Proposed refinery on tribal lands would process Bakken crude for U.S. market, supporting American made energy and creating jobs

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WASHINGTON – As part of the Obama Administration's all-of-the-above energy strategy to expand domestic energy production, Secretary of the Interior Ken Salazar today announced approval of a 'land-into-trust' application from the Three Affiliated Tribes of the Fort Berthold Reservation. Today's action is one in a series of necessary approvals that will enable the tribes to build the first U.S. refinery in decades, supporting American made energy – including domestic resources from the Bakken Formation – while also creating jobs.

"Today's historic decision is another step forward in the Obama Administration's all-of-the-above energy strategy and commitment to strengthen Tribal communities and generate jobs for rural America," Salazar said. "By working with the Mandan, Hidatsa and Arikara people to place this land into trust status, we are supporting infrastructure that will help bring American oil and gas to market while promoting Tribal economic development and self-determination regarding land and resource use."

If all required approvals are granted, the proposed MHA Nation Clean Fuels Refinery would be the first new refinery built in the United States in more than 30 years. Project developers estimate the refinery could create 800 to 1,000 construction jobs, up to 140 operations jobs, and millions in annual revenue streams to benefit the Tribes and surrounding rural communities. As proposed, the 13,000 barrel-per-day facility would refine Bakken Formation crude oil into diesel fuel, propane and naptha products for the U.S. market. Since the President took office, domestic oil and gas production has increased each year, with domestic oil production currently at an eight year high, and natural gas production at its highest level ever.

"Today's action is an important step in the Three Affiliated Tribes' proposal to develop the MHA Nation Clean Fuels refinery," said Assistant Secretary – Indian Affairs Kevin K. Washburn, who approved the application as one of his first acts in office. "Approving the land into trust status will allow the Tribes to continue their work to develop the facility in a safe and responsible way that brings increased economic opportunity and employment to their people and to North Dakota."

Today's announcement is the latest in a series of Obama Administration initiatives to facilitate safe and responsible development of domestic energy resources on U.S. public lands and Indian trust lands across the country. Interior manages nearly 2 million subsurface acres of mineral estate in active areas of the Bakken play in North Dakota.

The Tribes requested that Interior's Bureau of Indian Affairs (BIA) accept a 469-acre piece of property into trust, with a proposed refinery on about 190 acres and the remaining acreage to be used for the production of feed for the Tribes' buffalo herd.

Future federal permitting and oversight will be handled by the U.S. Army Corps of Engineers, Environmental Protection Agency (EPA) and the Occupational Safety & Health Administration.

The BIA and EPA co-led the Environmental Impact Statement, with the Army Corps of Engineers and the Tribes as cooperating agencies. The BIA and EPA consulted with the Tribes, on a government-to-government basis, as well as with the U.S. Fish and Wildlife Service, and tribal and state historic preservation officers to determine compliance with EPA's relevant regulations, the Endangered Species Act and the National Historic Preservation Act. The proposed project received full public review and comment, and the final EIS was issued in August 2009.

The EPA issued a National Pollution Discharge Elimination System permit for the refinery in August 2011, a step under the Clean Water Act that details required conditions and limitations for the proposed refinery's operations.

The thirty-day notice of the Department's decision to acquire the land in trust will be published in the Federal Register

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