

- In attendance:
 - BLM
 - Mark Jacobsen, BLM
 - Marian Atkins, BLM, SDFO Field Manager
 - Diane Friez, Eastern Montana/Dakotas District Manager
 - Kim Borbely, BLM, SDFO, Administrative Assistant
 - Rick Hotaling, BLM, NDFO, Acting Field Manager
 - Category 1
 - Chance Davis
 - Bruce Bowman
 - Michael Watson
 - Category 2
 - Martin Marchello
 - Jeff Buechler
 - Don Nelson
 - Ellen Reddick
 - Category 3
 - Jace DeCory
 - Tobias Stroh
 - Jarrod Johnson
 - Public Observing: 2
- Absent from meeting:

Mark Jacobsen

- Housekeeping/Sign-In/Silent Cell Phones/Coffee & Tea available
- Bring issues forward/Focus on Agenda
- Introductions
- Process Change to add 1 chair for each state & Selection of New Chair
 - Majority voted Chance Davis for SD
 - Majority voted Bruce Bowman for ND
 - (The host state will be the Chair that month)

Donald Nelson

- Read, and discussed, email, "Resolution on BLM Oil & Gas Reclamation Bond".
 - Comments:
 - Donald:
- The amount of oil being drilled in North Dakota is just booming and the bonds are just not adequate. There is some land that has been there and not claimed since the 70s.
- Concerned about "Salt Water Spills" such as Montana & Colorado, SD should be proactive. Insurance Bond cost ½ percent, bonds are minimal – 1 million more.

- If the companies, had adequate bonding the companies will have to do it right the first time. The bonding is based on a set amount for National Bonds and it covers all wells that a company has. The BLM got the report from Washington Office on how the bond should be increased. They are doing a current review of the GAO report and the inspector general report. The resolution that has been proposed to the RAC is asking BLM to do what the GAO recommends.

Marty noted that: For the State of ND; coal mining industry reclaims the coal mines. Once they open an area within 30 days, they are filling the wells back in. We need to be very proactive with the BLM in terms with this reclamation we need to focus on these long terms things.

Rick: If the oil well is not currently in production they have to come in to request an abandon well or temporarily abandon the well. If they aren't producing, they are required to make a decision.

NDFO currently has 3 natural resources and are unable to visit every well every year. We visit high priority wells, which are based on how much it is producing. There are many low priorities – if the well is temporary abandoned it is considered a low priority – every 5 years, it gets checked.

Chance: With Toby just arriving, we will be discussing later a resolution that must be passed by the RAC for the BLM to take into consideration. An official recommendation is needed for the BLM to go forward. This can be done through email or discussion in person.

Break: The resolution will be brought up after lunch to get finalized.

Chance Davis

- I have been on this board for several years; on the planning process – the planning process is so painful – it is designed to let people input but run away with a lot of frustration? How can we rework to get the public in on issues that we really need their support? The BLM needs to get more public comment; you got to show up for 5 years for countless meetings and nothing changes.
- Sage Grouse is a real concern – especially on the core habit that make a big circle; regulations that will keep it from being endangered. Putting restrictions on is what we are going to do to ourselves. “If you don't explain it simple, then you do not understand it enough”.
- The only other point is the realty parcels where you have lots of 40s/80s, can't afford to sell it or give it away. Really want the Government to work together.
- Don't have enough people to take care of things due to our budget. The report will go to the State and then Washington. The funding is just not there, to solve this we need to make our philosophy more possible. There are hard discussions to be made because of the lack of funding.
- Looking at 3-4 mile restrictions for Grazing.
- Ellen: How can the BLM put restrictions on private land owners? She doesn't see anyone having that kind of authority. State Game Fish and Parks have the authority to protect the Sage Grouse. The only restriction should be on the mineral side. She doesn't understand these concerns?
- Marian: Chuck Berdan will be here this afternoon to talk about Sage Grouse.

Ellen Reddick

- Concerned about how anyone can regulate private property?
- Jarrod – When having concerns; get a good assessment of what we have; and catalog them on where we can be and can't be; a lot of frustrated because the deadline moves structure things a little bit better; more vision on what we want, don't want; Jarrod would like to see an inventory on what minerals the state has under BLM?

