

BOOM

Mandan, Hidatsa, Arikara Nation and the Oil Industry

By Kalen Goodluck



Alfred Old Dog well site, Mandaree, Fort Berthold MHA Nation, North Dakota, photo by Kalen Goodluck

I called up my relative George Abe on Sunday November 16, 2014, “Oh hey, there you are! I’m just finishing a pot of pasole.” George recently moved back to the Fort Berthold reservation in North Dakota, home to the Mandan, Hidatsa, and Arikara (MHA) Nation, also known as the Three Affiliated Tribes (TAT). He had been commissioned by the TAT tribal government to work as the Director of Natural Resources to monitor the oil drilling on tribal land. Fort Berthold lies smack in big sky country, among a sweep of grasslands and hills. Below the grassy waves of prairie, an ocean surged. An ocean that could only be measured by the barrel: oil.

“Oh you brought back some chile to the prairie, huh?” I

smiled. “Yeah I did,” he laughed warmly, “and I have frozen green chile in the fridge, too!” An adopted New Mexican, George had been indoctrinated into the flavors of the southwest, bringing back with him the tastes of the desert’s red and green chile and hominy, a state pride and obsession. George was there at the beginning, when Fort Berthold sparked and when it boomed. Living off reservation, I only heard news and stories from family members about the oil development, the traffic, the accidents, and the crime; but shock-and-awe can only be experienced first hand in proximity to an explosion. Big oil industry had come into the reservation, but what trailed behind it was equally important. I had many burning questions.

In June of 2014, I left my home in Albuquerque, New Mexico to attend a family reunion in Fort Berthold. We all jumped into a small family caravan and toured well sites leased to oil and gas companies located on land belonging to family members living in the town of Mandaree. There, I caught glimpses of the vast change that had encroached on the newly christened boomtown. The prairie seemed to stretch infinitely to the horizon, passing the curvature of the earth. Above, the sky stood with an enormity that loomed with a power that commanded humility, giving its tract to clouds that seemed like

I began by asking George when the oil boom began on Fort Berthold. “It was the perfect storm,” he told me, “I would say the oil boom started in early 2006. The companies started coming in then and began buying leases.” George described to me the ways in which companies bid for control and their place in the Bakken formation: “when I came up in 2007 to see some of the leasing done there was about a couple dozen companies who wanted to bid on leases, which went to the highest bidder. Nowadays, the leasing is really expensive, but back then farmers leased about maybe \$100 to companies



Alfred Old Dog well site, Mandaree, Fort Berthold MHA Nation, North Dakota, photo by Kalen Goodluck

giants, roaming the expanse of a celestial atmosphere.

The Bakken underground shale formation covers the western half of North Dakota (where Fort Berthold is found), dips into the upper west side corner of South Dakota, parts of eastern Montana, and the lower parts of Saskatchewan and Manitoba in Canada. According to Bloomberg, North Dakota “now produces more than 1 million barrels of crude a day, surpassing OPEC [Organization of the Petroleum Exporting Countries] members such as Qatar and Ecuador” and is said to help push the United States in producing more than Saudi Arabia in about a year.¹ I had heard about the oil boom from family members living in Fort Berthold, but knew I had to see it for myself.

per acre of land. There was so much interest [for these leases] and the BIA [Bureau of Indian Affairs] advertised for hundreds of thousands of tracts.” At that time, George put together the bid report recording the companies and their leases. Today, he tells me, leases are going for about \$5-7,000 per acre.

The Bureau of Indian Affairs (BIA) is part of the United States’ Department of Interior, which has a trust responsibility to all 566 federally recognized tribal nations. A tribe that is federally recognized by the United States government receives trust and service obligations from the United States. Tribal sovereignty is a hot phrase that refers to the right for all federally recognized tribes to self-governance, which allows tribes to “define

their own membership, manage tribal property, and regulate tribal business and domestic relations.”² This tribal sovereignty is different from the internationally recognized sovereignty that is spoken of at the United Nations because these tribes are considered domestic dependent nations. The Bureau of Indian Affairs is a part of the government-to-government relationship between the United States and Indian nations that provides various services including education, social services, economic development programs, law enforcement, infrastructure maintenance and repair, administration of tribal courts, and more as well as assistance in the form of contracts and grant programs.

