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September 15, 2010

Mr. Robert Abbey, Director  
Bureau of Land Management  
1849 C Street NW, Rm. 5665  
Washington DC 20240

Dear Mr. Abbey:

Thank you for taking the time and making the commitment to visit Malta, Montana to discuss concerns related to federal land use policy. Montana is a big state, the fourth largest in land area in the nation. The Federal government controls 40 percent of the mineral acreage and 28 percent of the surface. As Director of BLM, you, have quite a bit of responsibility for the economic vitality of the nearly 1 million people who live and work in Montana every day. A big job! Your land policies not only directly affect the BLM lands that you directly manage, they have the same affect on the adjoining fee owners, the local communities and schools that are dependent upon a healthy tax base and jobs.

The Montana Petroleum Association (MPA) is a statewide, non-profit trade association representing oil and gas producers, fuels, natural gas and crude oil pipeline companies, service providers to the petroleum industry, and all four petroleum refineries in Montana. According to a recent analysis by Montana State University in Billings, the petroleum industry provides 4,600 direct jobs, another 7,500 indirect jobs and \$9 billion dollars in economic benefits. Montana's average wage is slightly over \$34,000 per year; one of the lowest in the country. However, direct jobs in the petroleum industry average between \$54,000 and \$91,000 depending upon the sector. At a time when this country is begging for jobs, our industry has delivered.

With a third of the oil and gas minerals in Montana under your control, the BLM is a vital partner to our State's oil and gas industry. However, MPA is seriously concerned regarding the non-transparent activities within the Department of the Interior regarding conservation efforts presently being discussed at the department's highest levels. Currently, 25 percent of the federal oil and gas minerals in Montana are unavailable for development. Millions of additional acres are being put off limits through processing delays and studies that take years to complete. The position of the MPA regarding federal lands is that there shall be no decrease in federal acreage designated for multiple use and that oil and gas development be allowed on statutorily available multiple-use lands. Quite simply, neither we nor Montana can afford any further loss of public lands for public use.

Based on the language and tone of the treasured landscapes memorandum, it is hard to believe this is simply a visioning document. This document does not represent the vision of local stake holders. MPA is stunned that people within the Federal government believe that over half the lands under your jurisdiction are in need of consideration as "Treasured Lands". MPA is opposed to the creation of more national monuments, in particular, those mentioned in the Treasured Landscapes document. Of equal or perhaps greater concern is the comment on page 4 that states: *"Use BLM's land use planning process to manage lands for conservation values. This will allow the BLM to protect lands that, while ineligible for Monument designation and/or unlikely to receive legislative protection in the near term, are nevertheless worthy of conservation."* This statement directly contradicts the mandate of the Federal Lands Policy and Management Act (FLPMA) which directs BLM to manage public lands according to the principles of multiple-use and sustained-yield in a manner that balances the need for commodity uses of federal resources and environmental protection. Further, this vision will erode and devastate the jobs and tax base that a rural State like Montana is dependent.

The comments from BLM in the "treasured landscape" document are inconsistent with its own policy. In the recently released environmental assessments regarding the leasing program in Montana and the Dakotas, BLM states: *"It is the policy of the BLM to make mineral resources available for use and to encourage development of mineral resources to meet national, regional and local needs"*. We agree with that policy statement, but it does not reconcile itself to the whole "treasured lands" concept. It is even more disconcerting to MPA that BLM appears willing to manipulate the planning process to meet conservation goals in direct conflict to the agency's stated policy and FLPMA. Keep in mind, most lands under the administration of BLM in Montana are currently under a RMP revision process or soon will be.

There also needs to be some discussion regarding the myths of what a monument designation will and won't do. MPA has been told that under the creation of the Upper Missouri Monument that existing oil and gas mineral leases will be honored. While that looks good on paper, the reality is that trying to get permits to drill existing leases has become so burdensome that many of our members who have those leases have given up. Those oil and gas developers who have bought the leases in good faith have seen their investments devalued by federal action (or inaction). Mineral rights owners in the area have seen their property rights devalued by federal action. And our nation is deprived of domestic energy that your policy recognizes as important. To state that a monument designation will not impact existing BLM and fee leases is disingenuous and simply not true.

Furthermore, you must acknowledge that even after completing an exhaustive land use planning process for the new Upper Missouri Monument, the plan has been challenged by extreme environmental organizations as not protective enough. What makes anyone think that a future designation will be any different?

Again based on the economic analysis in the Malta EA on green house gas emissions, BLM notes a 26% decline in population in Phillips County since 1970. The document says this decline in population has resulted in an erosion of the local economic base. MPA thinks BLM has that backwards. It is the loss of jobs in the region that has led to declining population. Oil and gas operations have been active in Phillips County for years and that activity has provided jobs that are considered good paying in any region, let alone rural Montana. I can not tell you how many times I have heard members of the "conservation" community say they are concerned about the viability of rural communities. MPA believes that good paying jobs are a cornerstone to viable

rural communities and the ability to develop oil and gas resources has, and will continue, to provide the jobs necessary to help make rural communities viable.

One final comment, it appears that the standard response from the DOI is that no monument plans will be considered without extensive public comment. MPA feels this is a hollow statement. We both know that public comment will be accepted from all over the United States. In reality the comments that are the most important are those from the communities that border the effected public lands, those who have property rights (surface and mineral), and the local governments and schools in the region which also suffer from federal decisions that fail to carefully consider their impacts on the economic viability of local communities. These are the same people that have maintained these lands for generations with a true vision of stewardship.

Regards:



David A. Galt  
Executive Director

cc: Senator Max Baucus  
Senator Jon Tester  
Congressman Denny Rehberg  
Governor Brian Schweitzer