Marty Marchello

- There are some things coming down the pipe that can impact habitat loss, such as the Powder River Basin in Wyoming where the animals have moved out of their winter habit – this is an indication we are not protecting the land like we should be.
- What is the potential of earthquakes based on the increased use of hydraulic fracturing fluids? Is there an increase potential for certain parts of the country? These are some things coming forward that we are failing to look at in long term. Some things we need to try to foresee in the future – is there an impact to the wildlife because of the spills in ND? Passed around article to review from newspaper. Need to put more restrictions on oil & gas – with the new wells we should only use dry pits. My opinion is we should have all the material moved to a central place cause you can have better security and in a spot where you can observe this. Sometime in the future, this is going to cause real problems.
- On the Sage Grouse issue – 80% decline in the Powder area. They contributed this to the West Nile Disease. If you look at the open area there are lots of mosquitos which is the cause of the spread of West Nile Disease.
- Curious on use of carbon dioxide for oil recovery; this should reduce the carbon and would be beneficial to the public.
- Look for CO2 and pipe in it; they have proposed building in Wyoming for CO2.
- The industry acknowledges to get rid of flaring but they are not allowing enough time for the infrastructure to remove to the pipeline. This impact expands because the number of wells we put in there. There should be some restrictions to force the oil companies to build infrastructure.

Bruce Bowman

- One positive thing is the Sage Grouse numbers are up in ND. We are hoping it is the awareness of the public. I like the multiuse concept if the BLM can come to the conclusion of what is good for this nation. Not just what are restrictions that the BLM put into place? Would like to find out how the grazing works on BLM land? Are there different regulations for grazing from the BLM to the Forest Service?

Jarrold Johnson

- Appreciates all the discussion.

Marty Marchello

- If you drill but decide, you don't want to use this well, is there a way that you can sell this to another company, which would have no bonding money. Change the rules, if you are not using the wells for a certain amount of time.
- The state decides how long the well is unitized. The state makes them either renew the bond or work on the well.
- Marty, Jarrod, Donald, and Jerry discussed bond issues, with the public getting stuck with the maintenance on the land.

- Donald would like to have a working lunch to discuss the verbiage on the proposal.

Public Comments:

Theodora

- Theodora Fort Berthold representative has multiply questions:
- Western ND is being impacted by the oil & gas operations. There were routine visible spills documented and pictures went to the local paper. WPX Well spill burned 70/80 acres grass fires.
- What are the surface impacts and air impacts and what is the BLM going to do about this? Visible black smoke is coming from these areas; the public is breathing Hazardous chemicals.
- Went to BLM in ND, spoke to Rick about surface bonds and he stated the surface bonds are through the BIA. The areas of her property are not leased because of the potential impacts to the water.
- Serious concerns on what will occur and what has occurred with the water, Fort Berthold will be greatly impacted. The BLM is supposed to be monitoring the lands. The Tribe arranged a meeting with the oil companies in the area. How can there not be impacts when we are already seeing impacts. Fort Berthold has requested an EIS from the BIA be completed concerning the impact from the oil. What is the BLM doing, if any?
- How does the BLM have any impact on this land? The BIA issued bonds for the surface but the BLM is using these bonds.
- The BLM manages the mineral real state. The BOI manages the surface. The council needs to approve for the BLM to speak on this matter. In regards to the careless of the open flares that cause grass fires and the black visible smoke that is coming from the opening fairing. Representative: What are BLM roles for the oil flare?
- There are a set of regulations – air quality studies, Air quality is relied on the State for the Fires are an undesirable event as well as a spill and the operator would be out of compliance and will have to correct the issue. Preventing fires the operators are required to have combustibles area to be cleared. If an operator continues to have issues they are spoken to by the BLM and BIA about the incidents. BLM no longer has a legal authority once the spill leaves the lease. We want something done, we can't stop the oil process but we expect the BLM enforce the companies to do it right. Once it leaves the BLM lease such as a road and it spills, it depends if the land is either BIA or Department of Transportation.
- Are all spills required to be reported in a central location?
- Yes, all spills are reported. It has to go to approved waste site, documentation must be provided.
- Who is responsible for the air quality?
- The state of ND, since it is on federal land it is referred to the BIA. Incident reports on Fort Berthold, she was told she had to request a FOIA?
- A FOIA is needed when releasing information about incidents, but only if it is a beneficial to the public?

John Smiley

- Thank you for the opportunity to speak. Passed around a report, the recommendations is to figure out well by well. The bonds are supposed to be adequate. The government account office stated the BLM should take into consideration the bond process.
- There are 2 things at issue: There needs to be a certain amount set, this has not been changed in over 50 years. The other way a bond can get increased is reviewing the guidance and authority to regulate.

