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ENVIRONMENTAL IMPACT  
STATEMENT LISTENING SESSION

TAKEN ON NOVEMBER 30, 2015,  
BEGINNING AT 3:13 P.M.  
IN PAWHUSKA, OKLAHOMA

REPORTED BY: CARLA S. KIMBROUGH

Reviewed  
and  
Recommended

*Revised 12.14.15*

1 MS. PHILLIPS: Hello. Can you hear me?  
 2 If we could take our seats, we'll get started.  
 3 Good afternoon. Can you hear me? I'll speak up.  
 4 Good afternoon. First of all, we would  
 5 like to thank you for taking time today to come out  
 6 to our meeting on -- our outreach on the  
 7 Environmental Impact Statement on Osage County.  
 8 During the past year various agencies such as the  
 9 BIA, the U.S. Fish and Wildlife, EPA, and Osage  
 10 Nation has been working together to prepare the  
 11 EIS.

12 This outreach today is a listening  
 13 session. Jeannine Hale will do a PowerPoint  
 14 presentation. After we are through with the  
 15 PowerPoint presentation, if you would like to make  
 16 a comment at the end of the presentation, we ask  
 17 that you sign up.

18 When you were coming in to the -- or  
 19 coming in to the meeting, there was a sign-in sheet  
 20 and a sign-in sheet to be a commenter. So if you  
 21 find that you do want to make a comment during this  
 22 time, don't hesitate to go back there and sign up.

23 You can find the -- find the draft EIS and  
 24 other related information on the Indian Affairs  
 25 website under Osage Agency.

1 Charles R. Babst from the solicitor's office.  
 2 Where did Chuck go? He's hiding.  
 3 MR. SIMPSON: He's right there.  
 4 MS. PHILLIPS: There he is. From the  
 5 Osage Nation we have Jann Hayman, the director for  
 6 Environmental and Natural Resources Department.  
 7 Hi, Jann.  
 8 Our contractors are Katie Patterson and  
 9 Molly McCarter with Environmental Management and  
 10 Planning Solutions, Inc. I'm sure you met them on  
 11 the way in.

12 We also have from the Osage Minerals  
 13 Council, we have chairman Everett Waller. We have  
 14 Councilwoman Boone, Councilwoman Erwin, Councilman  
 15 Yates, and I saw Councilman Redcorn come in. Thank  
 16 you.

17 Unfortunately I failed to introduce  
 18 myself. My name is Robin Phillips. I am the  
 19 superintendent for the Osage Agency. And I just  
 20 saw that we have Marie Whitehorn, who is the  
 21 speaker for the Osage Nation Congress.

22 So anyway, I will turn -- sorry. We have  
 23 another. Go ahead.

24 MR. SUPERNAW: Kugee Supernaw, congress.  
 25 (Off-the-record discussion.)

1 Before we get started, I do want to do a  
 2 few introductions. Sorry. As I introduce you, if  
 3 you would just kind of stand up and wave at the  
 4 crowd, that'd be great. And I look at Sierra,  
 5 Sierra Mandelko. She's a regional archeologist.  
 6 She's from the Eastern Oklahoma regional office.

7 Jeannine Hale, who's also going to be our  
 8 presenter, she's Division of Environmental and  
 9 Cultural Resource Management out of the Eastern  
 10 Oklahoma region.

11 We have Michael Miley. He's an  
 12 environmental protection specialist out of Eastern  
 13 Oklahoma region.

14 We have Ben Daniels, who's the supervisory  
 15 environmental protection specialist for the Osage  
 16 Agency.

17 We have the environmental protection  
 18 specialist by the name of Sierra --

19 MS. MANCHERA: Shelby.

20 MS. PHILLIPS: Shelby. Sorry, Shelby.

21 MS. MANCHERA: That's okay.

22 MS. PHILLIPS: Manchera.

23 MS. MANCHERA: Yes. Good job.

24 MS. PHILLIPS: Yes. Both of them are from  
 25 the Osage Agency. We also have Stephen Simpson and

1 MS. PHILLIPS: Did I --

2 MR. SUPERNAW: Kugee Supernaw with the  
 3 congress.

4 MS. PHILLIPS: Congress. He's also -- did  
 5 I miss anyone else? If I did, I do apologize.  
 6 Turn it up? That's about as close as I can go.  
 7 Sorry. Okay.

8 Without further ado, I will introduce our  
 9 presenter, Jeannine Hale. And she's going to do  
 10 the presentation on the Osage County Oil and Gas  
 11 Environmental Impact Statement. Jeannine.

12 MS. HALE: Thank you, Robin.

13 MS. PHILLIPS: You have to speak into it.

14 MS. HALE: Okay. Good afternoon  
 15 everybody. I'm going to probably stand a little  
 16 bit like this. In case I'm in your way, let me  
 17 know because I'm going to need to look at the  
 18 slides rather than look down at that piece of  
 19 paper.

20 Can you hear me? Tell me if you can't  
 21 hear me. So I didn't get my PowerPoint. He's  
 22 going to do it for me.

23 All right. So we put together a  
 24 PowerPoint presentation that shouldn't last too  
 25 long. There's a lot of words on some of these

1 slides and no pictures, so bear with me. But the  
 2 idea is if you haven't reviewed the draft  
 3 Environmental Impact Statement for oil and gas  
 4 activities in Osage County, this is going to give  
 5 you a little taste of what's in it and what we did.  
 6 First of all, this is an opportunity to  
 7 comment, to listen to presentation, ask some  
 8 questions if you don't understand what our process  
 9 was. You can make verbal comments. You can make  
 10 written comments. And the comment period is going  
 11 to extend to December the 24th. So this isn't your  
 12 last shot by any means.  
 13 So we're going to have this introductory  
 14 presentation that's going to tell you what kinds of  
 15 management strategies we identified and discussed  
 16 in this draft EIS document, which is fairly thick.  
 17 There's some handouts that will explain some of  
 18 that also. So if you -- hopefully you managed to  
 19 get one of those handouts.  
 20 Then we'll have the two-minute slots for  
 21 you to speak. If you didn't sign up, at the end  
 22 there's time, of course, you can still speak.  
 23 We're not trying to preclude anyone from having  
 24 their comments. And then you can send written  
 25 comments in.

1 There is an e-mail address on -- some of  
 2 the handouts should have the e-mail address and  
 3 then, of course, my address at the Muskogee BIA  
 4 office where you can mail comments, so.  
 5 We have a court reporter here. When this  
 6 is all said and done, the draft EIS is already up  
 7 on the website. And we'll be having a summary of  
 8 the comments, if not the whole transcript, up on  
 9 the -- on the website as well. And probably those  
 10 handouts except for the comment part. Okay.  
 11 So the background everyone here knows, of  
 12 course, the Osage own the mineral rights in Osage  
 13 County even though the land is sort of a  
 14 checkerboard in terms of tribal versus the private  
 15 ownership. And the BIA has a trust responsibility  
 16 and helps manage that mineral estate for the  
 17 purpose of promoting the development of oil and gas  
 18 and at the same time trying to be efficient in  
 19 preventing pollution and protecting the  
 20 environment.  
 21 So part of our responsibility, of course,  
 22 is to comply with federal law, including the  
 23 National Environmental Policy Act, which led to us  
 24 producing this document. Originally this effort  
 25 was a part of a regional Environmental Impact

1 Statement process which involved Oklahoma, Texas,  
 2 and I want to say Arkansas?  
 3 MS. PHILLIPS: Kansas.  
 4 MS. HALE: Kansas. I'm sorry. Kansas.  
 5 It's OKT is the initials that we use for the other  
 6 EIS process that's going on. That's still going on  
 7 with BLM, and it will cover some activities in  
 8 Osage County such as forestry and solid minerals.  
 9 But the oil and gas portion was broken out  
 10 away from that process so we can have a separate  
 11 EIS on oil and gas development and we can get it  
 12 done faster because the other process is going to  
 13 go on for years from now. And we didn't want this  
 14 to get slowed down, we wanted to get it done. And  
 15 so that's sort of the beginning of it.  
 16 This is a programmatic level EIS. That  
 17 just means we're not analyzing any particular well  
 18 site or any particular oil and gas operation but  
 19 rather the whole county and everything at  
 20 county-wide level basically. And the purpose is to  
 21 cover as much as we can in this one document so  
 22 that the EIS analysis doesn't have to keep being  
 23 redone every time.  
 24 So for leases and most workover permits  
 25 this document should be enough. And you'll notice

1 I said most workover permit applications because  
 2 there could come a time when we have an application  
 3 for some big commercial disposal well that we don't  
 4 think was adequately covered and it needs its own  
 5 analysis.  
 6 This EIS will then allow when we have  
 7 applications for permits to drill instead of an EA  
 8 that's a big thick thing. People will be able to  
 9 tier off of this document and refer to it,  
 10 incorporate by reference. And then those other  
 11 EAs, other analyses for the site specific  
 12 activities should be easier and less bulky and less  
 13 time-consuming.  
 14 So the cooperating agencies as always  
 15 government agencies that are doing EISs invite  
 16 others to be a cooperator. And they can or can't.  
 17 We invite other government agencies and tribes.  
 18 And in this event, EPA out of Dallas agreed to be a  
 19 cooperating entity, and the Osage Nation. And so  
 20 what that means basically is that they saw some  
 21 earlier drafts of some of the chapters and helped  
 22 us with it.  
 23 So how does this fit in with other things?  
 24 It's totally separate from the negotiated  
 25 rulemaking, so it doesn't have anything to do with

1 the rules. The programatic EA for leases and the  
 2 programatic environmental assessment for workovers,  
 3 those are still -- those were already done. And  
 4 they're allowing things to basically continue while  
 5 we're working on this EIS. A lot of those -- the  
 6 information that was contained in those helped us  
 7 with writing this one, so it should be very  
 8 similar.

9 So, again, the purpose and the need for  
 10 the action is for BIA to promote oil and gas  
 11 development and production here in a way that's  
 12 efficient and prevents pollution and is consistent  
 13 with the mandates that we have under federal law  
 14 and our responsibilities to the Osage. And through  
 15 this action we hope to streamline the permitting  
 16 process and make it easier.

17 So the alternatives, every EIS has to have  
 18 an analysis of alternatives. And usually there's  
 19 one that's called the no-action alternative and  
 20 then you've got to develop some others. So in this  
 21 one we have three alternatives, the no-action  
 22 alternative, Alternative 1, Alternative 2. And  
 23 those were developed, we had a workshop, and then  
 24 we had a listening session. And we discarded some  
 25 alternatives. We considered them but decided not

1 drilling permit. And the other thing might be  
 2 after that two-year period is up the activities  
 3 that continue. And road development, you know, if  
 4 you need to move a road or something like that.  
 5 So the way they would apply would be  
 6 either through an order of the superintendent or a  
 7 notice or through actual conditions on the permits  
 8 or conditions on the approval letter that you're  
 9 given.

10 There's a summary comparison of the  
 11 resource conservation measures. And I think that's  
 12 one of the handouts that you've got. So, again,  
 13 here are the three different alternatives. A lot  
 14 of times you'll see an agency pick a preferred  
 15 alternative, and we have not done that. So BIA has  
 16 not taken a position right now on any one of these  
 17 three alternatives as to whether we think one is  
 18 the best.

19 And if you look at the resource  
 20 conservation measures, we can modify those. We're  
 21 still early in the game. We can delete some and  
 22 not choose them at all. So what's important today  
 23 and after this is for you to look at those  
 24 alternatives overall. Did we miss an alternative  
 25 we should have considered? Are some of the

1 to go there. One was, for example, not having any  
 2 more leasing, or limiting oil and gas leases  
 3 somehow. And that was discarded.

4 So the remainder of the alternatives are  
 5 based on different resource conservation measures.  
 6 Each one has a different list of resource  
 7 conservation measures. And the no action or the  
 8 sort of status quo is kind of common sense. It's  
 9 just, you know, we don't really change anything  
 10 from what we're doing right now.

11 And then Alternative 1 has some additional  
 12 resource conservation measures, which are fairly  
 13 similar to best management practices that you-all  
 14 have been seeing lately and talked about probably  
 15 during the process that when we developed the  
 16 workover environmental assessment, there's some  
 17 BMPs that are included in that, like prevent  
 18 erosion and that sort of thing. So this expands on  
 19 these resource conservation measures.

20 And then Alternative 2 has even more  
 21 stringent resource conservation measures.

22 The resource conservation measures could  
 23 apply to permitted and nonpermitted activities on a  
 24 lease. And what I mean by that is permitted would  
 25 be things that require a permit from BIA, like a

1 resource conservation measures in there that are  
 2 just crazy and we shouldn't pursue them at all? Or  
 3 do they need to be rewritten? Is there something  
 4 we forgot and left out in our analysis? Things  
 5 like that. Those are going to be important to us.

6 So I'm going to kind of skim through this  
 7 because this is going to go on too long if I don't.

8 The no-action alternative we continue  
 9 operating under those programatic EAs for workovers  
 10 and leases. And then all the drilling permits will  
 11 be site specific, and we would have to just kind of  
 12 wait and see what the BMPs are going to be for each  
 13 one of those. There will be no certainty as to  
 14 what those will be.

15 Each one -- and I know this is later on in  
 16 the presentation too, each one of those we have to  
 17 do an individual consultation with the Fish and  
 18 Wildlife Service on -- for endangered species. And  
 19 right now that means a 45-day wait. Okay.

