

Band inks deal with oil firm

By Matt Kruchak
of The Star Phoenix

Chief Kelly Bird struck a deal in hopes of striking black gold.

The Mosquito Grizzly Bear's Head Lean Man First Nation has entered a partnership with Sahara Energy Ltd., a Calgary-based company, to explore the community's land for oil and gas.

"It's certainly a brighter future for my community," Bird said. "It means an increase in revenue, it means that we don't have to live on the means of the government funds that we get."

The community should have gone this route to generate revenue long ago, he said. The community has a shortage of homes, he said, adding the money will help build more.

As part of the deal, the Mosquito First Nation will make available its oil and gas rights for 62,000 acres of its land. This includes 14,000 acres of selected Treaty Land Entitlement (TLE) lands in western Saskatchewan.

Peter Boswell, president and CEO of Sahara, said that land has oil and gas potential, along with about 35,000 acres of reserve land.

The Mosquito First Nation still has to select 13,000 acres of TLE lands. Sahara will help the community select the land where the possibility of oil and gas is greatest, he said.

"The important thing is the land that is not selected yet, that's where my focus is right now, not the existing land base we have," Bird said.

"Their plan is to find as much oil and gas on their lands as possible and in order to do that they need an oil company that's willing to spend a lot of time and effort," Boswell said.

Sahara's appeal was that it was a small enough company that this project would be a priority, Bird said.

It's a three-year deal, but he said it could be extended. Sahara also agreed to provide employment and training for residents. Bird didn't know how many jobs would be created.

Neither Bird nor Boswell would disclose financial details of the deal.

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