



Osage Minerals Council
Regular Meeting
October 19, 2022
Pawhuska, Oklahoma

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1. **Call to Order and Welcome by Chairman Waller – 10:02 a.m.**
2. **Opening prayer and reading of Deceased Osage – Councilmember Redcorn**
3. **Roll Call – Chief of Staff Lacey Reynolds**

Councilmember Bighorse – present
Second Chair Cheshewalla – present
Councilmember Currey – present
Councilmember Red Eagle – present
Councilmember Redcorn – present
Councilmember Revard – present
Councilmember Shackelford – present
Chairman Waller – present

Guests: Troyce Garringer, Stephanie Davis, Dwayne Jantz, and Robert Knappe,

4. **Superintendent Report – Acting Deputy Superintendent Cammi Canady**

Aggregates: APAC produced 32,398.61 tons and paid \$36,286.44 in royalty; Candy Creek produced 0 tons and paid \$0 in royalty; Wilson Ranch produced 0 tons and paid \$0 in royalty; Burbank Materials produced 11,336.23 tons and paid \$12,243.13 in royalty; Schmidt Brothers produced 344 cubic yards and paid \$258.00 in royalty; Rocky Bank produced 0 cubic yards and paid \$0 in royalty; Sherwood Construction produced 0 cubic yards and paid \$0 in royalty. **Producing wells:** 14,852 less 3,230 for SWD Wells. **Approved Permits:** 4 Workover permits, 9 plugging permits, 5 emergency plugging permits, 1 emergency workover permit, 0 drilling permits. No new drilling completions reported.

Discussion: Councilman Revard requested that the Bureau of Indian Affairs put the daily production of the producing wells back on the summary. Acting Deputy Superintendent agrees.

5. **BTFA Update: Fiduciary Trust Offer Troyce Garringer and Trust Accounts Administrator Stephanie Davis.**

Her office is working on tribal accounts reviews. This will be complete in the next week or two. They closed out the fiscal year and updated items for individual accounts for December payment. A copy of a letter was provided to Chief of Staff, Lacey Reynolds regarding the question asked last month, about where the headrights are.

Discussion: **Councilmember Red Eagle** states that he has been to the attorney general to try to get those headrights returned to the Council. **Councilmember Revard** asks what



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happens to the headright when a headright owner deceases with no heirs. Troyce Garringer refers him to the Bureau of Indian Affairs probate department.

6. New Business

a. Ironhawk – Sid Anderson

Chairman Waller gives a call for Ironhawk for an Easement. Mr. Anderson is not present. Chairman Waller states we will move down the agenda. If Mr. Anderson appears, we will pick it up then.

b. Becca Contractors – 214 Lease – Dwayne Jantz

Mr. Jantz gives the Council an overview of the State highway 99 project that is the replacement of the bridge over the Arkansas River north of Cleveland. It is about an 800 foot of the project in Osage County and a million overlay. Any excavation will stay on the project site. The borrow was brought in from Tulsa County.

Discussion: **Councilman Revard** asks what the duration of the production is going to be. Mr. Jantz says the actual duration is 500 days; it should be complete sometime in 2023. Councilman Redcorn asks what is going on, on the Osage side and what will happen to the materials excavated. Mr. Jantz says the existing abutment needs to be removed and the material will be reused. **Councilman Redcorn** asks if he can come look. **Mr. Jantz** agrees. **Councilman Revard** asks if there is any pipeline that is attached to the bridge. **Mr. Jantz** says yes sir they are both communications. Councilman Revard asks if there are any oil or gas lines and would it be possible to utilize in the future. **Mr. Jantz** states he does not really know. **Chairman Waller** announces that we will waive the 214 lease for this project. Chief of Staff Lacey Reynolds will prepare it.

c. Becco Contractors – 214 Lease – Dwayne Jantz

Mr. Jantz discusses the project on US 60 west of Pawhuska it starts approximately a half mile west of county road 5305 and extends for a little over six miles. It is existing pavement and base removal. A sub grade stabilization will be completed and approximately eleven inches of asphalt paving in the same alignment. Duration will be 420 days and started on October 10 so it looks to last until January 2024.

Discussion: **Chairman Waller** announces that we will waive the 214 lease for this project. Chief of Staff Lacey Reynolds will prepare it.

d. Biannual Meeting Dates – Chairman Waller

Chief of Staff Lacey Reynolds announces that proposed dates are November 29, November 30, or December 6. Councilmember Shackelford states that he would prefer for it to December 6 due to Thanksgiving. **Councilman Revard** agrees. **Councilman Revard** announces that when we develop the agenda that it should be in executive session. **Chairman Waller** agrees.