20 Action Alternative 1, some additional  
 21 resource conservation measures would be applied.  
 22 They'd be tailored to site-specific conditions, so  
 23 that if it didn't make sense at that site. Let's  
 24 say it's one that would -- I'll just pick one.  
 25 Protect greater prairie chickens while they're --

1 during their breeding season.  
 2 MALE SPEAKER: Booming ground.  
 3 MS. HALE: Thank you. The booming ground.  
 4 Well, they don't have those everywhere, and it's  
 5 not always that season anyway. So if that didn't  
 6 apply there, then it wouldn't apply there. But it  
 7 would -- what it would do would be formalize some  
 8 standard BMPs and resource conservation measures.  
 9 Alternative 2 is the same. It has some  
 10 more proactive measures. This is actually the one  
 11 that has those proactive measures, I think, for the  
 12 greater prairie chicken. And they would -- the  
 13 same ones that were listed under Alternative 1 plus  
 14 some more would apply under Alternative 2 if we  
 15 selected that alternative.  
 16 And this -- these are the slides that I  
 17 really am not sure that we can see. Can you-all  
 18 read that?  
 19 EVERYONE: No.  
 20 MS. HALE: I can't either. We're in  
 21 trouble. So the purpose of these slides is to show  
 22 you that the resource conservation measures apply  
 23 to different types of resources. So there's a  
 24 slide here for water resources. There's a slide  
 25 for visual resources. There's a slide for noise.

1 MS. HALE: Rock art that sort of thing and  
 2 trails that are of significance. And so that would  
 3 be an added resource conservation measure to  
 4 protect cultural resources, under Alternative 2.  
 5 Okay.  
 6 Oh, the Endangered Species Act. I do want  
 7 to talk about this slide just for a second because,  
 8 as I mentioned, right now for each drilling permit  
 9 we're going through separate consultation with the  
 10 Fish and Wildlife Service. And there's a 45-day  
 11 waiting period after we submit a project to USFWS,  
 12 that could be up to 45 days. Sometimes they've  
 13 been really good to try to work with us. But it's  
 14 for each site, and we have to submit site plans and  
 15 all this stuff and wait for them to get back to us.  
 16 So hopefully if we -- under one of these  
 17 action alternatives, under both of them, what we're  
 18 doing is we're developing what's called a  
 19 biological assessment. And we're going to be  
 20 consulting with the Fish and Wildlife Service on a  
 21 programmatic level and try to do away with some of  
 22 the individual consultations that are necessary.  
 23 In the end we'll get a biological opinion  
 24 from the Fish and Wildlife Service, for example,  
 25 that tells us what kind of measures we need to

1 There's a slide for Fish and Wildlife. And there's  
 2 a slide, I think, for endangered species if I  
 3 remember correctly.  
 4 And what they're doing -- and you may want  
 5 to go back sometime when this is posted to the  
 6 website and look at these because it's a handy  
 7 comparison of what the measures are under the  
 8 no-action alternative. Then the middle column is  
 9 the Action Alternative 1. And then the third  
 10 column is Action Alternative 2. Just as a  
 11 comparison to show you what we're talking about in  
 12 terms of what would status quo mean.  
 13 Then under -- on this one I'll get a  
 14 little closer because I know what these are. These  
 15 are for cultural resources. We would -- under  
 16 Action Alternative 1 we would emphasize doing block  
 17 surveys and try to have identifying wells and that  
 18 sort of thing. The facility is up front.  
 19 Under the second alternative there's a  
 20 table of buffer zones, that was developed in  
 21 coordination with Osage Nation and our  
 22 archeologists. And it talks about buffer zones  
 23 like from cemeteries or Native American churches  
 24 or -- Sierra, help me out. What else?  
 25 MS. MANDELKO: Rock art.

1 apply up front, for example, for the burying  
 2 beetle. And hopefully we're going to be able to  
 3 streamline it so that they'll give us a blanket  
 4 concurrence, for example, that all -- because we're  
 5 going to be applying these measures if you do a  
 6 survey and you don't find the beetle, we won't have  
 7 to go through that 45-day individual consultation  
 8 process anymore.  
 9 So we're in the midst of talking with them  
 10 now. And so we're hoping that's going to  
 11 streamline things more by having that consultation  
 12 with them. Okay.  
 13 So chapter 4 of the draft EIS talks about  
 14 environmental consequences. It should be talking  
 15 about the anticipated impacts of oil and gas  
 16 development as well as other things that are going  
 17 on in the county and looking at cumulative impacts.  
 18 And then it should talk about each alternative and  
 19 how those would impact different types of  
 20 resources, cultural, fish and wildlife, visual, all  
 21 of that. Okay.  
 22 Hopefully you all have a handout, I know,  
 23 on this. Hopefully there were enough to go around.  
 24 But all this says is that little arrow down there  
 25 at the bottom, that's where we are. We're in the

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1 draft stage giving public comment. The comment  
 2 period is 45 days.  
 3 We published two different notices and  
 4 they were on two different dates. So originally  
 5 you'll see the comment period on some things says  
 6 it ends on December 21st. And that's officially  
 7 when it ends, but we've already extended it to  
 8 December the 24th because there was some confusion  
 9 because of that second NOA, Notice of Availability,  
 10 that got published a couple of days after the first  
 11 one.  
 12 So what will happen is we'll collect all  
 13 these public comments, and then we're going to go  
 14 back and review all of them and revise the draft  
 15 Environmental Impact Statement in accordance with  
 16 comments that we've received and be developing a  
 17 response for each of those comments. Sometimes  
 18 we'll group the comments together if we get a lot  
 19 on the same subject, and that should be available  
 20 too.  
 21 So we'll compile all the comments, revise  
 22 it. The final EIS is still set to be published in  
 23 February, probably toward the end of February. So  
 24 we're on a fairly aggressive schedule. And the  
 25 record of decision where we actually -- excuse me,

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1 I'm kind of going in and out, aren't I?  
 2 The actual decision where we specify the  
 3 alternative and the resource conservation measures  
 4 that we're going to be applying, that will come in  
 5 this record of decision. That's when we'll make  
 6 our final decision. And so that will be prepared  
 7 and published too in April 2016.  
 8 This is the e-mail address  
 9 osagecountyoilgasEIS@BIA.gov. We know that on some  
 10 of your handouts there's a slight deviation from  
 11 that address, but don't worry about it. Both of  
 12 those addresses will work for you if you want to  
 13 e-mail your comments in to us. And if you don't, I  
 14 hope -- hopefully one of those handouts also had  
 15 the mailing address here. Okay.  
 16 This is the website here, which is kind of  
 17 a long one. And we tell everybody if you just  
 18 Google Osage Agency it will pop right up. So  
 19 there's not too many Osage Agencies. And then on  
 20 the right side of the screen it will say  
 21 Environmental Impact Statement. You click on that.  
 22 It'll have all kinds of information including the  
 23 draft EIS and the other documents and everything  
 24 that you will need. Okay.  
 25 Katie, did you want to lead us into the

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1 next phase of this?  
 2 MS. PATTERSON: Sure.  
 3 MS. HALE: Okay.  
 4 MS. PATTERSON: Thanks, Jeannine.  
 5 MS. HALE: You're welcome.  
 6 MS. PATTERSON: So we now have this list  
 7 of folks who signed up to give their two minutes of  
 8 oral comments on the draft EIS. So we're going to  
 9 go down this list. We do ask you to, please, try  
 10 to keep your oral comment at this time to two  
 11 minutes. Of course, if you have more to say you're  
 12 welcome to write it down, send it to the BIA, or  
 13 even talk to our court reporter over here and she  
 14 can take it down as well.  
 15 She will be taking down the comments as  
 16 you give them up here. So, please, make sure that  
 17 before -- right before you start giving your  
 18 comment you state your name so that she can get  
 19 that into the record as well.  
 20 And if you did not sign up on this sheet  
 21 and you want to speak, once we get through  
 22 everybody on the list, if we still time, we'll be  
 23 happy to have more people come on up as well.  
 24 So we'll go ahead -- oh, one other thing  
 25 I'll say as you're giving your comment Molly at the

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1 back is going to have some cards to help you keep  
 2 track of time. So at a minute and 30 seconds,  
 3 she'll show you a yellow piece of paper, and at two  
 4 minutes she'll show you the red one. So we ask  
 5 that you please go ahead and wrap up in two minutes  
 6 so that we can give everybody who wants to a chance  
 7 to speak.  
 8 So our first one we got is Davis Houss.  
 9 I'm going to turn this around so that -- are you  
 10 going to be able to get -- she needs to see their  
 11 face.  
 12 (Off-the-record discussion.)  
 13 MR. HOUSS: Thank you for opportunity to  
 14 speak today.  
 15 MS. HALE: Sure.  
 16 MR. HOUSS: There's no way I can cover  
 17 everything I'd like to say in two minutes, but I'll  
 18 just hit some highlights.  
 19 MS. HALE: Okay.  
 20 MR. HOUSS: We're a very small producer;  
 21 have six employees. And just about struggling to  
 22 stay alive to tell you the truth. What we would  
 23 like to see is some balance. We understand that  
 24 the BIA has an obligation on the environmental  
 25 side, but we want you to see that balance on the

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1 production side.  
 2 Every oil producing county in the State of  
 3 Oklahoma has dramatically increased production in  
 4 the last five years, with the exception of Osage  
 5 County, which has dramatically decreased  
 6 production. And that is in no small part due to  
 7 the regulations imposed on us by the BIA, the EPA,  
 8 and other federal regulatory agencies.  
 9 The impact is substantially negative to  
 10 the Osage Nation and to the shareholders of the  
 11 mineral trust. And there's just no denying that.  
 12 These regulations are killing Osage County, and you  
 13 need to bring some balance back to these things.  
 14 You know, there's a whole list of things I  
 15 need to talk about here, none of these would I say  
 16 are really good for the development of mineral  
 17 estate of the Osage County. None of them are good.  
 18 But, you know, I don't have time to. So I'm  
 19 already getting a signal, I guess.  
 20 Let me just pick on a couple of the easy  
 21 ones that I kind of actually know a little bit  
 22 about. I'm not an engineer. I'm a bean counter.  
 23 Sorry. We can have some engineers come up here and  
 24 talk about the engineering stuff later.  
 25 I want to talk about the birds for a

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1 second, okay? The greater lesser prairie chicken  
 2 is not even an endangered species. The Fish and  
 3 Wildlife Department has elected not to list it in  
 4 threatened or endangered or anything. Now if you  
 5 pretend this blue line right here is the line  
 6 between Oklahoma and Kansas, I step into Kansas and  
 7 they have a season on them that goes from  
 8 November -- no, I'm sorry, October 19th to  
 9 January 31st. I can legally kill 174 of them a  
 10 year and take my son and son-in-law with me and  
 11 nearly kill 500 of them a year, okay?  
 12 I don't see why we're doing anything to  
 13 protect a bird when I step over one foot and  
 14 they're a legal species to be hunted. That doesn't  
 15 make common sense to me. I don't understand that.  
 16 We look at the first line over, you know,  
 17 birds have -- is that the shut up signal? Oh, no.  
 18 Okay. All right. I'm going to shut up,  
 19 but just let me say it takes one of these birds  
 20 about two hours to fly over the State of Oklahoma.  
 21 That's all. Because they hit the high winds going  
 22 south and the high winds coming north. And they  
 23 fly over this state in about two hours.  
 24 Now why would we spend money trying to  
 25 protect a bird that's only here for two hours? If

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1 he lands here, it's because he wants to, not  
 2 because some engineer told him to land here, okay?  
 3 I'm sorry. I had a lot to say.  
 4 MS. HALE: I'd like to encourage you to  
 5 hand in your written comments whenever you're ready  
 6 so we can get all of them because we do want -- we  
 7 do want all your comments.  
 8 MR. HOUSS: Our comments will be  
 9 substantially more than that. I promise you.  
 10 MS. HALE: Okay. And, again, I want to  
 11 reiterate just for the purpose -- I'm not trying to  
 12 argue, but we have not selected or decided on any  
 13 of the resource conservation measures. So we need  
 14 to hear from you, just like we did, whether or not  
 15 you think they make sense or not, okay?  
 16 MS. PATTERSON: Okay. Next we have Rob  
 17 Lyon. And if you wouldn't mind, please do state  
 18 your name at the very beginning for the court  
 19 reporter.  
 20 MR. LYON: My name is Rob Lyon. I'm with  
 21 Link Oil Company. I am the former president of the  
 22 Osage Producers Association. This feels a little  
 23 bit like Bill Murray's movie Groundhog Day because  
 24 I was standing up here three years ago commenting  
 25 about rules and regulations that were coming down

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1 the pike by the BIA. And I didn't like them then,  
 2 and I don't like them now.  
 3 You know, interestingly two months ago  
 4 Mike Black, the director of the BIA, said in this  
 5 town -- I don't think it was in this room but it  
 6 was in this town -- that he was okay with the  
 7 79 EA.  
 8 And here we are, throwing the 79 EA out  
 9 the window. We ignored the normal procedures where  
 10 you do an EA first and determine if there's a  
 11 FONSI, which is defined as a significant impact.  
 12 And if there's a FONSI, then you don't go -- if  
 13 there is a FONSI, then you go to an EIS. If  
 14 there's not a FONSI, then you stay with the EA.  
 15 When we had the public meeting in March,  
 16 the EIS was already on its way. The horses left  
 17 the barn. We basically had nothing to argue about.  
 18 Interestingly I'm looking at the little spreadsheet  
 19 that Jeannine just was talking about. They had a  
 20 public meeting back in January, the scoping  
 21 meeting. There was only six people present. Why  
 22 was that? Because none of us in this room knew  
 23 about it. So how can we have public input if we  
 24 didn't know about it?  
 25 You know, and this just goes back to --

1 not to beat a dead horse here but, you know, the  
2 CFRs didn't have anything but public comments like  
3 we're standing up here right now. They ignored us  
4 completely.