Among the BIA’s various roles, the responsibility of “administration and management of 55 million surface acres and 57 million acres of subsurface mineral estates held in trust by the United States for American Indian, Indian tribes, and Alaskan Natives”³ is especially relevant to the Bakken oil boom. In short, this means the BIA approves and manages leases on Indian land between oil and gas companies and MHA tribal members. Because these lands are held “in trust” by the United States government, Indians who reside on this trust land are beneficiaries by federal law.

Drilling and extraction technology, George Abe tells me, has improved greatly over the years. Below Fort Berthold’s lush prairie, well sites stretch down many vertical miles beneath the surface, but also extend horizontally. “Ya know shale is a rock and you have to break it up to get the oil that’s inside of the rock,” George explains to me, “The horizontal drilling, maybe you drill two miles and then you drill another three horizontally, so you are drilling 5 miles in total. There is a way to guide that drill bit in such a way that keeps you within that shale layer.” Hydraulic fracturing, also known as “fracking,” is the high-pressurized injection of millions of gallons of water mixed with a large cocktail of chemicals and sand in order to break open the shale rock layer to release oil and natural gas. Sand is added to this mixture in order to keep the fissures open allowing natural gas and oil to flow out.⁴

MHA Nation territory in Fort Berthold reservation has been dealing with a variety of serious issues since the oil boom began. Because of the immense workload, machinery to operate, and drilling rigs to assemble and manage, outside labor has rushed to the Bakken drill sites for high wages. Due to limited and short supply of housing in Fort Berthold, oil

workers rent temporary housing, usually in makeshift trailer parks, notoriously branded as “man-camps.” Camps are not only living quarters for oil and gas workers, but have also transformed into sites of sexual abuse and human trafficking.

Advocacy groups like the Brave Heart Women Society and the Ihanktowan (Yankton Sioux) tribe who are fighting to ban man-camps distinguish them between two types: documented and undocumented camps. Although both types of camps present dangerous and life-threatening conditions to women and a high possibility for abuse, undocumented camps hinder emergency and law enforcement services because these camps are not officially recorded due to their informal residence, thus increasing the vulnerability of women remaining out of reach from law enforcement protection. Emergency services responding to scenes have trouble locating the callers and even the camps themselves simply because there are no addresses. A statement by Lisa Brunner, White Earth Ojibwe and Program Specialist for the National Indigenous Women’s Resource Center, describes the predatory impact of the oil boom at a conference against the Keystone XL Pipeline and violence against women: “They treat Mother Earth like they treat women... They think they can own us, buy us, sell us, trade us, rent us, poison us, rape us, destroy us, use us as entertainment and kill us. I’m happy to see that we are talking about the level of violence that is occurring against Mother Earth because it equates to us [women]. What happens to her happens to us... We are the creators of life. We carry that water that creates life just as Mother Earth carries the water that maintains our life.”⁵

Crime in and around Fort Berthold has spiked since the beginning of the oil boom, tripling in the past two years with 90% of crime drug-related, leaving tribal members feeling a continuous threat from “strangers” now living on the reservation. In recent months, the 2014 National Drug Control Strategy report specifically named the state and local tribal law enforcement agencies as becoming “overwhelmed” by the crime due to its sheer magnitude and law enforcement’s under-resourced and overstretched officers.⁶ On November 14, 2014, as complaints by tribal members and human rights organizations grew, the Federal Bureau of Investigation announced that it would open a permanent office in Williston, North Dakota⁷ to help with law enforcement efforts. Interstate drug-rings, such as one led by brothers Oscar and



A "Man-camp," Fort Berthold MHA Nation, North Dakota, photo by Kalen Goodluck

Happy Lopez, have targeted this region. In an investigation coordinated by the FBI and tribal officers called Operations Winter's End, 22 people were indicted including the two brothers for dealing heroin and meth in or around Fort Berthold. Officials say these drugs are reaching tribal lands from southern California.⁸

I spoke with tribal member Theodora Bird Bear who has worked extensively to protect the people and lands of Fort Berthold. "You see the most visible evidence of change in the country side with the industrialization. The horizon is lit up with lights when this was a totally undeveloped area before 2008," she tells me. "Before we could not see our air, but lately it's a grey haze, with visible particulates. Not only do you breathe it in but it becomes lodged permanently in your lungs and heart." Another obviously visible presence of the oil industry in MHA Nation is the traffic. Having one central streetlight in town connected to interstate highways, residents share the road with big business. Traffic in and around Fort Berthold is not

only tedious, but also degrades roads, backs up service vehicles, and highly increases the amount of road accidents.⁹

Theodora Bird Bear has worked for the Indian Health Service (IHS) for 19 years and as a writer for New Town News. During her time as a writer, she has had several petitions filed against her by Tex Hall's administration in a possible attempt to get her "fired" because of her writings on the decisions the tribal council was making in regards to oil, particularly its refinery process on the reservation and the exploitation of tribes in Canada regarding the Tar Sands around the year 2000.

