

Summary: Investigation of Falsification of Approval of Oil and Gas Leases

Report Date: June 22, 2016

OIG investigated allegations that Bureau of Indian Affairs (BIA) employees falsified oil and gas lease extension documents related to an oil and gas exploration company on the Blackfeet Indian Reservation (BIR). The complainant alleged that BIA personnel backdated approval for some lease extensions to make it appear as though they had been approved prior to the exploration company's withdrawal notice.

We found that a BIA Superintendent and Deputy Superintendent backdated two National Environmental Policy Act (NEPA) documents, and the 20 leases covered by those two NEPA documents, to reflect approval on March 7, 2013, prior to the oil and gas exploration company's withdrawal notice. The NEPA documents could not have been signed prior to the company's withdrawal on the afternoon of March 7, 2013, because the documents were placed in the U.S. mail from Billings, MT to Browning, MT that same afternoon of March 7. Those documents were required to be signed before a lease could be approved.

BIA employees then used the backdated NEPA and lease documents to submit a bill for collection. The oil and gas exploration company appealed the bill for collection, and the backdated documents were discovered during the solicitor review of the appeal. BIA subsequently dropped its claim for the disputed leases.

We also found discrepancies in the Deputy Superintendent's affidavit submitted to the BIA Director's Office in January of 2014 explaining why she had changed the dates on 19 of the lease extensions from March 8, 2013, to March 7, 2013. Her account of events was refuted by the Superintendent, who did not recall instructing her to change the date of her review and by documentary evidence that showed it would have been impossible for her to have reviewed the NEPA documents on March 7, 2013, as she claimed.

Further, the Deputy Superintendent did not recuse herself from the lease extension approval process even though her significant other would have benefitted financially if the oil and gas exploration company had made payment on the lease extensions.

This matter was declined for prosecution by the U.S. Attorney's Office, District of Montana. This is a summary of an investigative report that was issued to BIA for action.