5 We all know in this room what the federal  
6 judge did in August. We aren't having anything but  
7 public comments two-minute periods. What do you  
8 think is going to happen? Because we are not at  
9 the table constructing this EIS from day one.

10 I was in Washington D.C. with Cynthia  
11 Boone and Milton Koersy (phonetic), in the back of  
12 the room, meeting with Kevin Washburn three years  
13 ago. And he said, I have 380 million reasons why I  
14 need to listen to the Osage Minerals Council and  
15 the Osage Tribe.

16 And it doesn't sound like the BIA is doing  
17 anything but repeating the same bad processes.  
18 Thank you.

19 MS. PATTERSON: Bob Jackman.

20 MR. JACKMAN: My name is Bob Jackman,  
21 former oil and gas operator. I have interest in a  
22 number of wells here in Osage County. I have put a  
23 large number of drilling rigs together in this  
24 county to which it encompasses raising a lot of  
25 what we call OPM, other people's money.

1 Currently I couldn't raise a nickle to  
2 drill in Osage County. We have been inundated by  
3 delay after delay that has literally killed the oil  
4 and gas industry for new money in Osage County.

5 I notice on this record of decision is  
6 April 2016. So we're going to have to wait and  
7 wait. Money doesn't wait. It goes where its best  
8 opportunities are. I will say this about the ABBs,  
9 American Burying Beetles, which I'm very familiar  
10 with, is that why are you even considering forcing  
11 operators to spend 10 to \$15,000 to buy a tract of  
12 land in Southern Oklahoma for ABBs -- to protect  
13 ABBs in Osage County when we could take 2 or \$3,000  
14 and buy additional land and give it to the Tall  
15 Grass Prairie Reserve? And it's the same thing.

16 So there's a lot of common sense, and I  
17 repeat after Rob. There's a lot of common sense  
18 that was left out. There were not any oil and gas  
19 operators utilized in this. Rather than having  
20 everybody stand up here, but it's tempting to say  
21 everybody please stand up who thinks the BIA has  
22 ruined the oil and gas industry here in Osage  
23 County. Thank you very much. Let's stand up  
24 anyway.

25 There's a statement. You should not be

1 proud of that statement. Thank you.

2 MS. PATTERSON: William Lynn.

3 MR. LYNN: William Lynn. First I'd like  
4 to say that the three options provided with the  
5 draft Environmental Impact Statement are not  
6 acceptable to me. The no option will be more  
7 detrimental to our future than the other two, and  
8 they're very detrimental to our existence as Osage  
9 people.

10 Second, this is not BIA land as described  
11 in your document. CFR 226 does not mention BIA.  
12 As far as I'm concerned, BIA we're out there  
13 welcome when the superintendent stated she doesn't  
14 work for the Osage Mineral Council.

15 Third -- we're -- this statement doesn't  
16 address all of us Osages. We're restricted Osages,  
17 a lot of us in this room, some of them are  
18 operators, a lot of operators. But the BIA doesn't  
19 recognize us because our land is not restricted.  
20 How much land is not restricted but is owned by  
21 Osages like us?

22 We're not represented here and so, anyway,  
23 it makes it look like there's a very small fraction  
24 and you call it BIA land. It's not BIA land. How  
25 come our churches have to pay taxes to the state

1 and they're in restriction?

2 Fourth, the person mentioned representing  
3 the Osage Mineral Counsel does not represent the  
4 Osage Mineral Council. He was appointed to  
5 represent the Osage Nation by a chief that was  
6 voted in by Osage nonshareholders. And, to me,  
7 this is unethical. I understand the Osage Mineral  
8 Council had the chance to get involved in this  
9 radical statement, Environmental Impact Statement,  
10 by choosing not to participate. You have to  
11 understand the Osage mind, the Osage person. The  
12 mind of an Osage person.

13 I believe that the Mineral Council is  
14 totally against this statement. We choose to  
15 protect our environment. You've accepted the word  
16 of the persons who do not think like Osages. We've  
17 protected our own environmental for time  
18 immemorial. And I know that's your job and you get  
19 paid to do it.

20 The superintendent -- superintendent and  
21 her environmental officers have destroyed our local  
22 economy. I don't believe the superintendent has  
23 been truthful with our Osage Mineral Council at all  
24 times. The BIA has driven out our silence, our  
25 competent petroleum engineers and replaced them



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1 with environmental employees. These are supposed  
 2 to be people that are working for us.  
 3       These resource conservation measures are  
 4 not acceptable. I've read this document twice. We  
 5 already obtained permission to cross the stream or  
 6 flowline with a road, with a flowline or a road.  
 7 Culverts don't always work where you need a  
 8 low-water crossing.  
 9       You, the BIA, you hire the expert and  
 10 sample the nearby water wells. We've done it  
 11 before. We sampled every single water well in this  
 12 reservation. I did most of it myself. That was  
 13 turned over to the EPA. All that information is  
 14 now lost.  
 15       Sometimes you can't avoid altering the  
 16 runoff path from new construction. That was  
 17 Number 4. The closed loop mud system is too costly  
 18 and streams should be protected if you have  
 19 competent engineers involved, which I don't think  
 20 you do anymore.  
 21       Some streams should be dammed up and  
 22 trenched. Ditch Witches seem to be made to break  
 23 down. I don't know why that's even in there.  
 24       Sometimes the visual impact of a facility  
 25 does not please the surface owner and you have to

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1 have competent engineers to go ahead and make that  
 2 decision. I mean you got to have people with  
 3 common sense there, which we don't seem to have  
 4 right now.  
 5       You know, I've got about five permits in  
 6 the last 16 months approved. One of them, the work  
 7 I did two years ago. Two of them were emergency  
 8 permits. We had a hole in the casing, and we had  
 9 to pump high fluid levels. It took four months to  
 10 get that done. Who's protecting the environment  
 11 here? These people with environmental titles on  
 12 their names?  
 13       Sometimes you just can't please everybody,  
 14 especially with these rules. Sometimes blending  
 15 into the natural environment can be detrimental to  
 16 God's creatures just like the windmills. We're in  
 17 the process of remediating our reservation now.  
 18 There was, what, 2,000 acres that was contaminated,  
 19 considered wasteland. A couple 100 acres of that  
 20 had been remediated. There's been a lot of  
 21 property remediated. There's still a lot of work  
 22 to be done, but we're doing that now without your  
 23 help.  
 24       You measure the noise. We shouldn't have  
 25 to pay to measure noise on pumping units. The BIA

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1 should be paying to measure the noise. We use the  
 2 mufflers, but the barriers, that's going a little  
 3 bit overboard. You can't replace pump jacks with  
 4 submersibles, even when you have three-phase  
 5 electric available.  
 6       I don't know, who told you all of this  
 7 stuff? Who makes this up? We work 24/7. And  
 8 sometimes the closer we work to town, the better  
 9 off everybody is. I can't believe some of these  
 10 stupid regulations you have in this information.  
 11 Unused equipment is okay with some surface owners  
 12 and it adds value to a lease.  
 13       I mean I know people. You can't please  
 14 everybody. You know, sometimes there's some unused  
 15 equipment that needs moved, but sometimes we lay  
 16 out a string of tubing and then we get a letter  
 17 from the superintendent to remove it before we've  
 18 even got an approval to do a workover on a well.  
 19 It just wastes time.  
 20       We get letters from the superintendent to  
 21 do work that's already been done. How much time is  
 22 spent at the agency wasting your time doing that?  
 23 How much time does the oil company have to go  
 24 research all that information and say, oh, that  
 25 looks like some work we need to do here. And you

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1 look and you find the spreadsheet. Well, this has  
 2 already been done.  
 3       We use clay in our tank batteries as  
 4 liners because you can't hardly grow anything  
 5 around here in some places anyway there's so much  
 6 clay. It makes a really good burn barrier. And  
 7 you shouldn't have to gravel it. I mean grass  
 8 doesn't grow on clay. And if you gravel it, the  
 9 grass is going to take over. And you're going to  
 10 have to kill it. You're going to have to weedeat  
 11 it. You're going to have to spray chemicals on it.  
 12       MS. PATTERSON: Mr. Lynn, I'm sorry, we  
 13 have other folks who have signed up to speak, and  
 14 we'd like to --  
 15       MR. LYNN: I just got a couple more things  
 16 to say because to me this is very important.  
 17       FEMALE SPEAKER: You need to follow the  
 18 same rules the rest of us do.  
 19       MR. LYNN: I've lived here all my life,  
 20 and I can't believe these crazy rules that you're  
 21 imposing on us. Osage people don't live like this.  
 22 I mean, to consult with the BIA on the potential  
 23 seismic [sic] impacts. Are you talking about  
 24 earthquakes from disposal wells because we already  
 25 have that with the EPA. We already have our -- all

1 our EPA permits. It asks you about the false  
2 structures and everything on there. And that's not  
3 needed, you know, this page after page of nonsense.  
4 But anyway. There you go.

5 MS. PATTERSON: Thank you. We encourage  
6 you to submit the rest. Berry Keeler.

7 As I mentioned, we do, please, ask you to,  
8 please, keep to that two-minute limit as closely as  
9 you can. If you would like to continue, then once  
10 we get through the whole list and make sure that  
11 everybody who wanted to speak can, come back.

12 (Off-the-record discussion.)

13 MR. KEELER: I wasn't going to say nothing  
14 today, but I do -- I would like to throw some out.  
15 First of all, the first gentlemen spoke. I wasn't  
16 going to talk about prairie chickens, but a prairie  
17 chicken is not a migratory bird, by the way. And I  
18 did an arbitration on a guy that had some birds. I  
19 want to bring this up. This gives you an example.

20 Here's the problem we've got is the amount  
21 of money that people want to spend to try to do  
22 something, whether it's drilling an oil well --  
23 they're all drilling oil wells -- but the problem  
24 you run into is the fact that I did an arbitration  
25 up around north of Shidler and they had an electric

1 overhead, so now those chickens will never be back.

2 Now I'm not a tree hugger. I'm just  
3 telling you the facts. That's what happened. In  
4 fact, the people that own the land had people  
5 coming in from other countries actually paying  
6 money to see the chickens in their booming grounds.  
7 It's all documented in the Pawhuska paper. And you  
8 can go back and look it up. And that's what really  
9 transpired.

10 It's -- you guys, you don't want to spend  
11 any money to keep things up. I have several acres  
12 of lands. I'm real proud of what I got. This is  
13 the most beautiful county in Oklahoma in my books.  
14 But because you guys can't sometimes -- not all of  
15 you, but some of you, though, if you can save \$5,  
16 you'll do it. I've seen it happen.

17 I seen -- one day I had a car with the  
18 superintendent from the Osage Nation come out. And  
19 they had an oil well running in one of my wheat  
20 fields. I said, Can you put the lines underneath  
21 the road. He said, Yes. I took him to lunch. I  
22 paid for lunch. I come back an hour later, and  
23 they had already start trenching a 45-degree angle  
24 across my field, through my field. I said, What  
25 are you doing that for? He said, They must have

1 line running east to west. They put one north and  
2 south. And there was a big booming ground right  
3 there. The birds could fly south or they could fly  
4 west to get away from birds of prey.

5 They decided to put an oil well in, and  
6 they put a fence -- I mean another line in going to  
7 the west, which made a U-shape around the birds.  
8 Now the problem with that was, though, the birds --  
9 when the birds would prey up there, the prairie  
10 chickens don't want to breed. They're not like  
11 humans.

12 You know, humans we want to breed. We'll  
13 go out in the back room or out in the car or  
14 somewhere like that and breed. But prairie  
15 chickens don't know that. They just take off and  
16 disappear. Now I don't know when they come back  
17 and breed, it may take a year. But you're looking  
18 at thousands of birds that do this.

19 Now here's the problem, though. The  
20 problem was to go underground was about 30 or  
21 \$40,000 more because I've worked in electric lines.  
22 The oil company didn't want to spend the 30 or  
23 \$40,000. I mean I understand what they're saying.  
24 But the trouble of it is because they didn't want  
25 to spend 30 or \$40,000 more money and went

1 made a mistake. I said, Bullshit, we all know  
2 better than that.

3 That's the problem we run into as  
4 landowners. We want you to drill. There's nothing  
5 wrong with that. You have a right to drill. But  
6 at the same time you got to take into account what  
7 everybody's got. You know, we want to keep our  
8 land up just like you guys want the oil. I've been  
9 in the oil business. I don't -- I don't drill  
10 wells, but I'm in the oil business. I know what  
11 it's like for the economy. It's good for the  
12 country.

13 So when you guys do this stuff, the  
14 pendulum used to be other way. Everybody got by  
15 with everything in this county. We all know it. I  
16 have friends that have land all over the United  
17 States, and this is the only cheap county around.  
18 You can drill oil well up until two years for 5,000  
19 bucks, \$12.50 a rod. Everybody is getting  
20 \$100-plus a rod now. But in this town it's less  
21 money.

