

BADGER-TWO MEDICINE APPLICATIONS FOR PERMIT TO DRILL (APDS)

PURPOSE OF THE BRIEFING DOCUMENT:

The BLM and Forest Service are reviewing a drilling proposal at the former Fina exploratory drilling site in the Lewis and Clark National Forest. Sidney Longwell now holds the lease on which the Fina Oil and Chemical Company first proposed an exploratory well in 1983. The proposed well is located at the northern edge of the Lewis and Clark National Forest in the Hall Creek drainage in an area known as the Badger-Two Medicine.

ISSUES:

The BLM decides whether or not to approve drilling applications on federal leases. On national forest land, however, the Forest Service has primary responsibility for surface-related issues while the BLM has primary responsibility for "down hole" issues.

The drilling application for the well site was approved in 1991 after the Forest Service conducted several environmental analyses; an environmental assessment (EA) was completed in 1985 and a final environmental impact statement (EIS) was completed in 1990. The National Wildlife Federation and six other groups sued the Forest Service. The drilling approval and lawsuit were suspended while the Forest Service gathered information and analyzed the cultural and religious significance of the area to Native American tribes. About 90,000 acres of the Badger-Two Medicine were identified as a traditional cultural district (TCD) and as having traditional cultural importance to the Blackfoot Tribe. In January 2002, the keeper of the National Register of Historic Places determined this site as eligible for listing. The proposed drilling site is located roughly two miles north of the current district boundary.

MAIN DECISION OR MESSAGE:

In light of these findings, the Forest Service initiated an environmental review of new information gathered since the original drilling approval and a concurrent National Historic Preservation Act Section 106 review. The environmental review focuses on whether the new information has bearing on the decision to approve the drilling, and whether the new information requires a revision, correction, or supplement to the previous EIS. The Section 106 consultation assesses the effects to significant cultural properties and the mitigation needed, if any, to protect the cultural resource values.

The Section 106 consultation drew the Montana State Historic Preservation Officer, Blackfoot Nation, National Trust for Historic Preservation, Glacier National Park, the leaseholder (Longwell), and the Independent Petroleum Association of Mountain States into the proceedings. It has sparked attention from groups and individuals involved in earlier disputes and legal actions, as well as the Advisory Council on Historic Preservation.

During consultation, the Blackfoot Tribe and others brought forward information related to the TCD and its boundaries. This information was significant enough to trigger the need for additional data collection by the Forest Service to address the appropriate boundaries for the TCD. This data collection, primarily in the form of ethnographic study, was completed. The peer-reviewed, final ethnographic report, assisted by the Blackfoot Tribe, has been accepted by the Forest Service. The report recommends that additional lands to the north of the TCD be included in the district. The proposed well site is now within the area proposed for inclusion. The Blackfoot Tribe contracted with the same ethnographer to complete an ethnographic review of the remaining Forest Service lands in the southern portion of the Badger-Two Medicine. That report has also been finalized and recommends inclusion of the lands into the TCD. No formal nomination of any lands to the National Historic Register has taken place.

The Blackfoot Nation does not support oil and gas development in the Badger-Two Medicine area and believes that any development may affect the TCD in ways that cannot be mitigated. Legal action against the Forest Service seems likely on this project. Section 106 requires that the process continue as long as the proposal is active. This process is ongoing.

The Devon Operating Company has a pending APD (a lease formerly held by Chevron) nearby in the Goat Mountain Area that will require a similar review.

BUREAU PERSPECTIVE:

Public interest is very high. National organizations are involved, and decisions occasionally get statewide attention. Demonstrations of opposition were staged in Great Falls and Missoula, Mont., following the 1993 decision to approve the APD. U.S. Senator Max Baucus, D-Montana, introduced legislation into the 109th Congress for a permanent withdrawal of the federal minerals in an area inclusive of the Badger-Two Medicine. The president approved the legislation on December 20, 2006, under Public Law 109-432. The legislation does not affect the APD; however, if the leaseholder elects to relinquish the lease, the permanent withdrawal will be enacted.

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