

Ute Indian Tribe Develops Strategic Plan for Oil & Gas Development

Fort Duchesne, UT (Dec. 23, 2020) — The novel coronavirus pandemic has had a severe impact on energy markets throughout the United States, including in the Uinta Basin. Energy mineral development is the largest source of revenue for the Ute Indian Tribe, and amid decreased oil and gas production on the Uintah and Ouray Reservation, the tribe is already feeling the economic impacts of Covid-19.

To mitigate these impacts, the tribe has developed a strategic plan for oil and gas development on the reservation in 2021 and beyond. According to Business Committee Chairman Luke Duncan, the plan outlines various approaches that will allow the tribe to continue its critical revenue stream from mineral assets.

“We’ve identified 12 steps we can take that will help us adapt to the hardships Covid-19 has created, and ensure that we maintain a strong oil and gas economy on the Uintah and Ouray Reservation,” he explained. “These strategies will benefit our tribe and all our tribal members, including those who own businesses here on the reservation. Those businesses have been disproportionately affected by the pandemic; we want to make sure they have access to new opportunities that enable them to grow and thrive.

“We understand there is no one-size-fits-all approach to adapting to an uncertain energy market,” Duncan continued. “Putting our plan to action will involve exploring each of these actions as conditions and available resources allow.”

The tribe’s strategic options include legislative initiatives dealing with tribal contributions to the Strategic Petroleum Reserve, and making Tribal Energy Resource Agreements (TERAs) more accessible; pursuing turnkey operation and maximizing utilization of all oil and gas assets, infrastructure, and business activities on the reservation; and storing crude oil supplies until market conditions improve.

Additional priorities involve establishing commitments with the planned Uinta Basin refinery; developing the reservation’s gas-fired power plant, and pursuing the establishment of a tribal utility service; and pursuing drilling venture opportunities.

“Of course, we also will be taking targeted and effective action to mitigate impacts on tribal member dividends,” Duncan said. “This has been an extraordinarily

challenging year for us all, and protecting our people from Covid-19 is our top priority. That means protecting their health and safety, yes, but it also means protecting our tribe's economy. It must continue to thrive for the generations to come.”

About the Ute Indian Tribe

The Ute Indian Tribe resides on the Uintah and Ouray Reservation in northeastern Utah. Three bands of Utes comprise the Ute Indian Tribe: the Whiteriver Band, the Uncompahgre Band and the Uintah Band. The tribe has a membership of more than 3,000 individuals, with more than half living on the Uintah and Ouray Reservation. The Ute Indian Tribe operates its own tribal government and oversees approximately 1.3 million acres of trust land that contains significant oil and gas deposits. The Ute Business Committee is the governing council of the tribe.

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