22 You know, for some reason or other  
23 everybody wants to try to take advantage of the  
24 landowners because you can. Now I know it's tough  
25 right now. Now the regulations, the pendulum is

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1 swinging the other direction. It's hurting you  
 2 guys.  
 3 You know, I'd like to see it come back to  
 4 the center. And be in about the center where you  
 5 guys take care of things in a right manner, fix  
 6 things up, you know, clean up your messes, and all  
 7 that. But they don't. You know, we got pipelines.  
 8 I've got pipelines and plastic lines running around  
 9 catch on fire and burn up. I had a saltwater spill  
 10 this last spring. Nobody does anything about it.  
 11 You can call and raise hell; nobody does anything.  
 12 We have to work together. The BIA, you  
 13 guys have asked me to get back together and start  
 14 doing what's right for the environment.  
 15 Thank you. You don't have to clap either.  
 16 MS. PATTERSON: Travis Keener. Say your  
 17 name. If you wouldn't mind standing back here so  
 18 that she can see your mouth.  
 19 MR. KEENER: Travis Keener, Hydration  
 20 Engineering. Appreciate your statements on  
 21 swinging the pendulum in the middle. And I -- I  
 22 mean, when I think about those things I think about  
 23 the burning and the spraying with the weeds, you  
 24 know, and going from thousands of prairie chickens  
 25 to where we are now because of things other than

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1 oil and gas.  
 2 What I see with this EIS is that it has a  
 3 lot of predictions where it says may impact this or  
 4 that. Whereas, the same laws NEPA, clean air,  
 5 clean water, noise control, toxic substance, Retra  
 6 (phonetic), archeological, historical preservation,  
 7 that was all in place in 1979. And so now we've  
 8 got 35 years of data, not hypothesis, but data that  
 9 shows they were right to say it's a FONSI.  
 10 One example is the -- and this is an  
 11 independent party -- the USGS or Oklahoma Water  
 12 Resource Board, whoever we -- whatever data we're  
 13 looking at, the oil wasteland in the county was  
 14 predicted to go up 25 percent in 20 years.  
 15 Now after 35 years, it's gone down  
 16 20 percent thanks to OERB and people that had  
 17 cleaned up saltwater spills and other things that  
 18 are deemed oil wasteland.  
 19 And it's really accurate. We've been out  
 20 to the well sites. We've been looking at what on  
 21 the map shows oil wasteland. And sure enough, it's  
 22 there. So that's an example of the environment  
 23 getting better underneath the regulations of a  
 24 FONSI.  
 25 And we already have these laws, and so I

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1 guess my two points I want to make is, I would like  
 2 to see the -- the state of the environment as it is  
 3 right now mentioned because actually a trend line  
 4 shows it's getting better. And it's based on data.  
 5 Also when we talk about streamlining the  
 6 permit process, I don't see indication of how  
 7 that's going to get faster. When we tier off of  
 8 the EIS to do an EA, I would like more details on  
 9 how that's going to be faster than what we do right  
 10 now.  
 11 MS. PATTERSON: Tom Lackey.  
 12 MR. LACKEY: Tom Lackey, Chaparral Energy.  
 13 At the last minerals council -- at the last  
 14 minerals council meeting if you took the daily  
 15 average production and divided that by the number  
 16 of wells that are producing in that county, you  
 17 come up with an average of .71 barrels of oil per  
 18 day. That's a lot of oil to take care of, a lot of  
 19 regulations.  
 20 That's something that Travis Keener  
 21 touched on with the -- if this EIS goes through or  
 22 a drilling permit gets submitted and then the  
 23 agency is going to do their own study with that  
 24 permit and make a determination on which of these  
 25 RCMs are going to be attached to that permit. I'd

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1 be curious to know what they think the time frame  
 2 is going to be before that permit gets approved  
 3 because now permits just don't get approved.  
 4 One last comment. On your information  
 5 handout you state that the BIA has been permitting  
 6 the oil and gas development in the county and  
 7 preparing their own environmental assessments. I'd  
 8 be curious to know how many of those EAs the BIA  
 9 actually did and issued permits on. Thank you.  
 10 MS. PATTERSON: Tom Laverty.  
 11 MR. LAVERTY: I'm Tom Laverty, and I'm a  
 12 small operator here in the Osage, professional  
 13 engineer. Basically after reviewing all of the EIS  
 14 and the so-called alternatives, I don't find an  
 15 alternative that is acceptable. Frankly, they may  
 16 all diminish mineral estates and what diminishes  
 17 the mineral estate diminishes the opportunities for  
 18 the operator. It means the BIA is not fulfilling  
 19 its position as a trustee for the Tribe.  
 20 I understand the gentleman from the ranch  
 21 getting up and talking about the problems he has  
 22 with oil companies. This works both ways. I had  
 23 to spend \$17,000 to replace oil lights a year ago.  
 24 A rancher burned off his grass and burned down all  
 25 of my flowlines. Had he notified me, I could have

1 taken care of him and helped him. I found it  
2 interesting that the fire stopped at the fence  
3 where the next property over was a county  
4 commissioner.

5 So as I say, it does work both ways  
6 between oil and landowner. We just have to learn  
7 to get along better and communicate. And that's  
8 about all I had to say. Thank you.

9 MS. PATTERSON: Shane Matson.

10 MR. MATSON: Shane Matson. Mr. Keeler,  
11 from my experience if you sue the Bureau of Indian  
12 Affairs, that seems to get their attention. And I  
13 don't say that really in jest.

14 The 1979 EA per Mike Black is intact and  
15 valid and should be used in processing all permits  
16 that are currently in process and pending.

17 I have been financially harmed by the  
18 actions of this Bureau of Indian Affairs. The men  
19 that I employ have been financially harmed by the  
20 actions of this Bureau of Indian Affairs. My  
21 investors and the shareholders have all been  
22 financially harmed.

23 At the last EIS meeting, Katie mentioned  
24 that at the end of the day the BIA retains the  
25 right to take whatever from Alternative 1 or

1 is we're going to see you all in court again should  
2 these be drafted and sent to D.C. and published in  
3 the federal register.

4 And based on Judge Frizzell's ruling in  
5 the past, I think the lack of real meaningful  
6 economic impact and real meaningful assessment to  
7 what the oil and gas production in this county is  
8 and what it has potential to be will be the undoing  
9 of this effort. Unfortunately only the lawyers  
10 will win in that process. Thank you.

11 MS. PATTERSON: Paul Revard.

12 MR. REVARD: Paul Revard. I'm a small  
13 Osage County producer like most of you here, very  
14 small. Unlike Shane I don't have six employees. I  
15 am the one and only, and I have to wear all the  
16 hats. I'd like to add some employees, but, you  
17 know, I pretty much have to do everything myself.

18 More importantly, I'm a proud Osage  
19 shareholder with deep roots here in the county.  
20 Our family used to own surface like some of these  
21 ranchers that are here. Our family doesn't own one  
22 tract of land in Osage anymore, but I still have a  
23 lot of respect for this surface. I love this  
24 county. I've been operating here for 38 years.

25 I get along with all but one of my surface

1 Alternative 2 in their final document. And she's  
2 nodding here that that can happen.

3 My experience with the Bureau of Indian  
4 Affairs and in the drafting of the code of federal  
5 regulations was that the final document posted in  
6 the federal register was far worse than the final  
7 draft that left this building in 2012. So like Rob  
8 Lyons, I'm afraid that we're -- we're putting a lot  
9 of time into something that is going to end up  
10 being worse than we can image, and the two  
11 alternatives are a death blow to the oil and gas  
12 production in this county.

13 You mentioned that an economic impact  
14 assessment has been made for the drafting of the  
15 EIS? That wasn't mentioned?

16 MS. HALE: I don't think I mentioned it.

17 MR. MATSON: So no -- no economic impact  
18 assessment was made?

19 MS. PATTERSON: A socioeconomic section in  
20 EIS is analyzing the impact.

21 MR. MATSON: A -- can we get a copy of  
22 that?

23 MS. PATTERSON: It's in the EIS.

24 MR. MATSON: That is in the socioeconomic  
25 assessment of -- okay. All right. Well, my guess

1 owners. We do favors for each other more times  
2 than not. You know, I'm spending more time helping  
3 him do something by providing pipe. I built a  
4 surface owner a pond this last year, converted a  
5 working pit to a pond. Sodded it myself with my  
6 brother. Went out on hot August days and watered  
7 it.

8 But I do have -- some of my questions have  
9 already been answered. One thing that I was  
10 talking to Jeannine before the meeting was about  
11 the submersible pumps, explaining to her how that's  
12 unfeasible to replace our pump jack with  
13 submersibles. For one thing, they're extremely  
14 expensive. The last one I bought was \$20,000 and  
15 most of my wells are barrel or two a day making  
16 very little fluid, not enough fluid to justify  
17 having a submersible pump. You can't slow it down  
18 enough you'll put this application. So that is  
19 something that -- it's just unfeasible.

20 I would like -- you know, I didn't get to  
21 hear your answer to Shane about the economic  
22 impact. Was there one done?

23 MS. HALE: There's not a separate  
24 document. It's contained in the EIS.

25 MR. REVARD: Okay. Have you considered

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1 how many wells might be plugged or just  
 2 abandoned -- how many wells might be plugged or  
 3 abandoned if these regulations go into effect?  
 4 Because, you know, there's just going to be a lot  
 5 of us operators just won't be able to comply. And  
 6 we'll be walking away from our wells.  
 7 Have you considered -- have you-all gotten  
 8 a count of how many wells might be abandoned with  
 9 the Indian Nation if this EIS?  
 10 MS. HALE: We've -- we have not selected  
 11 any alternative or any resource conservation  
 12 measures, so I don't know how we would make that  
 13 calculation.  
 14 MR. REVARD: Well, you could pull some of  
 15 us operators and ask us, you know, if these go --  
 16 if this goes into effect, how -- what kind of  
 17 impact is that going to have on you? Will you be  
 18 abandoning your wells? Or, you know, because  
 19 that's -- that's something that I think that you  
 20 should consider, is who's going to plug all these  
 21 wells that are going to be abandoned.  
 22 That's going -- and what kind of  
 23 environmental impact is that going to be for me to  
 24 walk away from 38 wells up here that I can't afford  
 25 to produce? I can't comply with regulations. I

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1 can't afford the two or three days at the \$500 a  
 2 day fine that I'll be fined for not complying. And  
 3 what kind of an environmental impact do you think  
 4 it might be to have all these abandoned wells  
 5 exposed?  
 6 I'm sure the surface owners might be awful  
 7 concerned about if an oil company walked away from,  
 8 you know, quite a few wells on the property.  
 9 They're going to be looking to the BIA as what are  
 10 you all going to do about these wells. You know,  
 11 who's going to pay? Do you know who might be  
 12 plugging them if we don't, if we're out of  
 13 business?  
 14 MS. HALE: This -- this EIS and if we  
 15 select any of the resource conservation measures in  
 16 it, they're going to apply to new -- to new wells  
 17 that are being drilled and new workovers, not to  
 18 the existing wells that are out there.  
 19 MR. REVARD: So our existing wells don't  
 20 have to comply with the 322-page publication?  
 21 MS. HALE: There are no requirements yet  
 22 that have been selected out of this publication.  
 23 So if you want to give us some comments -- just  
 24 like you did. I thought that was -- I told you  
 25 earlier, that was a very valuable comment you had

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1 about the submersible pump and how expensive it is  
 2 and how that doesn't work on your wells. But you  
 3 need to tell us that.  
 4 MR. REVARD: But all of us really know --  
 5 every one of us in this room knew the answer to  
 6 that question. What concerns us is that you-all  
 7 don't know. Who in the room --  
 8 MS. HALE: You've got 45 days to tell us.  
 9 MR. REVARD: Well, I was never invited to  
 10 any meeting.  
 11 MS. HALE: You're invited right now.  
 12 MR. REVARD: Okay.  
 13 MS. HALE: This is the public comment  
 14 hearing.  
 15 MR. REVARD: Okay. Well, I think you know  
 16 our input, and I do --  
 17 MS. HALE: We want your input.  
 18 MR. REVARD: And I don't know how we're  
 19 going to get this accomplished by February. But --  
 20 because you have so much ground to cover. Because  
 21 I think we need to start over. I really do. From  
 22 what I -- from what I was able to digest is that  
 23 whoever is writing this is kind of clueless about  
 24 the oil and gas operations, especially for a small  
 25 producer like myself. You know, unlike Chaparral

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1 and some of these larger companies, they have  
 2 deeper pockets and they can jump through more hoops  
 3 than I can.  
 4 But I'm the typical Osage County producer,  
 5 just a small family-owned operator just trying to  
 6 survive, especially with where we get all the oil.  
 7 So it's been said already, but I'm concerned that  
 8 our comments that we're making right now aren't  
 9 going to go in anywhere past this room.  
 10 When we commented on CFRs, they seemed to  
 11 just, you know, be overlooked. And I'm concerned  
 12 that might be happening with the comments with this  
 13 new EIS.  
 14 Thank you.  
 15 MS. PATTERSON: Kevin Turner.  
 16 MR. TURNER: No comment.  
 17 MS. PATTERSON: Okay. Andy Middick.  
 18 MR. MIDDICK: My name is Andy Middick.  
 19 I'm with Beacon Environmental. I'm an  
 20 environmental consultant. I specialize in American  
 21 Burying Beetle biology. I'm mostly here in  
 22 Oklahoma. I've read through the EIS, and I'll keep  
 23 my comments limited to the endangered species  
 24 portion.  
 25 As a consultant staying ahead of the curve

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1 and having the information ready for my clients is  
 2 very essential. Some of these factors in this EIS  
 3 don't quite make sense to me as in the Northern  
 4 Long-eared Bat. Osage County is not within the  
 5 occurrence range of the Northern Long-eared Bat, so  
 6 I'm not sure why it's being included. There are  
 7 guidances for dealing with the Northern Long-eared  
 8 Bat. And if they are going to be utilized, I need  
 9 to know now to start consulting my clients.

