

Finally, a Chance to Help Ourselves

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February 17, 2015

Osage Shareholder Jim Ryan has written a letter (see pg 2) to DOI Sec. Sally Jewell requesting immediate relief from the BIA's latest environmental requirements which the Producers say are stifling exploration, drilling, and ultimately, production in the Osage. I am usually hesitant to go out around the lead of the Minerals Council when dealing with the Feds, but I think the MC should have asked the Shareholders to sign and send a letter like this to Ms. Jewell months ago. Jim has given permission for his letter to be used as a 'form letter'.

Not only Shareholders, but every Osage should consider sending this letter. We are all horribly affected by this sudden halt to oil production progress in Osage County. Stores are closing, many people are becoming unemployed, our daily production rate is falling, and some Producers are seriously considering leaving.

The 1979 National Environmental Policy Act (NEPA) has been the rule of operation nationwide for nearly 36 years, but it has never been fully enforced here in the Osage. I feel that the BIA's decision to suddenly clamp down on us with less than a month notice is quite unfair.

Other potentially expensive issues looming for us and our Producers are the Donelson Lawsuit and the rapid drop in oil prices, neither of which any of us have much control over. Oil prices seem to be recovering slowly, but it will likely be a long time before they reach a comfortable level for us, and then there will be no guarantees.

The Donelson lawsuit could dangle over our heads for years.

Then, the new CFR's should be coming out soon. Until we see them, our Producers have very few clues as to what the new rules will be. All they know for now is that it will likely cost them a little more money to operate in the Osage.

So you see, it's not easy being a Producer in the Osage right now. As Shareholders, we don't often get a chance to help our Minerals Council so please, let's all consider copying a few of these letters on page 2 below, and ask your Osage friends to sign and mail them. It can't hurt, and if enough letters make it to Ms. Jewell, surely it will do some good. DOI Contact: feedback@ios.doi.gov
Phone (202) 208-3100

Ray McClain, Osage Mineral Estate Beneficiary



Sally Jewell
Department of the Interior
1849 C Street, N.W.
Washington DC 20240

Dear Ms. Jewell,

When our Osage reservation lands were allotted in 1906, Chief Peter Bigheart reserved the mineral rights for our Osage annuitants. Since then, the development of our mineral estate has created a dynamic, thriving and profitable industry that has produced many new businesses, jobs and a reliable source of income for our people and businesses in and out of Osage County. Unfortunately, for the first time in over one hundred years, new oil and gas operations in Osage County have ceased. The principal cause for this stoppage is a newly issued 72 page Environmental Assessment issued by the BIA. This document that was issued without proper protocol disregards the current 1979 Environmental Assessment and is having a devastating effect on oil and gas production in Osage County. In addition to the loss of jobs and the fact that it will put some of our producers out of business, this halt in production directly affects our people by drastically reducing quarterly payments to our Osage annuitants. Among these, it is our Elders, many of whom depend on these payments to make ends meet, who will suffer the most. The recent drop in oil prices has only compounded the situation.

We believe that your training as a petroleum engineer and experience “in the oil and gas fields of Oklahoma” give you a unique insight into our troubled industry. We also believe that “there’s no contradiction between being good stewards of the land and our economic progress; that in fact, those two things need to go hand in hand.” With the standstill of new oil and gas operations in Osage County, there is no balance between these two factors. In fact, economic progress has been brought to a halt.

There is a way to reverse these unfortunate events. If temporary waivers of some policies and regulations in the recent Environmental Assessment were issued, it would give time to correct the problems. Once a new Environmental Impact Study is completed and in full force, new permits for oil and gas operations could be issued and business as usual and economic progress could continue. We believe that our producers are good “stewards of the land” and will do everything necessary to restart new operations. It serves no one’s interest to let this sad situation endure. As a member of the Osage Nation, I am respectfully asking for your help to grant waivers that will allow our producers to go back to work for the benefit the Osage Mineral Trust, the residents of Osage County and our Osage people. Please work with our representatives, who are eager to meet with you and work together to resolve this situation.

Very Best Regards,

Osage Tribal Member

date