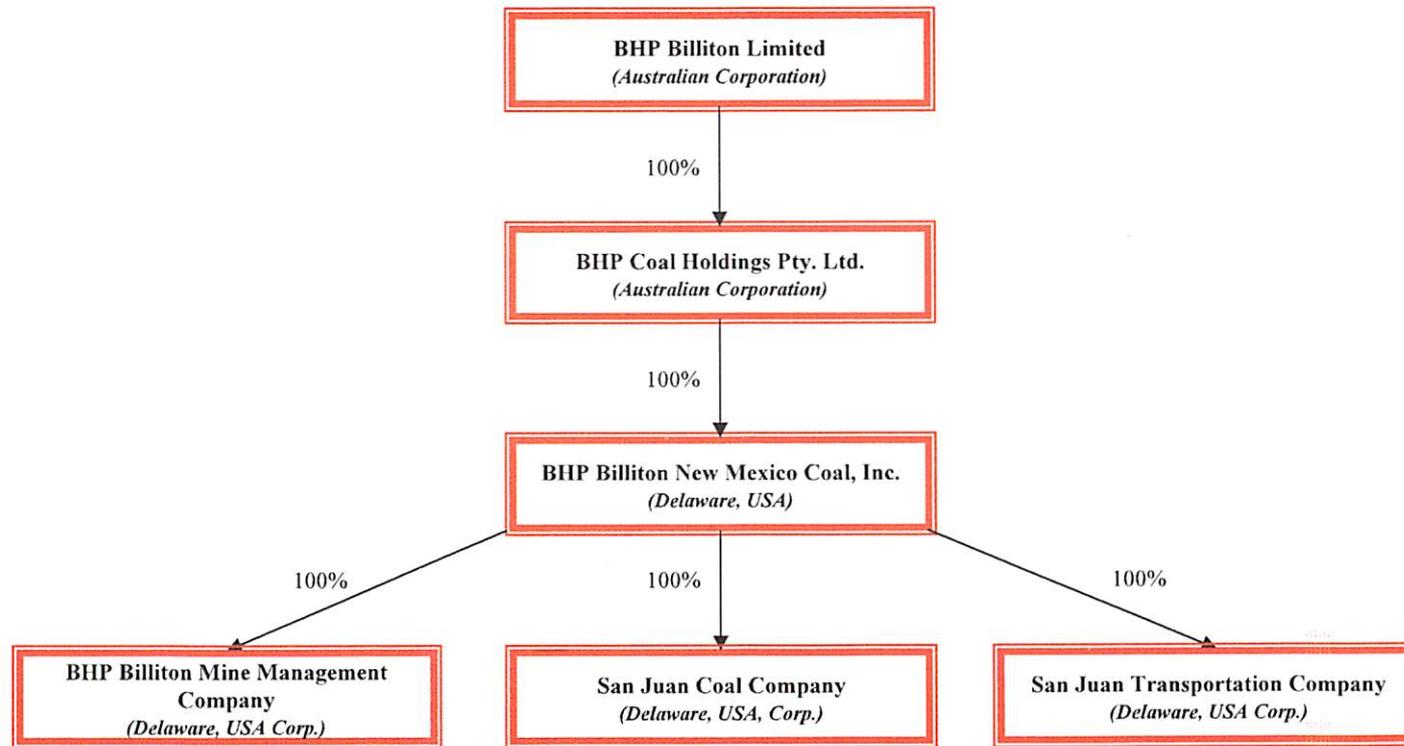


TABLE 1-1

INFORMATION FOR ENTITIES WITH OWNERSHIP AND CONTROL INTEREST IN NAVAJO MINE

Business	Address & Telephone No.	Federal ID No.
BHP Billiton Limited	Level 27 BHP Billiton Centre 180 Lonsdale Street Melbourne, VICTORIA 3000 Australia Telephone No: +61 1300 554757	N/A
BHP Coal Holdings Pty. Ltd.	Level 20, Waterfront Place 1 Eagle Street Brisbane, QUEENSLAND 4000 Australia Telephone No. +61 07 3227 5600	N/A
BHP Billiton New Mexico Coal Inc.	c/o The Corporation Trust Company 1209 Orange Street Wilmington DE, 19801 USA Telephone No. 44 (0) 207 802 4098	45-2485938
San Juan Coal Company	300 West Arrington, Suite 200 Farmington, NM 87401 USA Telephone No. (505) 598-4200	94-2557286
San Juan Transportation Company	300 West Arrington, Suite 200 Farmington, NM 87401 USA Telephone No. (505) 598-4200	94-2785883
BHP Billiton Mine Management Company	300 West Arrington, Suite 200 Farmington, NM 87401 USA Telephone No. (505) 598-4200	46-2419183
Navajo Transitional Energy Company	The Navajo Nation Office of the Attorney General Harrison Tsosie, Attorney General c/o Dana Bobroff, Deputy Attorney General Bureau of Indian Affairs Club Building Window Rock, Navajo Nation (Arizona) 86515	Application in Progress
Navajo Mine Coal Company, LLC	The Navajo Nation Office of the Attorney General Harrison Tsosie, Attorney General c/o Dana Bobroff, Deputy Attorney General Bureau of Indian Affairs Club Building Window Rock, Navajo Nation (Arizona) 86515	Application in Progress