10 Also the greater prairie chicken seems to  
 11 play a large part of the EIS. In Section 4.71  
 12 under special species status -- under special  
 13 status species under methods and assumptions it  
 14 states, Only impacts on federally listed proposed  
 15 or candidate species or state-threatened or  
 16 endangered species are discussed in this section.

17 The greater prairie chicken is not listed  
 18 federally or by the state, so those restrictions  
 19 are troublesome at the least.

20 On the American Burying Beetle there were  
 21 some statements that make it difficult. In various  
 22 places throughout the EIS it states things such as,  
 23 Activities associated with oil and gas development  
 24 are likely to result in take of ABBs and have  
 25 adverse effects on their habitat.

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1 This is not true throughout the entire  
 2 county or based on survey results. The ABB based  
 3 on survey results may not be in the area and there  
 4 may not be suitable habitat within an area.

5 Also it states that the industry  
 6 conservation plan may be utilized for Osage County  
 7 activities. It states specifically in the ICP that  
 8 projects that have a federal nexus including those  
 9 authorized, funded, or carried out by a federal  
 10 agency should address or facilitate the listed  
 11 species in consultation with the service under  
 12 Section 7 of the Endangered Species Act and are  
 13 therefore not addressed here.

14 Has there been some sort of agreement  
 15 reached with them to use the ICP? Outside of Osage  
 16 County, my private clients cannot use the foreign  
 17 impacting a waterway where Army Corps permitting is  
 18 involved.

19 MS. HALE: I don't think we have anything  
 20 in writing, but they have mentioned it.

21 MR. MIDDICK: Okay. Well, it's been  
 22 denied flatly for Army Corps permitting. These --  
 23 also it states that potentially vast numbers of  
 24 ABBs will be taken. It also states several places  
 25 that oil and gas activities are likely to result in

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1 ABBs. This -- the wording of this seems to assume  
 2 that take of the beetle will occur.

3 This is not necessarily true for every  
 4 project or very many of them. On the vast numbers,  
 5 that's hard to justify as there's been no density  
 6 surveys. We -- once we capture an American Burying  
 7 Beetle, we release it. We don't mark it and track  
 8 it. So density surveys are nonexistent except from  
 9 the Tall Grass Prairie Preserve.

10 And also the Fish and Wildlife Service  
 11 calculated a few years ago based on the surveys  
 12 that we had and the activities in the state that  
 13 activities under 1.2 acres had less than 1 percent  
 14 chance of encountering a single American Burying  
 15 Beetle. And throughout Osage County we have the  
 16 core conservation priority areas, and most of Osage  
 17 County falls outside of that.

18 Outside of that, there's a less than  
 19 2 percent chance of having a positive survey  
 20 result, meaning we have a less than 2 percent  
 21 chance of capturing ABBs outside of the  
 22 conservation priority areas. So the potentially  
 23 vast numbers of ABB taken is doubtful.

24 MS. PATTERSON: Melinda Friend.  
 25 MS. FRIEND: My name is Melinda Friend.

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1 I'm a landowner, however, I do understand the  
 2 plight of the oil producers. I grew up in the oil  
 3 industry. As a landowner, though, in Osage County  
 4 we have no voice. And that I'm afraid -- I'm going  
 5 to probably make everybody here mad, as a result of  
 6 a Osage Nation because of the way the tribal rules  
 7 run. There are producers that appear to be in bed  
 8 with the Nation. They go in. They rape our land.  
 9 Sorry, but like I said. They go in, they rape our  
 10 land.

11 We have a very nice pond on our property  
 12 that had salt water run into it. We tried to get  
 13 the Osage Tribe out there to stop this well.  
 14 Instead they sent somebody out that came out and  
 15 instead of a direct measurement to the water  
 16 source, went around a clump of trees so that they  
 17 could make it right for the producer instead of the  
 18 landowner.

19 Now I don't necessarily agree with the BIA  
 20 and what they're doing in this. But something has  
 21 to be done. And, like I said, as a landowner we  
 22 don't have a voice. If the BIA makes that  
 23 possible, that's what we need. Personally I'd  
 24 prefer it where it was just the producer, the  
 25 landowner. We sit down. We discuss. We come to

1 an agreement.

2 MALE SPEAKER: That's right.

3 MS. FRIEND: But as it is, we got a third

4 party that says, okay, give me your money. I'll

5 let you have this. I'll let you do this and then

6 you give me money afterwards. To me that's a

7 conflict of interest. And it's going to take

8 another entity to get this stopped.

9 And that's all I have to say.

10 MS. PATTERSON: Nona Roach.

11 (Off-the-record discussion.)

12 MS. ROACH: Well, I'm glad I get to

13 comment on that. I'm Nona Roach of Agape &

14 Associates.

15 First off, the Osage Nation has nothing to

16 do with any of the rules that are made. Because

17 the BIA is who has all the authority to make the

18 rules and enforce the rules. So the Nation has no

19 bearing on that whatsoever.

20 I am a landowner and there are some things

21 in here that I would agree to that I think need to

22 be done. I'm sorry Berry left so early because I

23 was a party to that arbitration he was discussing.

24 And he failed to mention that the landowner had

25 already put electric lines overhead on his own

1 land. So if there was such a concern of the

2 prairie chickens, then probably he should have

3 buried his too. And that was pointed out during

4 the arbitration.

5 The next thing that I would like to say is

6 just like I said at the very meeting for the CFRs

7 in August of whatever year that was. Seems like a

8 lifetime ago. We don't need new regulations. We

9 need the BIA to enforce the ones they've got.

10 Now shift gears. As a landowner I can

11 tell you right now I have a pond that you can all

12 come and look at. And it has been totally

13 destroyed because there was salt water spilt into

14 it.

15 That was in February. It still has no

16 grass growing. Half the dirt that was hauled off,

17 which was by the way about 70 dump truck loads of

18 dirt that was hauled off of it on a slope, is still

19 gone. Or the rest of it is in my pond because we

20 can't even bother to have a silt fence put up until

21 now. By the way, it's under water right now.

22 However, I also do a lot of oil and gas

23 accounting. And I can tell you right now my

24 business has dropped by probably 80 to 90 percent

25 over what's going on in this county. There is an

1 economic impact. It has not even been looked at.

2 And there are people that are out of work.

3 There are lots of people that have left the county.

4 There are good people that we're never going to get

5 back because once you lose that -- those trained

6 people that know how to operate in this county,

7 you've lost them. And we've lost them.

8 And, what, ten wells we drilled this year?

9 That's ridiculous. I can remember when we did 2,

10 300 wells a year and nobody seems to care. Nobody

11 is looking at anything. You're going to make more

12 rules that you don't want to enforce. All you need

13 to do is take that little 36-page book that we've

14 got and use those rules. Because those rules are

15 already in place. But they're not being adhered

16 to. And they're not being enforced.

17 And I agree with the landowner that said

18 that. As a landowner, they are not being enforced.

19 So take those, you've already got them, use that.

20 Take your 79 EA, which is still in force and

21 according to, I think, your solicitor at one of

22 your do-better meetings, he said that it was still

23 valid. So use it.

24 MS. PATTERSON: Fred Storer.

25 MR. STORER: I'm Fred Storer. I'm with

1 the Bartlesville engineering company, Hydration

2 Engineering. And I just need to borrow a copy of

3 the draft. Can I borrow a copy? I promise to give

4 it back.

5 MS. HALE: (Complying.)

6 MR. STORER: I'm not going to read the

7 whole thing. I've already read it three times and

8 that's quite enough. Just let me find page 487.

9 I want to read a paragraph under Action

10 Alternative, Prairie chicken concentrations are

11 highest in Northwest Osage County. So impacts on

12 traffic and transportation would be greater in this

13 area. Roads that may be impacted by the booming

14 grounds restriction are US Highway 60 and State

15 Highways 11 and 18 in Northwest Osage County.

16 Public access would not be affected but

17 oil and gas related vehicle operators would need to

18 avoid these and other roads if they are shown to be

19 within 1600 feet of a booming ground.

20 Now what that means, if you weren't paying

21 attention, is that if you're an oil and gas truck

22 and you're driving down US 60 on your way to Ponca

23 City, you've got to stop and wait until dark or

24 detour around while everybody else goes on down

25 US 60. My question is, is this a joke?

1 Thank you.

2 MS. PATTERSON: Greg Oliphant.

3 MR. OLIPHANT: My name is Greg Oliphant.

4 I'm chairman and CEO of Ceja Corporation. I'm also

5 one of the owners of the company. Ceja is an

6 exploration and production company with core

7 properties here in Osage County. Our core

8 properties are located right along the Highway 60

9 trend in this area. And they still continue to be

10 our core, so we did not drill any exploration wells

11 this year and have no plans to drill exploration

12 wells next year. We have an ideas for that,

13 though.

14 You know, we -- my great-grandfather

15 started in this business, and so I represent the

16 fourth generation. He was made an honorary chief

17 by the Osage Tribe in 1952. So we have a

18 longstanding favorable relationship with the tribe

19 and in working with the regulations and all the

20 different compliance issues that need to be adhered

21 to.

22 We intend to uphold that. But I'm up here

23 to say that, you know, I agree with a lot of what

24 the other producers have said. And it's my

25 company's position that these latest regulations by

1 would have a source of financial security. By

2 smart business decisions and most likely some

3 divine intervention our ancestors made sure we

4 retained the mineral estate to provide for the

5 Osage people when our lands were split up for

6 allotment.

7 For over a century Osages, non-Osage

8 investors in the mineral estate, the State of

9 Oklahoma, and the federal treasury have greatly

10 benefitted from this resource. This is 130-year

11 legacy that still has the potential to generate

12 revenue for several generations of headright owners

13 to come.

14 I do not need to reiterate here what you

15 already know about the current economy of Osage

16 County. Suffice it to say, the economic

17 devastation directly caused by the Bureau of Indian

18 Affairs' actions and the superintendent Robin

19 Phillips, all documented and carried out by the

20 way, has affected every aspect of Osage County and

21 the economy including cutting our mineral estate

22 income in half.

23 I am here to protect that legacy from --

24 the legacy my forefathers purchased with their own

25 money, blood, toil, and tears. Along with the

1 the BIA are overreaching.

2 MS. PATTERSON: Okay. That's everybody

3 who had signed up to speak. Is there anybody else

4 that would like to come up? I saw her hand first,

5 so.

6 MALE SPEAKER: Ladies first.

7 MS. PATTERSON: Please still try to keep

8 it within two minutes. If you could remember to

9 say your name for the court reporter.

10 MS. FORMAN: Is it turned on?

11 MS. PATTERSON: Yes.

12 MS. FORMAN: My name is Susan Forman. I'm

13 a member of the Osage Nation and a headright owner.

14 My great-grandfather Franklin Revard and his

15 daughter Pearl, my grandmother, were original

16 allottees. But, of course, my native ancestry goes

17 back much farther to the late 1700s when French fur

18 trader Joseph Revard married an Osage woman whose

19 Christian name was Catherine in what is now present

20 day St. Charles, Missouri. I'm eighth generation

21 Osage.

22 As an Osage headright owner, I am very

23 proud of my Osage heritage and those that lost

24 everything including their homeland and then rose

25 again to ensure that future generations of Osages

1 other Osage headright owners, we own these

2 minerals. And the Bureau of Indian Affairs, the

3 Department of the Interior, Fish and Wildlife

4 Service, or any other governmental agency, for that

5 matter, has no right to tamper with it.

6 What if the tables were turned? What if

7 congress decided to eliminate your source of income

8 inherited from your own family and without any

9 consideration of the financial hardship it would

10 cause your family and your children this Christmas

11 season? Just up and said it's eliminated. You

12 don't have a job. We're taking half your money

13 away. And, by the way, your pension fund or

14 whatever it is you get from the United States

15 government, that's all of us the tax payers, we're

16 taking that back.

17 No explanation. No cost benefit analysis

18 to you or your kids and the businesses you support

19 and the businesses they support. Oh, and, of

20 course, they would pick the Christmas season to cut

21 your income in half.

