

Oil on the Sahtú: Imperial(ism), Resource Regulation & Modern Treaties

by Cassandra Blondin Burt

SINCE THE SPRING OF 2024, the Sahtú Dene of Denendeh, or the Northwest Territories, have been in negotiations with ExxonMobil/Imperial Oil for the renewal of operating and water licenses, the repair of a broken pipeline, and the closure of Oil Fields located in Norman Wells, NT, located on the edge of the Mackenzie River, under the shadow of the Mackenzie Mountains. The Dene name for Norman Wells is Tłegohłı̄ which means “where there is oil.”

It was about last Spring when I got a call from my Auntie, Lucy Jackson, former acting Chief of Rádeyílikóé, or Fort Good Hope, NT. She told me there was talk of Imperial Oil shutting down services in Norman Wells if the permits for work mentioned above were not completed quickly. This news was generating much discussion among the Sahtú Dene.

As Cabin Radio reported in September 2024, Imperial Oil wants to replace aging pipelines connecting two islands in Norman Wells. Doing so would unlock greater access to oil for the company. In early February 2025, Imperial Oil said it needed its proposal to swiftly advance through the regulatory process to keep the Norman Wells facility operating. If there was no movement on the Line 490 Project by October, Imperial said, that might jeopardize its chances of doing the work in 2025 and the Norman Wells operation could “shut down by 2026, and potentially even earlier.”

The Sahtú Secretariat Incorporated and Sahtú Land and Water Board have challenged the rough and rushed approval process for construction and instead creating space for dialogue and for community voices to be heard, Indigenous Rights to be upheld, and future planning to take shape based on the Sahtú Dene and Métis Comprehensive Land Claim Agreement.

The Sahtu Dene’s advocacy around Imperial Oil’s proposed expansion reflects an unfolding trend in Northern Canada and in modern treaty contexts where First Nations are using a relatively new resource regulatory regime to assert their rights. What does this mean for the future of industry on Indigenous lands?

Consultation According to Imperial Oil

Based in Alberta, Imperial Oil generates significant profits from the Norman Wells Oil Fields, meaning that the company’s ties to the Sahtú region are significant. In fact, the Sahtú Dene and Imperial Oil have been in dialogue since the Norman Wells Proven Area Agreement was signed in 1944, and a pipeline that begins in Norman Wells and runs to Zama City, AB, was completed in 1985. This pipeline connects Denendeh to the wider North American Oil Industry.

In October 2024, “Imperial Oil [had] asked an NWT regulator to shut down [the] environmental assessment of its Norman Wells facility” – an assessment that was triggered a month prior by the Sahtú Secretariat. If the regulator refused, Imperial threatened that they “may take the matter to court.”

In November 2024, John Gregory, Conventional Oil and Gas Asset Manager, argued against slowing production at Norman Wells, informing the Sahtú Land and Water Board Executive Director Paul Dixon and Board Chair Valeria Gordon that there are “significant logistical and safety concerns with a rushed shut-in of Norman Wells” (a temporary pause on production). These challenges are

increased during suboptimal seasons, such as winter, when there is a heightened risk for both workers and the environment, as well as greater logistical challenges. Furthermore, because the pipeline “has been operating within its current scope since the early 1980s and is integral to the economy of the region,” a shut-in would be disruptive for businesses and employment in both Norman Wells and the Sahtú region more generally.

Reading through the early consultation transcripts from meetings between Sahtú communities, leadership, and Imperial Oil, I was struck at the differences in language and epistemology – like two different timelines converging – and I found myself wondering at the changes unfolding here.

How can industry continue to subscribe and promote narratives of growth and fossil fuels generally as a sort of common sense, after they have supposedly learned about Indigenous values and our relationship with the land? All against the backdrop of climate change.

Chief Frank Andrew of Tulit’a tried to point this out when he told Imperial Oil to look at “our country... our river... our mountains. Look at what we have here. You don’t see anything right now... How are you going to understand us?” Imperial Oil’s consultation process impedes the possibility of meaningful community input while remaining intentionally inaccessible. Chief Andrew, emphasized “virtual consultations were insufficient and impersonal, stressing the importance of face-to-face meetings to fully discuss the matters at hand. “There’s a lot of things we want to talk about, I want to talk about, but I don’t like talking to a TV. When I talk to a TV, I feel like I’m talking to myself.” Meanwhile, Elder Sally Ann Tatti drew attention to the possibility that the people of Good Hope and Tulita might misunderstand the applications presented by Imperial Oil and not have enough time to come to a well-informed decision. “We can’t make a decision without nothing in front of us, and we just got this invite this morning.” she said.