Fort Berthold's previous administration was notorious for its lack of transparency, especially its decisions and connections to the oil industry. Former tribal chairman, Tex Hall, made numerous questionable financial decisions for the tribe including the purchase of a Yacht, named Island Girl¹⁰, that can usually be found sitting on the banks of Lake Sakakawea. Looking at the financial budget of 2013, the tribal council had set aside \$72 million in a

general fund and \$421 million in the loosely defined “special projects” fund.¹¹ Tribal members regularly question where this money is spent and for many of them, Island Girl has become a symbol of the misplacement of resources from the tribal government.

Tex Hall made possible back-seat private dealings with gas and oil companies as well as a likely criminal connection to James Henrikson, a trucking and oilfield development entrepreneur, who was arrested for felony weapons charges on 11 counts and for allegedly hiring a hit man to murder an associate.¹² In 2011, with a few felony charges under his belt, Henrikson set his sights on

during his third term as tribal chairman. Maheshu Energy began as a company to broker leasing deals but later offered well site construction, rig transportation and trucking. Despite an ethics ordinance that bans leaders from using their positions for personal profit, Mr. Hall proceeded offering company services. Unfortunately, this ordinance did not specifically prohibit owning an oil-related business and, what’s more, when Steven Kelly addressed the tribal council on the matter of Tex Hall’s conflict-of-interest (i.e. owning a company while residing as chairman), Tex Hall himself asserted that there was no ethics board to enforce those



New oil pad prepped for drilling, Mandaree, Fort Berthold MHA Nation, North Dakota, 2014, photo by Kalen Goodluck

the Bakken oil fields with plans for big money. James Henrikson’s company, Blackstone, worked closely with Tex Hall and the tribal government, gaining access to deals that were never brought forth to public bid, including a trucking contract to water the dusty roads of well sites for \$570,000. Blackstone, controlled by Henrikson and his girlfriend Sara Creveling, was created under the guise of a native-owned business along with a native partner, who was found in businessman Steven A. Kelly. This partnership secured Blackstone with priority contracts on the reservation oil fields. Kelly agreed to a subcontracting deal with Blackstone, opening doors to the Bakken oil fields for Henrikson, but soon discovered he was losing business... to the chairman.¹³

Tex Hall created his own company, Maheshu Energy,

ordinances. Tex Hall went on to control Maheshu Energy, receiving even more business contracts with oil companies.¹⁴

Business turned for the worst when Kristopher Clarke and Rick Arey, both employed by Blackstone, decided to quit and join another company. After Clarke told Arey he was about to drop off his company credit card at Blackstone on February 22, 2012, he was never heard from again. Lissa Yellowbird-Chase, a tribal member and former bounty hunter, took it upon herself to find missing people on the reservation, including Mr. Clarke who was last seen on Tex Hall’s land. As she began her investigation, people stayed away, doors closed, calls dropped, and many warned her not to get involved. The body of Kristopher Clarke is still missing. Despite Clarke’s disappearance, Blackstone and Maheshu’s business

relationship continued on until the end of March 2013.¹⁵

Other ethical activities were called into question when Tex Hall had asked Edmund Baker, director of the TAT Environmental Division, for a favor. A volunteer search party prepared to scour the fields of Williston and Mandaree on July 20 for the body of Mr. Clarke. Mr. Hall asked Mr. Baker to remove “a few frack socks” from his land a day before the search party commenced. Frack socks are oil filters that often contain radioactive waste that surpass the legal limit to dump in the state of North Dakota, commonly resulting in illegal disposal rather than paying the cost of hauling the socks out of state.¹⁶

Naturally occurring radioactive material (NORM) can be found in the earth's crust and include radionuclides such as uranium, thorium, radium, and their decay products as well as lead-210.¹⁷ The radioactive waste produced by hydraulic injection of water into the shale formation is a result of “flowback” or “produced water” that is a mixture of salty fluid trapped inside the rock along with mobilized radionuclides. When this produced water reaches the surface, the radioactive waste generated by the extraction process is what's called “technologically enhanced naturally occurring radioactive material,” or TENORM, which simply means that the naturally occurring radioactive material has been concentrated by human technology and is presently accessible to exposure¹⁸ (not to mention at risk of environmental contamination).