22 Why would they care? It wouldn't affect

23 their pocketbooks. It certainly doesn't affect

24 yours. Make no mistake, this environmental impact

25 statement is a thinly veiled assault on the mineral



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1 estate to reduce, eliminate, and degrade its value.  
 2 It is illegal, poorly thought out, and  
 3 carried out. It gives no thought to the far  
 4 reaching and economic damage it will wreck on the  
 5 Osage County economy. Just as bad, it ignores the  
 6 fact that the BIA does not have the authority to  
 7 create new NEPA regulations and ignores secretarial  
 8 orders, American Indian tribal rights, federal  
 9 tribal and trust responsibilities, and the  
 10 Endangered Species Act, which strives to ensure  
 11 that Indian tribes do not bear a disproportionate  
 12 burden for the conservation of listed species.  
 13 It ignores the fact fewer acres are  
 14 impacted by oil and gas operations in 2015 than  
 15 were impacted in 1979 when the still valid  
 16 environmental assessment found that there was no  
 17 significant impact.  
 18 Let me be perfectly clear. As an Osage  
 19 headright owner I reject this Environmental Impact  
 20 Statement for the mineral estate. You are  
 21 tampering with the very trust that you have the  
 22 responsibility to develop and protect.  
 23 MR. PLUMASHIRE: Steve  
 24 Plumashire (phonetic). I'm a fourth generation  
 25 small oil producer. And one of the things, you

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1 know, about the landowners, one of my favorite  
 2 things, favorite part of the day, I know why they  
 3 call it God's country up here is when I go out to  
 4 go pump in the mornings and it's not just about how  
 5 much production you make and how much money you  
 6 get. The satisfaction I get from going out on one  
 7 of these old gravel roads and just seeing the  
 8 turkey and the deer. I mean, I love the land. I'm  
 9 not against the land. I want the land to be  
 10 protected like everybody else.  
 11 There's some -- can be some going  
 12 overboard in any direction. And, you know, balance  
 13 is a big issue. But my one question is, I just  
 14 wanted to make the point that I do love the land,  
 15 and I enjoy it. It is God's country, and it is  
 16 awesome.  
 17 My question is, has there been an  
 18 independent contractor come in and have we  
 19 decided -- do we have facts on how many species for  
 20 sure, hard evidence, have been killed in Osage  
 21 County or went extinct because of the oil and gas  
 22 business? Is there a list?  
 23 That's all I got to say.  
 24 MR. DUCHARME: My name is Scott DuCharme.  
 25 I'm with Performance Operating in Barnsdall. I'm

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1 a -- own a 3,200 acre ranch north of Barnsdall.  
 2 I've been a producer 35 years. And it appears to  
 3 me that everybody in this room today, from the  
 4 Bureau of Indian Affairs and all of the work that  
 5 you guys are attempting to do to the landowners who  
 6 have been wronged before, but the Bureau of Indian  
 7 Affairs is working hard right now together with  
 8 landowners and producers to clean up a number of  
 9 scars. Every producer in this room here is  
 10 contributing to the OERB, which every single  
 11 landowner here has the rights and privilege to use  
 12 to clean up ranches.  
 13 Now we're -- who are we here? We're  
 14 landowners and cattle producers. We're small  
 15 stripper well producers as well as landowners as I  
 16 am.  
 17 Everybody in this room is affected by what  
 18 could be done with the Bureau of Indian Affairs,  
 19 and what you're trying to do. We understand as a  
 20 group of people what we're trying to do, but the --  
 21 as Ms. Forman had just said a little bit ago, had  
 22 we not followed -- and Mr. Storer and Travis have  
 23 gone, had we not followed the environmental rules  
 24 since 1979?  
 25 Is it really worse, folks? The

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1 predecessor to me did serious damage to this  
 2 county, and there's spills and scars all over. But  
 3 that's not me. I've got 70,000 acres of landowners  
 4 that I work with, all of which if they need  
 5 something all they have to do is call.  
 6 Now we don't have to be at odds. We are  
 7 genuinely working together. And guess what the one  
 8 reason is? The mission statement of the Bureau of  
 9 Indian Affairs is very simple, to protect the  
 10 tribe's mineral estate. That's the mission  
 11 statement. And me as a producer, I'm sure to make  
 12 a profit in the 100 or so jobs that we have, but  
 13 everybody in this room is working together, not  
 14 opposed. We're not against the landowners. And  
 15 you guys shouldn't be against us.  
 16 Now we've got some bad ones, but we can  
 17 work together, folks. We do not have to be apart.  
 18 And as far as you guys -- if you take a serious  
 19 look at what's going on here, you can say no action  
 20 is required. But Judge Frizzell has already ruled.  
 21 We don't need to change the rules, we just got to  
 22 follow them. And the producers need to follow them  
 23 and work with the landowners, and things of that  
 24 nature.  
 25 As far as the land value goes, you know,

1 Berry, just -- we've just gone through an  
 2 arbitration. I mean land goes from 500 bucks an  
 3 acre in Osage County to maybe 3 or 4,000. Big  
 4 ranches are selling for 15, \$1,800. \$20,000 for  
 5 land damage is just too much. We can't get there.  
 6 We make .71 barrels per day, folks. And we are the  
 7 employers of this county. We need oil and gas  
 8 production very much.

9 Thank you.

10 MR. BUTTERBAUGH: My name is Jerry  
 11 Butterbaugh. I live over near Ralston just barely  
 12 in Osage County.

13 MS. PATTERSON: Could you say your name  
 14 again? I'm sorry.

15 MR. BUTTERBAUGH: Jerry Butterbaugh. And  
 16 if I make too much noise with the mic, I apologize.  
 17 I had a shoulder operation about six weeks ago.

18 In direct response two of the things in  
 19 here I'm very interested in seeing you be strong  
 20 on. Most of the other things, I'm not qualified to  
 21 comment.

22 I've been shaking as many other people  
 23 have in Western Osage County by the earthquakes.  
 24 So the comments up around Point 35 I hope you're  
 25 very strong. I hope the oil industry becomes

1 growing. There's a huge amount of pride. There's  
 2 a nature conservancy. And it means a lot.

3 As a grandfather and a great-grandfather,  
 4 I want to see you come together and make the world  
 5 even better. I would love to see the tribe play  
 6 hardball on employment.

7 Just had a bridge built by mostly green  
 8 card holders at Ralston. I'd like to see the tribe  
 9 say preference, Osage County workers, Osage County  
 10 people. I'd like to see the retail investments  
 11 made.

12 The little town of Fairfax used to be  
 13 Haliburton Center, you know. But that's also from  
 14 the days when there were 20,000 workers living in  
 15 tents in the Salt Creek Valley bringing in the  
 16 Burbank Field, not to speak of Avant or Barnsdall.

17 There is a future available in this  
 18 county, a good future, but it requires all of us  
 19 working together.

20 I thank you for the chance to talk. I  
 21 hope we do much more. Thank you.

22 MR. FRIEND: My name is John Friend. I'm  
 23 a landowner in Southwest Osage County. And they  
 24 was talking about the mineral estate. Well, in  
 25 your abstract, if you'll look at it, the 1906

1 stronger. It worries me about the potential as  
 2 some of these quakes get stronger. We've been  
 3 lucky. Most of them have been outside of Osage  
 4 County.

5 The other group of items I care about is  
 6 subsurface water, so I hope that the monitoring is  
 7 maintained. And it's hard to correct that problem  
 8 once it exists.

9 On the very personal side, oil industry  
 10 means a lot to me, to my family. My granddad spent  
 11 40 years in Creek County as a worker. My dad spent  
 12 40 years in this county as a worker, most of them  
 13 in the Burbank Field. I later worked in that  
 14 field. Lost my skin, arms and face, at the  
 15 intersection of where 18 and new 60 is today in the  
 16 middle of a wind farm.

17 And as person from Western Osage County, I  
 18 want to compliment the oil industry. You've done a  
 19 good job. It looks better in Shidler and the Salt  
 20 Creek Valley than it looked 50 years ago. You've  
 21 done a nice thing. I think most of the people in  
 22 this room love Osage County.

23 And frankly the tribe, both as a tribe and  
 24 as a mineral council, has done a good job. It's  
 25 stronger than it was 50 years ago. The casinos are

1 allotment bill granted the mineral rights to the  
 2 Osage Tribe for a period of 25 years. Since then  
 3 they've extended and extended and extended, finally  
 4 put it into perpetuity, which nothing lasts  
 5 forever. But when we bought our property prior to  
 6 1974 it was with the understanding that when that  
 7 period of time ran out before any extensions, we  
 8 were to get the mineral rights. That was part of  
 9 it.

10 They -- there's an oil operator that  
 11 drilled on me against my wishes, of course. But  
 12 they have since killed a six-acre pond, killed all  
 13 the fish in it, destroyed the land. And one of the  
 14 things that -- one of their people told -- he  
 15 called me by mistake. He thought he was calling a  
 16 dozer operator up there. And he said, Well, did  
 17 that stupid landowner run you off yet? I said, Who  
 18 do you think you're talking to? He said, Well,  
 19 that dozer operator. I said, No, this is that  
 20 stupid landowner.

21 But they have destroyed the land and they  
 22 talked about \$20,000 for location fee is way too  
 23 high. You know what? That's a lifetime deal.  
 24 Will you take \$20,000 for a piece in your front  
 25 yard for life? I don't think so.

1 This has got to change. The minerals need  
 2 to go to the landowner to where we can control it.  
 3 The Osage Agency is totally worthless. They come  
 4 down there. They're supposed to not be within  
 5 200 feet of a water source, which is okay. That's  
 6 according to the regulation. So they may jog  
 7 around all down the creek to get their 200 feet.  
 8 Another thing, they dig a pit. According  
 9 to regulation they're supposed to be lined with  
 10 30 mill plastic. The operator says, nah, we don't  
 11 care. We don't have to do that. We don't have to  
 12 abide by that.  
 13 Now this has got to stop because some old  
 14 boy that don't have anything to lose and really  
 15 doesn't care, somebody is going to get hurt because  
 16 they're taking somebody's land.  
 17 MALE SPEAKER: Bring it on.  
 18 MR. FRIEND: They're taking somebody's  
 19 land for life and they want to pay you \$5,000,  
 20 \$6,000, something like that. That's right out in  
 21 the middle of your supposed back yard. You know,  
 22 I've got several acres. People don't realize my  
 23 back yard is just a little bigger than theirs.  
 24 So we need to make some changes. I don't  
 25 know how; I don't know when. But changes need to

1 be made.  
 2 That's about all I've got to say.  
 3 MS. PATTERSON: I saw him first and then  
 4 I'll get you.  
 5 MR. GRAVES: My name is Mike Graves. My  
 6 dad was J.M. Jack Graves. He drilled --  
 7 MALE SPEAKER: Hold it closer. We can't  
 8 hear you.  
 9 MR. GRAVES: He drilled his first well  
 10 here in 1960. I went to work for him in 1974. And  
 11 we sold out to Chaparral in 2005. And playing off  
 12 of Mr. Jackman's point about other people's money,  
 13 I thought I'd talk about our money by trying to  
 14 read my father's mind.  
 15 He passed away in 2005. But I don't  
 16 believe that he would have spent our money to  
 17 achieve what we did over that period of time to  
 18 make that sale to Chaparral. So -- and excuse me,  
 19 let me put in the proviso on this point. We would  
 20 not have spent that money had the draft EIS been in  
 21 place. We would have spent our money somewhere  
 22 outside of Osage County for those sort of onerous  
 23 regulations did not exist. And I hope I've read  
 24 Dad's mind correctly.  
 25 I'll tell you what my mind is, is that any

1 prospect in Osage County is simply because of its  
 2 potential to be subject to a draft EIS is going to  
 3 go on the bottom stack of any pile of prospects  
 4 that come in my office.  
 5 Thank you.  
 6 MS. PATTERSON: All right.  
 7 MS. ERWIN: Hello everybody, my name is  
 8 Stephanie Erwin. I've lived in Osage County all my  
 9 life, and I have never ever been threatened like  
 10 I've been threatened today. This is absolutely  
 11 ridiculous. The Osages came in. We bought and  
 12 paid for this. The minerals estate is going to be  
 13 ours and ours until somebody can buy it from us.  
 14 No matter what you say, mister, whatever your name  
 15 is. It is ours, and we're going to keep it. Are  
 16 you getting all of this, Mr. Lepp?  
 17 Anyway, I just want you to know it's ours  
 18 and we're going to fight for it.  
 19 I appreciate you-all showing up today.  
 20 Thank you.  
 21 MR. MANDANE: My name is John  
 22 Mandane (phonetic); I'm a rancher out of Hominy.  
 23 You know, you oil producers natural gas paid my  
 24 bills the last 30 years all over the world. I  
 25 understand your predicament. I understand the

1 landowner's predicament.  
 2 You know, there are some good operators  
 3 and some bad operators. When you go out to a  
 4 person's place and trash it up, leave pipes  
 5 sticking out of the ground, when I run over it with  
 6 a tractor tire it costs me \$500. I wreck a disc  
 7 mower on it, it costs me money.  
 8 To save your livelihood, you're costing  
 9 me. Only thing I'm asking, if you guys aren't  
 10 happy, make your landowners happy. Your jobs would  
 11 be a lot easier all the way around.  
 12 That's all I got to say.  
 13 MR. ADELSON: My name is Jim Adelson. I'm  
 14 the president of Nadel & Gussman in Tulsa. We've  
 15 been in Osage County since the 1920s when my  
 16 great-grandfather bought some properties up by Lake  
 17 Skiatook. I'm fourth generation, like Greg  
 18 Oliphant. But my grandfather, Mr. Gussman, was  
 19 never made an honorary chief. But I think he might  
 20 have told me.  
 21 One thing about the existing EIS that's  
 22 proposed, I'm going to tell you a little story to  
 23 try to put a little humor in this evening because  
 24 this reminds me of a little bit of a wake and  
 25 cology. But there's an old man in the village or

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1 town who is very unpleasant, and he passes away.  
 2 And they go to the funeral and the minister does  
 3 the service. And then they come to the point where  
 4 it's time for a eulogy. And they say to the  
 5 community, Somebody needs to come up and give a  
 6 eulogy. And no one will stand forward or come  
 7 forward. And they say, Look, the funeral does not  
 8 move on until someone comes forward.  
 9 And finally an older gentleman, probably  
 10 the next oldest gentleman in the town comes forward  
 11 and stands up in front of everybody and says, I  
 12 knew him. His brother was worse.  
 13 I -- we have a new perspective at Nadel &  
 14 Gussman, is that we were a company that grew very  
 15 heavily in the '50s. Mr. Gussman opened up a lot  
 16 of Arbuckle fields up in Kansas. And then in the  
 17 '60s and '70s we moved into Osage County. And he  
 18 had a lot of success.  
 19 And found at one point, I think, was the  
 20 largest independent oil and gas producer in the  
 21 county. And we've -- since then we moved up. I  
 22 joined in 1986. And we moved into natural gas. We  
 23 moved into Louisiana, New Mexico, a lot of  
 24 different areas. But we operate on a lot of  
 25 different federal lands and federal surface as well

