

FOR IMMEDIATE RELEASE

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PRESS STATEMENT

**Statement of WORC & Powder River in Response to Confirmation of
Cloud Peak Energy's Chapter 11 Bankruptcy Plan**

(Billings, MT) – Today in a Delaware bankruptcy court, a federal judge approved Cloud Peak Energy's plan to get out of bankruptcy. A critical part of the plan is the sale of mines and other property to the Navajo Transitional Energy Company (NTEC), a company wholly owned by the Navajo Nation.

In response to the bankruptcy court decision, Western Organization of Resource Councils and Powder River Basin Resource Council Board Member Bob LeResche made the following statement:

"The technical end of bankruptcy is far from the end of problems for Cloud Peak Energy, Wyoming, and Montana. Notably, until NTEC provides financial assurances and waives sovereign immunity to receive state mining permits and federal coal leases, Cloud Peak is still responsible for all reclamation costs at the mines.

"Additionally, NTEC's track record so far gives us pause. In late October, NTEC chose to immediately close its Montana mine for two days rather than waive its claim to sovereign immunity and follow the law like every other coal company.

"A significant part of Cloud Peak's bankruptcy plan was NTEC taking on the tax and royalty debt owed to local, state, and federal governments. NTEC says they'll make good on more than \$90 million of Cloud Peak's unpaid taxes, but no one knows if they have the funds to do that, and additional tax payments will only continue to eat into the already thin profit margins of these Powder River Basin mines. NTEC could go down the tubes like Blackjewel, and state regulators need to make sure taxpayers don't get left holding the bag.

"We will continue to be vigilant to ensure protection of the public interest through strong reclamation bonding standards no matter who owns these mines."

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The Powder River Basin Resource Council, founded in 1973, is a family agriculture and conservation organization in Wyoming. Resource Council members are family farmers and ranchers and concerned citizens who are committed to conservation of our unique land, mineral, water, and clean air resources.

WORC is a regional network of eight grassroots community organizations with 18,532 members and 40 local chapters and affiliates in seven states, including Colorado, Idaho, Montana, North

Dakota, Oregon, South Dakota, and Wyoming. WORC and its member groups have a longstanding interest in federal coal leasing, mining and royalty policy, and for over 40 years have actively engaged in advocacy in this area. Powder River Basin Resource Council is an organizational member of WORC.