Mr. Baker found around 200 of these frack socks scattered over the chairman's land. The request Tex Hall made had put Mr. Baker in a tough position. Calling upon your environmental director to clean up a gross violation of environmental and community health could only mean one message to Edmund Baker: “Call your regulator, and think he'll do a favor for you and be quiet about it.” Fearing losing his job and possibly even his housing, Edmund Baker documented an incident report for his own records and quietly filed it away.¹⁹

Finally, judgment had fallen onto one Douglas Carlile, a man living in Spokane, Washington with business relations to James Henrikson. The two businessmen had been involved in a \$2 million oil development deal on a tract of 640 acres of land when tensions—and threats—began to arise. The deal went sour when Douglas Carlile sought to find an investor to

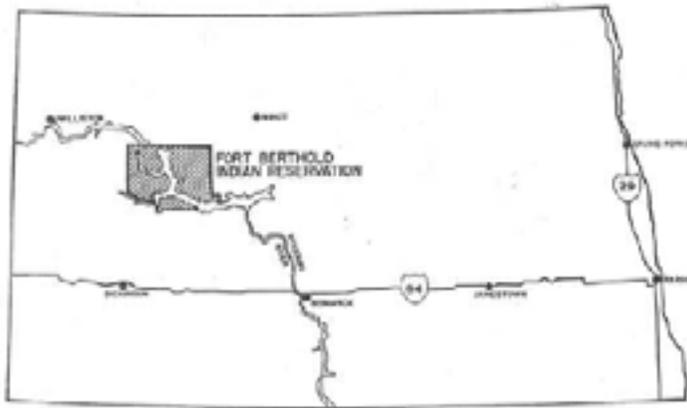
buy out James Henrikson. “If I disappear or wake up with bullets in my back, promise me you will let everyone know that James Henrikson did it” was what Mr. Carlile told his family.²⁰

Sure enough, on December 15, 2013, Douglas Carlile was shot dead in his Spokane home while his wife fled up stairs to hide. Timothy Suckow was tracked down and arrested a month later as the alleged hit man hired to kill Mr. Carlile. James Henrikson was later charged with the murders of Mr. Carlile and Mr. Clarke, indictment for two counts of murder for hire, four counts each of conspiracy and of solicitation to commit murder for hire, and one count of conspiracy to distribute heroine. To these charges Henrikson pleaded not guilty. His trial is set for July 2015.²¹

After the murder of Douglas Carlile, the tribal council issued an emergency amendment to the tribe's ethics ordinance prohibiting its leaders to do business with oil companies on the Mandan, Hidatsa, and Arikara reservation in Fort Berthold. Tex Hall then, transferred ownership of the company to his girlfriend that January. The tribal council failed to suspend chairman, Tex Hall, but hired Stephan L. Hill Jr., a former U.S. attorney in Missouri, to investigate Mr. Hall for public corruption.²²

Coupled with a controversial chairman and a violent businessman comes North Dakota's Industrial Commission that has its own way of dealing with the oil companies. State regulators with North Dakota's Industrial Commission (which consists of the governor, attorney general, and agricultural commissioner) have stated that they are taking a “collaborative” rather than “punitive” approach to handling oil companies. Continental Resources, an Oklahoma-based oil company, had previously experienced 10 blowouts since 2006, and received no form of penalty from the Industrial Commission until the 11th blow out. That time, a Continental well blew out emitting 173,250 gallons of potential pollutants, the Industrial Commission finally decided to penalize the company a fine that amounted to \$75,000, but was reduced to \$7,000 (%10 of the total penalty). Regulators of the Industrial Commission view oil companies as necessary allies in policing the oil fields and following regulations.²³

Since 2008, Fort Berthold has received more than “\$1 billion in oil tax revenue,” but the tribe is still struggling to provide basic services to its tribal members, even as the nation is producing about one third of oil in North Dakota, while North