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1 as federal minerals.  
 2 What's unique about the Osage is that the  
 3 landowner has no rights. They don't have any  
 4 economic rights. They get their -- as Mr. Field  
 5 said, they get their payment and then that's it.  
 6 They got to live with the lease that might be 40 or  
 7 50 years.  
 8 So one of our important cultural elements  
 9 at Nadel & Gussman is you got to treat your  
 10 landowner very well because I wouldn't want someone  
 11 coming on my property and saying, Hey, too bad.  
 12 The guy that's polluting ponds, they should rebuild  
 13 the ponds. We've had to redo some things for our  
 14 friend from Atlanta, who has requested it. So  
 15 we've worked very hard with him.  
 16 But times have changed in our industry.  
 17 We cannot get away with what they got away with in  
 18 my grandfather's years. We have to as an operator  
 19 operate friendly to the environment and we have to  
 20 do it fairly to surface owner regardless if he owns  
 21 minerals or not.  
 22 Our job as an oil and gas producer, the  
 23 BIA's job as the head of the trust for the mineral,  
 24 is to maximize the value of the mineral estate.  
 25 And these rules, these EIS rules, tell me that the

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1 whole process has been sabotaged or taken over by  
 2 Washington, by people that really don't have those  
 3 two important parts of our job and BIA's job. I'm  
 4 sure D.C. is coming down hard on the Pawhuska  
 5 office saying this is the way it's going to be.  
 6 And some of these rules in this EIS  
 7 clearly show the lack of understanding in our  
 8 industry. And my concern with the way  
 9 horizontal -- you know, we're seeing wells in New  
 10 Mexico. They are coming on 2, 3,000 barrels a day.  
 11 We're seeing the stuff in the Balkans that's coming  
 12 on 2, 3,000 barrels a day. And you see it with the  
 13 price of crude oil.  
 14 The Saudis have said, We're not going to  
 15 protect your price of crude oil anymore. And we  
 16 have the ability to grow U.S. production up to  
 17 10 million barrels, 11 million barrels, 12 million  
 18 barrels. And the most disadvantaged producer is  
 19 going to be the mineral owner of -- us, not me.  
 20 It's essentially the vertical well that's making  
 21 7 barrels a day. You basically -- if these rules  
 22 come in effect, you might as well just walk away  
 23 and go because the price of crude is not going to  
 24 be going up to 70, 80, 90 barrels -- dollars a  
 25 barrel for a long time. And so you're

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1 disadvantaged, massively disadvantaged. We're  
 2 disadvantaged.  
 3 And so just in closing from just seeing  
 4 here watching, it would seem to me that reasonable  
 5 people would come together. We could sit down with  
 6 the landowners and come up with some sort of  
 7 compromise the BIA and Department of Interior would  
 8 agree to and support it. Because what Washington  
 9 is doing and what BIA shows is that they're  
 10 clueless. They're not going to get it done. We're  
 11 going to be in court for years and years and years.  
 12 And frankly I hate court and would prefer not to be  
 13 in court.  
 14 So I volunteer Nadel & Gussman whatever we  
 15 can do to meet with the landowners to say let's  
 16 separate horizontal drilling with vertical  
 17 drilling. There should be a FONSI vertical  
 18 drilling. We can -- we can put forth all the rules  
 19 and regulations that need to be done that keep  
 20 landowners happy with vertical wells. Horizontal  
 21 wells we can regulate them harder. They're a  
 22 bigger impact. They're big. They take three acres  
 23 versus 1.4 acres.  
 24 There are a lot of things that can be done  
 25 if we differentiate between horizontal and

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1 vertical. And we can get most people in the county  
 2 who aren't drilling horizontal back to work as long  
 3 as they're following the rules that they need to  
 4 follow to keep the surface protected.  
 5 So that's my spiel.  
 6 MS. PATTERSON: Yes, ma'am.  
 7 MS. BOONE: Good afternoon. My name is  
 8 Cynthia Boone. I had a small oil producer come  
 9 into my office the other day, and he wanted to be  
 10 here to express his own opinion about what's going  
 11 on with this draft EIS. But he couldn't make it  
 12 today, and he asked me if I would speak for him.  
 13 And I said, Yes, I would, having known him all my  
 14 life practically.  
 15 His situation is such that he believes  
 16 that the draft EIS is slanted towards the landowner  
 17 and not the oil producer. He produces ten barrels  
 18 a month, and he believes that this new draft EIS  
 19 would elevate the cost to the oil producers.  
 20 I also have had a number of constituents  
 21 talk to me, and one of the constituents asked me  
 22 about the meeting places and how do we get a list  
 23 of attendees. Were any of the people on this  
 24 committee for the Osage County draft EIS present at  
 25 any of the out-of-state EIS scoping meetings?

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1 They have also asked me where they can get  
 2 a complete list of the people that prepared this  
 3 draft EIS. If you printed yourself a copy under  
 4 chapter 6 it does list a number of people, but it  
 5 doesn't list everyone that was involved with this.  
 6 And to add to the confusion, Osage  
 7 Minerals Council Galen Crum submitted information  
 8 about the mineral estate. And the chief made it  
 9 clear that he was not representing the minerals  
 10 council. That had us as minerals council pass a  
 11 resolution that requested that any reference to  
 12 Galen Crum be identified as an Osage Nation  
 13 appointee, not a minerals council person.  
 14 I've also had constituents talk to me and  
 15 they think that this new draft EIS totally violates  
 16 the BIA mission statement. And you can find it  
 17 inside the cover of the printed copy. In the past  
 18 with the negotiated rulemaking process, I've had a  
 19 number of constituents that did provide written  
 20 comments. And their comments were not even taken  
 21 into account. And this go around with this draft  
 22 EIS they feel like this is the same type of  
 23 déjà vu, and they have no trust in the process.  
 24 I want to thank you for the opportunity to  
 25 speak today. And I want to thank every one of you

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1 for coming out and sharing your information.  
 2 Thank you.  
 3 MS. PATTERSON: Is there anyone else who  
 4 would like -- sir?  
 5 MR. MACKEY: I felt like somebody needed  
 6 to represent the service companies. My name is  
 7 Mike Mackey. I own Osage Wireline, Incorporated.  
 8 I'm also an oil and gas operator in Kay County.  
 9 I was here in February and I reported that  
 10 our business was off 90 percent as of February.  
 11 I'm happy to report that our business is only off  
 12 70 percent this year now, which by government  
 13 accounting standards means that we've had a  
 14 20 percent increase in business this year.  
 15 Unfortunately that increase is because other  
 16 wireline companies have gone out of business.  
 17 You're not laughing anymore.  
 18 Here's the deal. The gears that drive the  
 19 engine of the economy in this county will not be  
 20 lubricated by windmills or solar panels. And I  
 21 don't understand why we have government officials  
 22 that can't see that.  
 23 The environmental -- or excuse me, the  
 24 social impact of what is happening in this county,  
 25 the economic impact of what's going on in this

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1 county can be seen on the service side. But we --  
 2 I've heard landowners talk about how they've been  
 3 damaged. And, believe me, I've been in this county  
 4 for 31 years. You're 31 years late.  
 5 I can tell you the number of bad operators  
 6 in this county at that time 30 years ago was  
 7 probably 15 to 20 percent. And that's from the  
 8 service side. Today it's a fraction of 1 percent.  
 9 It would surprise you. And it might not be that  
 10 high.  
 11 And, you know, these guys -- the  
 12 visionaries that have gone before us -- I think of  
 13 the Oliphants and the Mike Graves and there are  
 14 several guys in here that, you know, it comes down  
 15 to personal responsibility.  
 16 I'm sorry if your land got damaged by  
 17 somebody. And if it's still being damaged, shame  
 18 on the oil operator because today most people  
 19 understand personal responsibility.  
 20 What drives us is not everybody in the oil  
 21 business is rich. That's not the way it happens.  
 22 Everybody is driven by something. What makes you  
 23 get out of bed and go to work in the morning?  
 24 There are visionaries here that they understood the  
 25 clues that were left behind by Mother Nature and

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1 the tendencies of the unique geology in this  
 2 county. And it was a treasure hunt. It was a  
 3 mystery to go out. And the benefit was they found  
 4 oil and they made money, and it made them more  
 5 excited.  
 6 When you look at pulling units, there are  
 7 guys on pulling units that get up in the morning  
 8 and it's a competition to see who can wrench rods  
 9 faster. Some of them don't like doing it. And  
 10 when they don't like doing it anymore, they need to  
 11 quit doing it and do something else.  
 12 But everybody in here has a passion.  
 13 Everybody in the oil business has a passion for  
 14 oil. And it's not because everybody is getting  
 15 rich because we're not. But it's the joy of doing  
 16 it. And the joy is killed when every second of  
 17 every day we've got to look over our shoulder to  
 18 see if there's an inspector coming. Or if we've  
 19 got to read rule books that have 322 pages of  
 20 rules.  
 21 I don't know of anybody in the oil  
 22 business, outside of me, that has to be okayed by  
 23 the FBI to do what I do. I have to pass a  
 24 trustworthy and reliable status check with the FBI  
 25 to have a Alcohol Tobacco and Firearms license and

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1 also to posses nuclear materials. Nobody else has  
 2 to do that. And yet I can do that easier than you  
 3 can get a permit to drill in this county.  
 4 I'll finish with this. I had a rancher  
 5 that we do a lot of drilling on in Kay County call  
 6 me three weeks ago and say, Mike, they're getting  
 7 ready to file a condemnation action on us because  
 8 they want to run high voltage power lines across  
 9 our ranch to go to a windmill farm in Kay County.  
 10 And he said, You know, they're going to do  
 11 eminent domain. What do we do? I said -- he  
 12 showed me where they wanted to run the line. I  
 13 said, I need to drill a well there. Well, they're  
 14 getting ready to file, when are you going to do?  
 15 I drove to Tulsa 9 o'clock in the morning.  
 16 I filed a permit to drill. I downloaded a permit  
 17 to drill off of the website, the OCC website. By  
 18 1 o'clock that afternoon I moved a rig in. Two  
 19 days later the well got TD'd and finished before  
 20 Thanksgiving. That's the way it ought to work.  
 21 I don't know if you guys have ever carved  
 22 a prairie chicken. Unless you really like dark  
 23 meat, don't do it. The greater prairie chicken can  
 24 fly -- guess what, nobody said they got killed. He  
 25 said they just never came back. They're pretty

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1 sharp. They go where they're wanted.  
 2 And if there's 12,000 wells in this county  
 3 and the average well is less than one acre in the  
 4 size of the location, and there's 1.4 million  
 5 acres, that means there's about 12,000 acres that  
 6 are taken up by oil wells. And 1.4 million acres  
 7 that a prairie chicken can go do their thing on,  
 8 okay?  
 9 So, anyway, I just -- I wanted to make  
 10 sure that the service companies and all the people  
 11 that have been displaced or laid off this year --  
 12 and I've had several of them that I had to layoff  
 13 myself -- got represented here today.  
 14 Thank you.  
 15 (Off-the-record discussion.)  
 16 MR. REDCORN: Thank you Bureau of Indian  
 17 Affairs and Jeannine and Robin and all of you-all,  
 18 Mr. Babst and everyone. Thank you for your time.  
 19 And if I missed you, I'm sorry.  
 20 I'm just a little confused. My name is  
 21 Talee Redcorn. I'm on the Osage Minerals Council  
 22 currently. Just wanted to point out one fact. I  
 23 was on the Osage Minerals Council in 2006 to 2010.  
 24 We were -- I was real busy. And I'll tell you what  
 25 I was busy at. I was busy approving all your

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1 leases. I had to look through those, make sure  
 2 they were all up to snuff, get it to the bureau. 6  
 3 to 700 we were looking at a year. And those wells  
 4 are still producing today off the 79 EA unless  
 5 there's an issue with performance or economics,  
 6 they're shut down or whatever. But that's the  
 7 strength of our revenue as royalty owners now  
 8 that's still going.  
 9 I leave four years, come back  
 10 2000-and-whenever the last election. We're at  
 11 zero. We're inching for 13 permits in a year. It  
 12 is a totally different atmosphere than when I left.  
 13 So my question is, is, you know, my also  
 14 concern is I believe we've put a big Band-Aid on a  
 15 small fix. If our biggest producers in Osage  
 16 County, just like this one gentlemen said, 14,000  
 17 wells and we're, what, .71 barrels a day is our  
 18 average? You know, I mean what can you do to a  
 19 producing well. And that's the majority of our  
 20 paycheck that we're going to put in our pocket as  
 21 Osages coming from that kind of work? And I  
 22 believe that we need to protect that.  
 23 So it's an overkill on my -- in my  
 24 thought. And my thought is that we need to look at  
 25 more local dialogue, work with our tribal

1 authority, tribal Indian self-determination. We  
2 are given those avenues through these federal acts  
3 to participate in the process to help make those  
4 decisions. And I think today we can help. We want  
5 to work with the economy in Osage County to make  
6 that happen.

7 So I'm looking for ways to change this  
8 process. This is like a Titanic. Is there any way  
9 we can turn this big boat to kind of move toward  
10 local dialog to help us solve these problems and  
11 get these leases moving quickly like I had in my  
12 experience in 2006 to 2010.

13 Thank you much.

14 MS. PATTERSON: Is there anyone else who'd  
15 like to come up and speak? Sir?

16 MR. KNAPPE: My name is Bob Knappe. I'm  
17 with Performance Operating Company out of  
18 Barnsdall. I just want to tag in briefly on a  
19 number of things that have been said. And my  
20 concerns are obviously the same, and I agree with  
21 the others who have stood up here and said our  
22 goal, our desire -- jump in with Jim Adelson -- is  
23 we've always tried to work together with the  
24 landowners to respect their property and to work  
25 hard to be good neighbors.