Concern surrounding the lack of clarity from Imperial Oil was also reflected in the Sahtú Secretariat Incorporated’s response to the Canadian Energy Regulator, expressing an “opposition to Imperial Oil’s stated intention to ‘carry out

the Project under the authority of its existing Operations Authorization.” Sahtú Secretariat Incorporated requested “the Project be subject to a full review by the Canada Energy Regulator” and noted that Imperial Oil “continues to struggle with the concept of consultation with local Indigenous people and land claim corporations.”

What are Imperial Oil’s obligations, then?

The Rise of Co-Management: Expert Perspectives

This land in question is held and protected by the Sahtú Dene and Métis Comprehensive Land Claim Agreement (1994), which was based, in part, on the monumental ground won during the Berger Inquiry. The Berger Inquiry, also known as the Mackenzie Valley Pipeline Inquiry (1974–1977), was essentially our first Environmental Assessment — a process based on uplifting community (Indigenous) voices and considerations for the land to demand accountability from industry. This dialogue and any subsequent agreements would create a new regulatory regime to provide some degree of rights for the Sahtú Dene.

To find out more, I reached out to Mark Cliffe-Phillips at the Mackenzie Valley Review Board, who told me that the unfolding situation has caught Canada’s attention.

[I]t’s a precedent-setting decision. Communities are starting to get a sense of the importance of Environmental Assessment processes that come out of their Land Claim and the importance to speak out and use the process to their advantage.

The main thing is that our board had a lens to upholding the Treaty, upholding the Sahtú Agreement. Everything in this decision sets the framework for how our board understands the primacy of the Sahtú Agreement, and, yes, we have federal legislation, but that is only there to implement the intent and purpose of the Land Claims. [It ensures] that residents of the Sahtú have an authority and voice in the decision-making on resource management. So, that’s where all decisions should be framed in that light, and I think, from a co-management board, this is probably the first time we have voiced that in a decision of this magnitude.

[This approach comes from] the Dene-Métis Agreement back in the ‘80s, which came from the Indian

Brotherhood Movement, which came from all the historical backgrounds of ensuring that Dene in Mackenzie Valley have a voice in these decisions.

Cliffe-Phillips concluded that this presents an opportunity to us, a horizon where the closure of Imperial Oil is possible, “and not under an old colonial legacy system, but under the system that was designed by the Sahtú, for the Sahtú.”

Peter Dixon, Executive Director at the Sahtú Land and Water Board, told me that, given this history of activism and negotiation, the regulatory system today is spelled out and law and must be considered, including in cases where major projects are winding down. Dixon elaborated that “in any new major development in the Northwest Territories...closure is contemplated in advance of construction. When you’re building a mine site, you’re anticipating closure at the very beginning of your application. Whereas Imperial’s history, being a hundred years old, there was no such thing as closure planning in oil and gas...A hundred years ago, there was no regulatory framework.” Dixon added that communities want to understand what “closure” means for Imperial Oil, even though that closure may be several years away.

Larry Innes, who focuses on Indigenous rights and environmental law, shared that,

Everyone is writing this through a lens of “Imperial is going to leave unless we give them everything they want.” And that, of course, is a historic perspective. And completely ignores the fact that Imperial was, absolutely, on peoples mind when the land claim was negotiated. [Assuming otherwise] illustrates why Treaties are not read properly by public governments. The dominant party at the table says, to the Indigenous Party “accept our worldview, and negotiate within that frame” and clearly that is resisted throughout every treaty.

Sahtú Secretariat Incorporated connected me with Energy Consultant Doug Matthews to speak at length about this project and others in the territory that are connected to a wider evolution of Indigenous-led economic development happening worldwide. Matthews shared that it has been interesting to see Sahtú Secretariat Incorporated asserting its modern treaty rights and to see the GNWT attempt to deny those rights — as it had done with the [Colville Lake Caribou issue](#).

Matthews then relayed to me a chance encounter he had with my Auntie Ethel Blondin Andrew seven years ago on the streets of Yellowknife. My Auntie, he told me, was on her way to a meeting with Imperial Oil to discuss Imperial’s potential sale of its two-thirds of interest in the Norman Wells Oil Field. At my Auntie’s request, on behalf of Sahtú Secretariat Incorporated, Matthews collaborated with a small group of experts — a geologist, a lawyer, and a banker — to review Imperial Oil’s plan.

Matthews recalled that what began as a discussion on potentially investing in the oil field quickly turned into one focused on wrapping up production and cleaning up the site — and how the Sahtú might get involved. In fact, both then and now, Sahtú Secretariat Incorporated (SSI) took on a role in managing the oil field’s closure and the economic transition that it may require. Matthews argued that “SSI actually exercised its modern Treaty rights to bring this all about, and that’s the first time that’s happened, to the best of my knowledge.”

“How come our land is so rich, and we are so poor?”