- Issues are how often, how well are these bonds being looked at? The State and Districts offices are not done across the board, BLM needs to improve this process. The tax payers or land owners.
- The GAO is stating the BLM should be doing this? The company will come to the private land owner. The State is using a lot of money to rehab the land. Old Wells and New Wells; the public is going to be stuck without adequate bonding.

Lunch

Donald Nelson

- For the letter “: Resolution on BLM Oil and gas Reclamation Bonds” strike paragraph 6, 7, and 8th. Last paragraph “Be it resolved, that BLM should implement” Tobias and Donald discussed BLM’s employee and budget cuts.

Management Briefings:

Diane Friez

- Most of the things discussed this morning as a new District Manager these are all very important and a priority to me in my new position. The first thing is to hire a Field Manager in ND. Budget is always an issue with the Government downsizing. The higher priority in the field offices is to make the bureau aware of the impact of the oil and gas. Secretary of DOI did visit the ND Field Office.

Rick Hotaling

- This is a good learning experience for me, attending the RAC meeting. Will take lots of things to take back to his District and try to incorporate.
- Some activities in ND are involved in the Sage Grouse. Shnell Recreation Site is seeing people wanting to stay in the campground for more than the 14 day limit. Have had to contact law enforcement to get people to obey the federal laws with the time restriction in the recreation area.
- Have some critical positions that still need to be filled, steadily working on this. Working on using a team to train staff to keep up with the work load for the oil and gas. Looking for other incentives to keep teams working. Deal with staffing by working with the petroleum council with a minerals clerk paid by petroleum to assist with the claims.
- ND is proposing 2 pipelines. This will get the oil to the rail head and then to the refinery. Central Montana District Office is leading this process for the NDFO. The pipelines or major pipelines will be processed through the office. Question was raised if the oil could go to the refineries in Montana, but those refineries already have enough oil. The pipeline does not actually cross the BLM land but it does go through many other different federal agencies so that makes the BLM the lead.
- Trying to use technology to review the APDs, when they come in, they get scanned and up to the Great Falls office and then they send their recommendations. We receive about 125 applications for Permits to Drill (APD) s a week; this should drop off some for the summer area.

- NDFO supplied over 318 Million dollars in royalties including tribal or allotted, this also includes coal. We have asked Congress for oil and gas funding and a fee to do inspection. 6500.00 dollars is charged for each application.

Marian Atkins

- Introduced Chuck Berdan who talked about Sage Grouse and presented a PowerPoint on such.

Next Meeting date: August 14, 15 at Bowman, ND. Meeting details to be determined.

- In attendance:
 - BLM
 - Mark Jacobsen, BLM
 - Mitch Iverson, BLM, Acting SDFO Field Manager
 - Diane Friez, Eastern Montana/Dakotas District Manager
 - Kim Borbely, BLM, SDFO, Administrative Assistant
 - Don Judice, BLM, NDFO, Acting Field Manager
 - Category 1
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 - Category 3
 - Jace DeCory
 - Tobias Stroh
 - Jarrod Johnson
 - Tom Cooper
 - Public Observing: 2

Mark Jacobsen

- Welcome Speech from Mayor of Bowman
- Housekeeping/Sign-In/Silent Cell Phones/Coffee & Tea available
- Bring issues forward/Focus on Agenda
- Introductions
- Let us know, if you need a copy of the DVD Broadcasting
- Don't forget to complete Travel paperwork
- Need input on having meeting in Bowman
- Meeting minutes from last meeting was accepted
- Outgoing RAC members: Jeff Herman & Tom Cooper (BLM gave Thank you gifts for being on the board)

Bruce Bowman

- Attended Sage Grouse meeting and numbers are declining
- Ranchers seem to be more aware of their management
- Passed around article on well water around oil activity
- Pipeline companies cannot walk through certain times such as nesting; oil companies are doing what they can to protect Sage Grouse areas

Jeff Buechler

- Not aware of issues at this time

Don Nelson

- Bonding resolution – Washington decided to go with it – just time consuming to get the process started
- Hydraulic Fracturing – won't see as many problems – amount of difference to permit for oil
- BLM is seeing cuts in personnel – need to work on that
- Big Concerns still coming in phases from Fort Berthold

Tobias Stroh

- Support from Ranchers
- Schnell Range – data suggested it was a good report for species

Ellen Reddick

- Big Concern on a pipeline company – No assessment has been done on private land – locals are afraid of major problems such as spills
- Ranchers looking for Hay – it's coming in from all over the world – worried about weeds.