Dakota is second to Texas as the largest producer of oil in the US. The campaign for new tribal chairman came between Mark Fox and Damon Williams, both promising to ensure tighter regulations on the oil industry regarding the environment, transparency of government decisions, as well as channeling oil revenue to projects aimed at improving services and lives of the 12,000 tribal members. Mark Fox took the election in early November, but by a margin of less than 150 votes.²⁴ Theodora and others know “the previous administration wasn’t interested in regulation.” The multiple spills of millions of gallons of previously injected water used for fracturing by the oil company Crestwood have sparked outrage and distress from tribal members concerned for their health and the environment. These spills are especially alarming because of the unknown chemical agents (considered “trade secrets”) used in hydraulic fracturing have a high potential to seep into domestic water supply.

Transparency by the oil and gas industry and tribal government is one issue, but lack of dissemination of information is another. “It’s difficult to get information on spillages down south in North Dakota,” Bird Bear explains, “You have to file a Freedom of Information Act request to get all the information on spillages. George [Abe] is still trying to get information on where all the pipelines are in North Dakota, and he works in the Natural Resources department and he’s asking!” George is currently having lab work done to test the waters where spills have been reported, but the trouble with these tests is that there is only so much one could know to test for. Due to unregulated use of water used for hydraulic fracturing, hundreds of unknown agents, carcinogens, and toxins could be in those sites and remain untested for.

The health and wellbeing of the environment and the

people of Fort Berthold, as everywhere in the world, are interconnected. “Western Fort Berthold had been kind of a sanctuary for wildlife,” Bird Bear recalls, “Animals were coming here because we were the last safe place. Because of these well sites, a lot of these animals are not able to reproduce safely. The prairie chickens can’t reproduce their offspring, because the wells are where they do their prairie chicken dances.” Human beings living in an unsafe environment as those animals who used to live and drink the same water begs the question as to what will happen to the inhabitants of Fort Berthold after this boom passes. Will adequate and safe regulations on the oil and gas industry be passed? What will be the quality of the water? Were women protected from the predatory nature of these man-camps or do they continue to face dangerous and life-threatening violence like murder, sexual abuse and rape? Will oil revenue reach tribal members in the forms of improved civil and public services? And will crime continue to peak and create an atmosphere of fear in MHA Nation? The answers of course can’t be known for sure, but the new tribal President, Mark Fox, does show some promise with talk at tribal council meetings of responsible development.

On my last trip to MHA Nation, we toured the Alfred Old Dog well site in Mandaree. A site manager greeted us and explained that the drill we saw before us was the same model used for offshore drilling. Everyone gleaned over the towering monolith and its repetitive moving parts. “How much oil is down there?,” asked a relative. “We don’t know. We drill until a site stops producing and then we pack up and move to another site. We can create a projection based on how much we drill a day; you can multiply that to get a monthly projection. But overall we just don’t know.”

That night, a relative took my family and I on his new boat to cruise Lake Sakakawea. The lake is a result of the Garrison Dam that was built by the Army Corps of Engineers in the 1940s. The dam not only took 152,360 acres of land by construction and flooding, but also displaced and relocated approximately 80% of the tribe. After an arduous legal battle fought before the Supreme Court, the tribe was ultimately forced to settle for financial compensation.²⁵ In the distance, just across the water, gas burned like understated candles, tranquil, next to the setting sun. Construction of the Dam had permanently changed the physical and cultural landscape of the Mandan, Hidatsa, and Arikara Nation on Fort Berthold, so what will the reservation look like after oil and gas

run dry? In the end, whose hands did the money fall into?

Before the end of our conversation, I asked Theodora what she wanted people to know about the boom in her home of Fort Berthold: "They should not be misled to believe that there are millions [of dollars in revenue], and say 'that's an oil rich tribe.' No. There are a lot of costs that come with this [gas and oil] industry. In terms of family, loss, fear, crime, environmental, there are lots of costs. The true nature of this development has yet to be shown.

"I would say that all this unconventional development is an indicator for several things. This tells us that conventional sources for oil are done with. Now they have to resort to unconventional oil and gas through this hydraulic [drilling] process. That should alert to folks to what will come in the future. The United States congress likes to talk about energy and independence. Energy and independence will only be here for so long, and then what happens? That's a temporary thing. And this is an exhausting unconventional oil and gas process. Its also exhausting the people that live here."

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