1 And we've also taken a position that we've  
2 tried really hard to try to operate the -- the  
3 environments of these environmental assessments and  
4 regulations and try to do our best to still get  
5 work done so that we can continue to employ people  
6 and I continue to make a living.

7 One of my concerns is -- and I want to get  
8 to some specific things in the EIS. What I'm  
9 concerned about, again, as Talee pointed out and  
10 others have pointed out, is, you know, the mission  
11 is to -- is to accomplish the efficient development  
12 of the mineral estate and not to prohibit the  
13 development of the mineral estate.

14 What I'm afraid of is that is prohibited  
15 and essentially create an environment where it  
16 cannot be accomplish the same thing. Or maybe not  
17 prohibiting the regulations and through all the  
18 things that have to be done, but essentially  
19 accomplishes the same thing.

20 Just as a point, the submersibles have  
21 already been brought up. And I'm going to tell  
22 everyone here that I'm going to stand here and be a  
23 case study for that. We tried really hard to work  
24 with the landowner, and I'm continuing to work hard  
25 with the landowner to try to install submersibles

1 to reduce the visual impact and the noise impact.  
2 And I found that very difficult. I spent,  
3 you know, more money at this point probably than  
4 the wells cost to drill. They're good wells,  
5 though. I mean they're not .71.

6 Thank you for the yellow card. I  
7 appreciate that.

8 But that being said, there's things within  
9 reason. I want to point out to the EIS and the  
10 current RCMs, for instance, if we can't drill  
11 within 500 feet of a stream or a -- what do you  
12 call it a femoral or meandering or any kind of  
13 waterway, we can't drill. We have to avoid steep  
14 slopes. And we can't drill on the top of hills.  
15 It doesn't leave much left.

16 I ran into that today with a -- trying to  
17 figure out a place to stake a well. And I just  
18 thought I really can't. I'm looking forward to  
19 trying to comply. I just don't know how you can do  
20 that.

21 Another thing just briefly is like the  
22 noise statement. That seems so -- so difficult to  
23 try to measure it. I've been involved in that too  
24 trying my best to reduce the noise exposure to a  
25 landowner. But I know the wintertime sound carries

1 different than in the summertime, the leaves on the  
2 trees, how hard is the wind blowing. You know, the  
3 difficulty in trying to determine the impact of the  
4 noise is very difficult.

5 So I kind of -- I guess I'm jumping into  
6 saying that I feel like our experience has been  
7 that, you know, this EIS in the document itself  
8 says that there's 47,000 people, I think, in Osage  
9 County. So the impact on those 47,000 people, you  
10 know, what are we -- are we considering things that  
11 are reasonable in terms of the impact of those  
12 47,000 people.

13 Just like are we considering things that  
14 are reasonable to the prairie chicken. Are we  
15 considering things that are reasonable for the  
16 American Burying Beetle, as Andy pointed out, you  
17 know, less than 1 percent.

18 The other thing is it consistent? Why is  
19 it that we have to deal with the issue of, you  
20 know, less than 1 percent possibility of a take not  
21 being good enough where we are but it is in  
22 Nebraska, in Kansas, in Arkansas, and other places.  
23 It seems like there's an inconsistency here. Like  
24 tall structures. Somebody pointed out the  
25 windmills. And I understand, you know, what the

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1 concern is outside the county.  
 2 But, again, just -- I guess I'll just sum  
 3 close by saying that I really believe that what is  
 4 happening is paralyzing. I know that it's hard for  
 5 the BIA. And as Jim said I know a lot of this is  
 6 coming down from other places. But to try to  
 7 navigate through this quagmire of reviews and  
 8 documents and everything is really what's been --  
 9 made it very difficult to try to get anything  
 10 accomplished.  
 11 We've been working on another ten permits  
 12 since July 1st, and we still haven't been able to  
 13 get that done. I'm not blaming anyone. I just  
 14 think it's an example of the process and what's  
 15 it's going to do is just bog everything down and  
 16 make it very difficult. As a matter of fact, I  
 17 should be out and get some more help for the staff  
 18 in Pawhuska so they can deal with all this. But  
 19 anyway that's my comment.  
 20 Thank you.  
 21 MS. PATTERSON: I saw him first then I'll  
 22 get to you next.  
 23 MR. CONNER: My name is Joe Conner. And  
 24 I'm a resident born and raised in Osage County.  
 25 I'm also a member of the Osage Nation. I'm a

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1 shareholder. I have lived here long enough to  
 2 recognize we've had some problems with the oil and  
 3 gas industry. I've also lived here long enough to  
 4 see tremendous progress in the stewardship of the  
 5 oil and gas industry.  
 6 I do think that -- and as you all well  
 7 know that your number one -- one of the number one  
 8 employers and economic engines for the entire  
 9 county have been for years, generations.  
 10 I'm appalled at the irony that I see in  
 11 these regulations that do things -- proposed  
 12 regulations, that do things like ask oil and gas  
 13 producers to blend in pump jacks and other oil  
 14 equipment so that the natural environment is not  
 15 disturbed visually. Yet we have 40-story wind  
 16 turbines just west of here, and there's no movement  
 17 to disguise their visual impact on the environment.  
 18 Pump jack roughly 15, maybe 18-foot high. These  
 19 wind turbines are 40 stories high.  
 20 Where is the sense to why don't we -- why  
 21 aren't we talking about disguising them so that  
 22 they won't be displeasing to the vision? But we're  
 23 going to try to cover up a pump jack so it won't  
 24 disturb someone's landscape. I think it's ironic  
 25 and criminal.

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1 Thank you.  
 2 MR. WICKSTROM: Hello. I'm Charles  
 3 Wickstrom with Iron Hawk Energy Group and also a  
 4 member of the OPA, Oil Producers Association. I've  
 5 run into this problem before out in Wyoming when  
 6 operating on federal lands on the Rock Springs  
 7 Uplift. And this was back in the late '80s. We  
 8 were drilling coal bed methane wells.  
 9 We had, oh, 200,000 acres under lease and  
 10 farmouts from the railroad and leases from the  
 11 Federal Government. And we drilled seven wells,  
 12 all of them producing. We had tested on both sides  
 13 of this uplift, and we filed an application to  
 14 drill APD for 200 wells. And this was under an  
 15 existing environmental assessment.  
 16 Well, at that point the BLM started  
 17 calling public hearings and then demanded that we  
 18 have an EIS before going forward. Well, we plugged  
 19 seven wells, laid off a bunch of people, and I came  
 20 back to Tulsa and did something else and said I'd  
 21 never drill on federal land again.  
 22 I never considered Osage County federal  
 23 land. It's private land. It's owned -- the  
 24 minerals are owned by the Osage Mineral Estate.  
 25 It's supposedly regulated on the surface by the

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1 BIA. But here we are facing an EIS that is, in my  
 2 humble opinion, strangulation by regulation.  
 3 The people who have become ensconced in  
 4 the bureaucracy of Federal Government take their  
 5 orders from above. They're getting orders and  
 6 they're getting rid of us on federal land. This is  
 7 not federal land.  
 8 The pity of this is that we have as oil  
 9 producers in the United States have increased  
 10 production to the point on any given day we could  
 11 match Saudi Arabia. That's on private land.  
 12 Over the past ten years on federal land  
 13 production has decreased in spite of the fact of  
 14 almost record high oil prices. And that's because  
 15 of strangulation by regulation. And if we don't  
 16 get rid of this, we're going to be strangled to  
 17 death.  
 18 MS. PATTERSON: Okay. Anyone else that  
 19 would like to come up and speak tonight? Last  
 20 call. All right.  
 21 MR. KEENER: Some of the things that --  
 22 (Off-the-record discussion.)  
 23 MS. PATTERSON: Would you say your name  
 24 again?  
 25 MR. KEENER: Travis Keener. Specific



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1 things like going from 500 to 1300 archeological  
 2 sites in the last eight years mostly because of oil  
 3 and gas, that to me is helping protect the culture  
 4 of the county because that's 800 more  
 5 professionally done archeological surveys that  
 6 wouldn't have been done if somebody wanted to  
 7 drill. So instead of the EIS talking about how oil  
 8 and gas could mess up culture, it seems to me that  
 9 it's helping to protect it.

10 Something that -- and I want to be careful  
 11 with my comments. I don't want to be  
 12 disrespectful. But I find this one thing  
 13 disrespectful, and I'm not Osage. I'm not a  
 14 headright owner. I'm just a white boy. But when I  
 15 see here things like nonuse values of nonmarket  
 16 goods reflect the value of an asset beyond its  
 17 current use due to the willingness to preserve it  
 18 for future generations, this can include scenic  
 19 views and preservation of plants and animal  
 20 habitats. Nonuse values are typically measured in  
 21 terms of an individual's willingness to pay to  
 22 preserve resources.

23 To me that's like saying, if we set aside  
 24 a lot of your land that you can't drill for oil and  
 25 gas, don't worry about it. You can have a park.

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1 You can have a scenic outlook. That's not what the  
 2 people want. They want their minerals.

3 And so, to me, it seems wrong to start  
 4 bringing up that kind of stuff. Again, that should  
 5 come from somebody that I believe is Osage and  
 6 wants to speak about how they want to preserve  
 7 their culture for future generations. But as an  
 8 outsider looking in, it's the minerals that we're  
 9 trying to preserve.

10 And so speaking back to some more data.  
 11 Things like it takes 3 to \$4,000 to cross a 30-foot  
 12 stream, a dry ephemeral stream, versus \$1,000 with  
 13 the rock bucket on a backhoe. And things like, as  
 14 we've already said, submersible pumps can't go down  
 15 below 175, 200 barrels a day on their rate. And  
 16 they cost \$45,000 instead of \$15,000 for a pump  
 17 jack.

18 And then blending in the equipment and it  
 19 talks about how we need to talk to the landowner  
 20 about the design of the equipment or the design is  
 21 going to be a tankful of oil, a tankful of water,  
 22 and a gun drill basically every time.

23 So what is there to design? And then in  
 24 terms of making it blend in, do we paint it the  
 25 color of trees or grass? If we painted it the

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1 color of trees and they come with an airplane and  
 2 kill off all the trees with a sprayer, the  
 3 landowner does, now we're not going to blend in  
 4 again.

5 And I really think when we talk about -- I  
 6 go through the whole EIS and I search on dollar  
 7 signs. I see livestock census, the median rent,  
 8 mortgages, how much government mining and  
 9 construction, annual wages, total value property,  
 10 the general budget of Osage, the minerals council,  
 11 and stuff like that but -- and gaming revenue.

12 I don't see anything about lifting costs.  
 13 I don't see anything about the -- we know what  
 14 environmental assessments cost, what the beetle  
 15 surveys cost. We can see how much that's going to  
 16 affect on the initial drilling cost of the one  
 17 barrel a day vertical well, hope it comes in at ten  
 18 barrels a day, and then project that over the life  
 19 of the well. And that's the kind of dollar signs  
 20 that we've left out on this.

21 Thank you.

22 MS. PATTERSON: Okay. One more chance for  
 23 anybody else who wants to come up tonight.

24 All right. Well, we really appreciate  
 25 everybody coming out and sharing your thoughts.

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1 Please do continue to review the EIS. The comment  
 2 period is open until December 24th. I'll give it  
 3 to Jeannine to close us out.

4 MS. HALE: Thanks. I guess one final  
 5 words for you that want to listen is you're doing  
 6 exactly what we want you to do. Only instead of  
 7 just saying this thing sucks, be specific. Tell us  
 8 which resource conservation measure doesn't have  
 9 enough data behind it or costs too much and suggest  
 10 an alternative.

11 For example, maybe some of you -- I know  
 12 performance has some drilling permits that have  
 13 BMPs in them. Are those driving you out of  
 14 business or are those good and could those be some  
 15 of the resource conservation measures that we apply  
 16 across the board.

17 So if you can be constructive and help us  
 18 make this a good document, I've heard a lot of  
 19 people say last time the negotiated rulemaking our  
 20 comments weren't taken into consideration. You  
 21 know what, I had nothing to do with that. And this  
 22 is not a rulemaking, and these aren't regulations.  
 23 This is something that we're trying to come up with  
 24 some conservation measures that people can live  
 25 with that also do what we intend them to do, which

1 is protect the environment.  
 2 So I want your help and I want your  
 3 comments. And I'm going to be looking and  
 4 reviewing each and every one of them. So please  
 5 give me some -- if you've got some data about cost  
 6 or anything else, please give it to us.

7 Thank you.  
 8 (Proceedings concluded at 5:31 p.m.)  
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1 CERTIFICATE  
 2 STATE OF OKLAHOMA )  
 3 ) SS:  
 4 COUNTY OF TULSA )  
 5 I, Carla S. Kimbrough, do hereby certify  
 6 that on November 30, 2015, at Wah-Zha-Zhi Cultural  
 7 Center, Pawhuska, Oklahoma, that the foregoing  
 8 public meeting was held and transcribed by me, and  
 9 that the foregoing pages constitute a full, true,  
 10 and correct transcript of the Public Meeting.

11 I do further certify that I am not  
 12 counsel, attorney, or relative of any interested  
 13 parties, or otherwise interested in the event of  
 14 same.

15 IN WITNESS WHEREOF, I have hereunto set my  
 16 hand and affixed my seal at my office in Tulsa  
 17 County, Oklahoma, this 7th day of December, 2015.  
 18  
 19

20 *Carla S. Kimbrough*  
 21

22 \_\_\_\_\_  
 23 Carla Sue Kimbrough, C.S.R.  
 24 Oklahoma Certified Shorthand Reporter  
 25 Certificate No. 1237