I spoke to writer, author, and filmmaker Raymond Yakeleya about the Sahtú Dene, Treaty 11, Imperial Oil, and the importance of speaking about these issues, connecting the past to our present. “How much money was made over the years?” He asked me over the phone, calling from amiskwaciy (Edmonton) to my home in Ndilo, just beside Soombakè (Yellowknife). Yakeleya told me he had never agreed with Treaty 11 — which Canada had created to access oil on Sahtú lands — or its interpretation.

I always thought that our people had been cheated out of their wealth by the government and Imperial Oil. And it needs to be said. My two Grandpas who signed that treaty thought they were entering into an honourable agreement — nothing like what’s been going on. It’s all been crooked one way. They didn’t agree to be in poverty. And that’s what history has proven. We have a rich resource, but it doesn’t affect the Dene in any way. The government gave Imperial Oil two-thirds of our oil resource, our heritage. And they have done nothing but steal it. So they are thieves, and they have never been friends of Dene.

Yakeleya went on to say that while the wealth of Canada and Imperial Oil has grown, the Dene have been left behind.

Who's left out? The Dene are left out – on their land! We could have had cultural centres, we could have had libraries, elders homes, you know, chances for our youth. We have no money to do things like that. They never addressed the future of the Dene. Too busy stealing.

[...] the Treaty has only been a one-way system. It has never addressed the concerns of the Dene. All they did was steal money. My Grandma Elizabeth used to say, "How come our land is so rich, and we are so poor?" When the government of Canada came up North, and divided the Oil field – never once did they ask us as partners to take part in the deal.

Ted Blondin, my uncle and Tlicho negotiator, once said, "Nature doesn't know 'right' from 'wrong'; it only understands balance." So, while it is true that Canada and industry have exploited Dene lands, Dene are also intervening to push back.

My uncle told me that Elders are the guardians of what happens on our land. "They have to ensure that the environment is protected — the land, the water, the wildlife — for now and for future generations." As such, any request for a land use permit should involve direct consultation with Indigenous communities, and with Elders in particular, about how the land will be used, how safe that use is, and any potential impacts on the environment or communities who live in the region.

While the wealth of the oil fields is important, my uncle argues, "Imperial Oil has not come up with enough evidence to satisfy everybody that what they are planning is safe. Anything can happen; anything can go wrong." In fact, Imperial Oil has done very little to satisfy community members' concerns. "We cannot afford anything going wrong, harming the land, the water, or wildlife — now or into the future," my uncle told me. "That is non-negotiable."

In a letter to the Canadian Energy Regulator, Sahtú Secretariat Incorporated told Imperial Oil,

[E]ven a cursory reading of the Sahtú Dene and Métis Comprehensive Land Claim Agreement should help to dispel this notion on the part of Imperial [that consultation is not required]. The Sahtú Dene and Métis Comprehensive Land Claim Agreement is very clear in setting out the requirement for consultation in respect of resource exploration and development activities. The Land Claim says that before any oil and gas exploration takes place, the person proposing to explore and/or develop... shall consult on the exercise of the person's exploration with respect to a number of issues including the impacts on the environment and wildlife.

Whether the Sahtú Dene are aiming to create balance on the land, remediation, or economic development, they are going to have a say. Moreover, the past year's engagement reveals that Sahtú Secretariat Incorporated is, at the very least, positioning itself to reclaim Dene roles of management and authority when it comes to decisions about the land and resources. The "new" regulatory regime appears to be a tool toward that end.

What Happens Now?

As of February 1, 2025, Imperial Oil has been granted an emergency sixty-day renewal of operating licenses. At the same time, assessments continue on a three-year license extension for the ongoing operation of the Oil Fields as well as the date for their eventual closure. While imperfect, the significance of these ongoing negotiations is not to be ignored.

Like the myriad examples of Indigenous leadership unfolding across Turtle Island (and the world), these processes — asserting Sahtu voices — reflects a shift in dynamics for Indigenous, Industry, and Crown negotiations. We are seeing a new era of Modern Treaty activism. And although there is much for us to learn from living through these times, there is much to be inspired by and hopeful for.

These negotiations have, so far, not escalated into further threats of closure but we have arrived in the new year without clarity. These new regulatory processes have created space for dialogue between Imperial Oil, Sahtú Secretariat Incorporated, Sahtú Land and Water Board, and the Mackenzie Valley Review Board, as well as

between the people of the Sahtú. And not everyone agrees. As we face a near future shaped by ongoing political uncertainties and tensions regarding renewable energy sources versus the continued use of fossil fuels. Creating processes that push towards better understanding of one another and finding common grounds is key for the relationship between Indigenous and non-Indigenous peoples. In this time of change, we need to nurture space for hope and possibility.

CITATION

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