Jace DeCory

- Fire Concerns – do not have the resources on the reservations to cope with the effects of fire.
- Protection of Native American sites in Montana gave National protection.
- Center of the universe – early June held Welcome back ceremonies – gave thanks
- Reynolds Ranch in the Black hills is for sale and may be subdivided if it sells – Tribal has come up with some money for the auction but not near enough. This is an important area for tribes.
- Ft Meade – information on paved road from Hwy 34 to I90 – many people do not want it paved, it will hurt wildlife
- Pine Beetles are a concern in the Black Hills
- Canadian Mining Company would like to open a mine on Spearfish Canyon – concerned about water containment

Break**Chance Davis**

- Concern with Sage Grouse – no one understands how this is going to affect the permits & restrictions
- Concerned about loss of institutional memory at BLM. People don't remember or know the discussion of 10-15 years ago due to the new employees coming in
- Land Exchange – Pennington/Fall River issue is on moving land around – messes with land owner's taxes – Need round table discussion with County Commissioner. No fence separating between private & BLM land. School sections are being abused from landowners with grazing

Marty Marchello

- Oil companies communication w/ gas companies are really positive
- Lynch Ranch was put positive on historical landscape
- Water concerns – environmental concerns social impact – if it is not monitored it will come into a significant impact on water – Pits need to be dry instead of the hazardous waste

Tom Cooper

- Sage Grouse issues – endangered species – why do we still hunt them?
- Land Owners concern with their grazing with Sage Grouse
- Oil/Gas Concern about the BLM land, being squeezed out of the public land

Jeff Herman

- The amount of time needed to process oil and gas EA's is a concern – short staffed
- Hydraulic Fracturing – Concern with one size fits all – needs to be more adapted to the local area
- Leasing – timeline is too long
- Look at the number of companies to recycle water
- Salt water disposal well – are these checked?

Management Briefings

Diane Friez

- Many vacancies all over for leadership positions – North Dakota Field Manager position is being re-advertised, Marian will return to South Dakota in August, and Miles City Field Manager is being advertised.
- RMP – working on MCFO and SDFO RMP changes as a result of Sage Grouse direction
- Fire – lots of fire activity – some in North Dakota, South Dakota, lots in Montana
- ND has strike teams for APD's
- FY 13 Funding – being cut

Don Justice

- Pipeline – ready for public comments
- EIS – on going, coal extension – Montana State Office is the lead – No surface Minerals
- APD's is primary – loss of personnel - cost of living extremely too high
- Provided detailed discussion on the process of a Hydraulic Fracturing and concerns – protect useable water
- Bonding Issue – RAC had already came up with a plan
 - ❖ Results of all sales on Montana BLM website
 - ❖ Lease Sales – Yellow Land for Sale
 - ❖ 50% Public Domain goes to State/Counties
 - ❖ 25% of all acquired land goes to State/Counties Land
 - ❖ 100% of all acquired land goes into General Fund US Treasury

Mitch Iverson

- Meeting is pending with the Tribes but no date set.
- Power tech uranium mine in southern Black Hills – proponent should have draft EIS out to the public soon
- Area near Fort Meade is very likely to be given to the National Cemetery – waiting on application – requested more than 100 acres
- Dakota Cement – request for ROW for conveyor belt to transport limestone. Usually ROW are for 5 years. Dakota Cement wants a ROW authorized now but won't use it for 12-15 years from now. SDFO is waiting on direction on how to address this request.
- Forest Health Projects – thinning to include timber sale and prescribe burns
- RMP – working with Sage Grouse plan - taken more time than expected
- Sage Grouse initiated working with NRCS – what's realistic to meet lots or coordination

- Multi-year projects – asking RAC to come up with ideas to see if NCRS, land owners, & BLM are in communication with one another and on the same page. Phone Calls to Ranchers, BLM, NCRS, and State to identify if there are is correct proper communication. Chance Davis stated the sage-grouse working group already addresses this, so the requested was dropped.

Forest Service

- Personnel Update – New Grassland Supervisor and 2 new District Rangers
- Oil/Gas leasing – modifying plans – scenario before end of this year
- Drought impacts – develop a strategy look at current conditions & what is coming up
- Elk Horn – 218 acres belong to park – “Theodore Roosevelt Ranch” – applications for mineral activity & interest in areas close to this ranch.

Next RAC Meeting – May 9th 2013, in Sturgis, SD

Meeting Adjourned @ 3:54pm