

RESOLUTION OF THE PAPAGO TRIBAL COUNCIL

Authorizing deferment in payments of  
advanced royalty by Noranda

RES. NO. 144-82

1  
2 WHEREAS, the Papago Tribe did enter into a mining Lease  
3 ("Lease") on April 1, 1979, with Noranda Exploration,  
4 Inc., Contract No. H50C14201257, subsequently assigned  
5 to Noranda Lakeshore Mines, Inc. ("Noranda"), for the  
6 exploration, developing, mining, producing and marketing  
7 of all minerals (excluding oil, gas and other hydro-  
8 carbons) at the Lakeshore Mine ; and

9 WHEREAS, the Lease provides for the payment to the Tribe of  
10 advance royalties of \$160,000 each month, which advance  
11 royalty may eventually be recouped from production  
12 royalties produced from the sale of mined minerals; and

13 WHEREAS, Noranda has been developing and operating the Lakeshore  
14 Mine since April 1, 1979, and has paid the Tribe in  
15 excess of six million five hundred thousand dollars  
16 (\$6,500,000) in advance royalties, which are being  
17 allocated pursuant to Ordinance No. 13-82 fifty-five  
18 percent (55%), or \$88,000 monthly, to the Papago Tribe  
19 and the balance of forty-five percent (45%) to the  
20 various Districts; and

21 WHEREAS, the copper market is and continues in depressed con-  
22 dition, and Noranda has incurred operating losses at the  
23 Lakeshore Mine in excess of fifty million dollars  
24 (\$50,000,000) since the start of its mining operations;  
25 and

26 WHEREAS, Noranda has asked the Tribe for some relief from its  
27 obligation to make advance royalty payments in order to  
28 permit it to continue its operation at the Lakeshore  
29 Mine ; and

30 WHEREAS, the Lease provides that Noranda may terminate the Lease  
31 at any time by giving the Tribe 120 days' notice, upon  
32 the payment of all rentals, royalties and other

1 obligations due under the Lease; and

2 WHEREAS, the Papago Council has determined that it is in the  
3 best interest of the Papago Tribe that Noranda continue  
4 its mining operations at the Lakeshore Mine, even if  
5 it requires a partial deferment in the payments of  
6 advance royalties to the Tribe, provided the Tribe has  
7 or receives sufficient funds to cover its budgeted  
8 expenditures; and

9 WHEREAS, the Papago Council has approved a plan for the dis-  
10 tribution of judgment funds awarded the Tribe in  
11 dockets numbered 345 and 102 of the Indian Claims  
12 Commission which plan has, by amendment, been added  
13 to Senate Bill 1986 and provides that the accrued  
14 interest or investment income from a portion of such  
15 funds shall be available quarterly for use by the  
16 Papago Council on an annual budgetary basis for  
17 expenditures of the tribal government and for certain  
18 programs of the Tribe, Districts and communities; and

19 WHEREAS, the Papago Council is advised that Senate Bill 1986  
20 awaits action by the 97th Congress before its final  
21 recess; that the Bill should be enacted into law before  
22 the end of this calendar year; and that the interest  
23 and income accrued thereunder for use by the Papago  
24 Council should become available in the first quarter  
25 of 1983.

26 NOW, THEREFORE, BE IT RESOLVED by the Papago Council that it  
27 does hereby approve of a deferment of \$60,000 in the  
28 monthly payments of advance royalties due the Papago  
29 Tribe under the terms of Noranda's Lease, and does  
30 hereby authorize execution of amendments or addenda  
31 thereto reflecting such deferment, upon the following  
32 terms and conditions:

1 1) The deferment shall not take effect  
2 until April 1, 1983, or the first day of  
3 the month following receipt by the Tribe of  
4 the first payment of interest or investment  
5 income from the Secretary of Interior which  
6 have accrued from the funds available to the  
7 Papago Council under the provisions of an  
8 Act to be passed by Congress pursuant to  
9 S.1986, whichever date is later;

10 2) The deferment shall apply only to payments  
11 due the Tribe on account of advance royalties  
12 made during the remainder of the 1983 calen-  
13 dar year;

14 3) In the event of termination or surrender  
15 of the Lease for any reason by Noranda prior  
16 to the end of the primary term of the Lease,  
17 but only in such event, Noranda shall pay  
18 the Tribe, in addition to any rentals, roy-  
19 alties or other obligations then due under  
20 the Lease, a sum equal to the total of  
21 advance royalties due the Tribe during the  
22 1983 calendar year under the existing pro-  
23 visions of the Lease, less such amounts of  
24 advance royalties actually paid the Tribe  
25 during the 1983 calendar year.

26 BE IT FURTHER RESOLVED that the Chairman and Secretary and other  
27 appropriate officers and agents of the Papago Tribe are  
28 hereby authorized on behalf of the Papago Tribe to  
29 negotiate and execute any amendments or addenda to  
30 the Lease with Noranda, Contract No. H50C14201257,  
31 which are necessary and incidental to the purposes of  
32 this Resolution.

1 BE IT FURTHER RESOLVED that any reductions in advance royalty  
2 payments resulting from any such deferment and amend-  
3 ments or addenda to the Lease in accordance with the  
4 provisions of this Resolution shall be deducted from  
5 the share of mining royalties allocated for deposit to  
6 the general account of the Papago Tribe under the pro-  
7 visions of Section 1(B) (1) of the Ordinance for the  
8 Distribution of Mining Proceeds, Ord. No. 13-82.

9 The foregoing Resolution was duly enacted by the Papago Council  
10 on the 19th day of November, 1982, at a meeting at which  
11 a quorum was present with a vote of 897.0 for; 83.0  
12 against; 168.0 not voting; and 3 absent, pursuant to  
13 authority vested in the Council by Section 3(1) of Article V of  
14 the Constitution and By-laws of the Papago Tribe as amended,  
15 ratified by the Papago Tribe on December 12, 1936, and approved  
16 by the Secretary of the Interior on January 6, 1937, pursuant to  
17 Section 16 of the Act of June 18, 1934 (48 Stat. 984). Said  
18 Resolution is effective as of the date of its approval by the  
19 Superintendent of the Papago Agency and is subject to review by  
20 the Secretary of Interior.

21 THE PAPAGO COUNCIL

22 Max H. Norris  
23 Max H. Norris, Chairman

24 ATTEST:

25 Rose Johnson  
26 Rose Johnson, Secretary.

27 APPROVED this 29 day of Nov, 1982

28 Curtis C. Hardwall  
29 Superintendent, Papago Agency



Moved: John B. Narcho

Second: Harriet Toro

Date: 11/19/82

RESOLUTION- Authorizing Deferment In Payment  
of Advanced Royalties by Noranda  
Resolution  
or  
Ordinance # 144-82

Districts	Representatives	No of Votes	For	Against	Not Voting	Absent
BABOQUIVARI 175	1. Edward N. Kisto (Joann Garcia) 2. Kenneth Chico, Sr. (Donald Harvey)	87.5 87.5	X X			
CHUKUT KUK 117	1. Rosemary Lopez ( 2. Harriet Toro (Lawrence Jose)	58.5 58.5	X X			
GU ACHI 123	1. Angelo J. Joaquin, Sr. (Joseph Pete Ramon) 2. Cipriano Manuel (Fernando Joaquin)	61.5 61.5	X X			
GU VO 54	1. Cross Antone (Juan Joe Cipriano) 2. Alvin Virgil Lewis (Henry F. Manuel)	27.0 27.0	X X			X
HICKIWAN 79	1. Henry A. Ramon (James Angea) 2. Delma Garcia (Archie Pilone)	39.5 39.5	X X			
PISINEMO 82	1. Lamando Francisco (Herman Lopez) 2. Johnson Jose (Frank Garcia)	41.0 41.0	X X			X
SAN LUCY 44	1. Max P. Jose (Garfield Lenzo) 2. Albert Gomez (Jeannie Morris)	22.0 22.0	X X			
SAN XAVIER 107	1. John B. Narcho (Simon Mamake) 2. John Lewis (Carmelita Mattias)	53.5 53.5	X X			
SCHUK TOAK 83	1. Alex Juan (Francisco Jose, Jr.) 2. Jo Ann Francisco (Priscilla G. Domingo)	41.5 41.5		X X		X
SELLS 168	1. Andrew M. Patricio (Larry Garcia) 2. Fred Stevens (Dennis Jose)	84.0 84.0			X X	
SIF OIDAK 116	1. Elliot Lewis (Eugene Jose) 2. Nicklos Jose (Alice Norris)	58.0 58.0	X X			
TOTALS		1148.0	897.0	83.0	168.0	3