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Motion: Approve the Biannual Meeting date of December 6, 2022

Motion by: Second Chair Cheshewalla

Second by Councilman Shackelford

Councilmember Bighorse – Y

Second Chair Cheshewalla - Y

Councilmember Currey – Y

Councilman Redcorn - Y

Councilmember Red Eagle – Y

Councilmember Revard – Y

Councilmember Shackelford – Y

Chairman Waller - Y

Motion: Passed YES: 8 NO: 0

ABSTAIN: 0 ABSENT: 0

7. **Executive – Chairman Waller** announces due to the attorneys being unavailable this will be bypassed. **Councilman Shackelford** states that **Chief of Staff Lacey Reynolds** should work with the attorneys involved to coordinate dates. **Councilman Revard** states that he would like to know what would be addresses to be more prepared. **Chairman Waller** Agrees.

a. **Attorney Update**

8. **Old Business**

a. **St. John Update – Talee Redcorn**

Councilman Redcorn gives an update on the St. John Skinner Sand Unit. He states that a PO has been established. That there is communication between the Attorney General, Osage Nation Procurement and the Osage Nation Treasurer trying to determine the proper procedure for the PO. **Council Revard** says this is all news to him and he had no idea there has been communication with the attorney general. He gives his recollection of the history of this project. He reads from Bill Lynn's report of keepers and states he does not know what zones they are out of or what the status is of the operator. He asks if we were to operate what would be done with the funds and who would be responsible for the bonding requirement. He states the average cost to plug a well is \$22,800 and that it is a liability and asks what kind of liability we would assume. He says that some of us have been around production all of our lives because we live around here and work around here but we are not oil and gassers. He states that he is not against it, but we are just not prepared. That it is a risky business and we just do not know. **Councilman Redcorn** states that he agrees, but he disagrees that we have not done our due diligence. He says that the first choice was the Avant but the BIA sold them out from under them, and wants to know why they are setting on the lease. He thinks we have enough guys and that it is coming from an orphan well, so it is one that people walked away from, so if they want to shelf it and start again, then that is fine, but for our shareholders let's see if these guys can operate it. Everybody is working together to see if the language is adequate so that we can get it going. He states that all decisions have been made; we are just waiting on the nation to pull the trigger. **Councilman Revard** says that it is a great update, but he did not know that we were talking to the attorney general and he has never met the attorney general and asks if it would be appropriate to include some of the other council



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members in the discussion. Chairman Waller said Osage one was going good until oil fell to \$7 a barrel. **Councilman Red Eagle** states that he talked to the AG and said we can spend the money any way we wish. He then states we have a man that has been out to the St. John many times and requests that he be given a chance to speak. **Justin Patterson** field man in plugging department states we know what it made at first, but that it was making oil and they started getting holes in the casing. He states that we are not going to be able to go start them all up at once. One well before first because it makes a little oil, but all the gas to run the lease. After that it will be one well at a time. He says it is like wildcatting. You do not know until you get a hold of it, and run it right. Then you will know. **Councilman Revard** states that shareholders will get a standard royalty but beyond that is another issue. He asks what happens if it is a loss, will they share in that. He states there needs to be an organization structure and a legal structure; we just need a few more steps. **Councilman Redcorn** says Mr. Dowd said go for a lease to keep the federal protection. **Councilman Revard** asks at whose direction our staff is working on a PO at? Councilman Redcorn states the Minerals Council. **Councilman Revard** references former Council member Forman saying we do not operate in a vacuum and states sometimes it was directed at the Chairmanship and sometimes at our staff. He says could the rest of us be included. Councilman Redcorn states he read all these things and there was no action against him and he continues to bring them up. **Chief of Staff Lacey Reynolds** states that staff's duties is to follow through with previously passed resolutions and that it has been approved my OMC 4. Councilman Redcorn states if you want to know something go in the Chief of Staff's office and ask or pick up the phone and call her. He states nothing else has happened other then we are trying to figure out if it is going to be a legal maneuver or not.

b. Support of Joint Building with Osage Nation Congress

Motion: Joint Building with Osage Nation Congress

Motion by: Councilmember Bighorse

Second by Councilmember Revard

Councilmember Bighorse – N

Second Chair Cheshe walla - N

Councilmember Currey – N

Councilman Redcorn - N

Councilmember Red Eagle – N

Councilmember Revard –N

Councilmember Shackelford – N

Chairman Waller - N

Motion: **FAILED** YES: 0

NO: 8

ABSTAIN: 0

ABSENT: 0

Discussion: Chairman Waller states that the Osage Nation Congress is building a new building and would like to know if we would like to join them. **Councilman Cheshe walla** says he is all against anything with Congress. We already have a building. **Councilman Shackelford** states he has no problem going into a joint building but this is a nice area. A lot of good stuff happens here. He could go either way but he is comfortable here. **Councilman Revard** states he concurs with both Second Chair



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Cheshewalla and Councilman Shackelford but he wants to be independent. He wants our own place, he likes this place, and why can't we ask the BIA to go find a new place. He states his he does not like the cameras and wants to know who is watching us. He would like to pursue getting more control of our own stuff. **Councilman Red Eagle** agrees.

Chairman Waller says he does not want to leave the chambers.

- c. **Posting for new position – Chief of Staff Lacey Reynolds requests that posting for the vacant position be added to the agenda.**

Motion: Chief of Staff start the process of looking into the replacement of our loss

Motion by: Chairman Waller

Second by: Councilman Bighorse

Councilmember Bighorse – Y

Second Chair Cheshewalla - Y

Councilmember Currey – Y

Councilman Redcorn - Y

Councilmember Red Eagle – Y

Councilmember Revard –N

Councilmember Shackelford – Y

Chairman Waller - Y

Motion: Passed YES: 7 NO: 1

ABSTAIN: 0 ABSENT: 0

Discussion: Councilman Revard states he is having issues with the wording of the resolutions and that we need to discuss in executive session what our needs are and some of us that aren't around as much as others do not know what our needs actually are and he would like to discuss it before. He states he would like to change the wording of the motion. **Chairman Waller** states he would allow the Chief of Staff to go the Osage Nation Human Resources and that the hiring will be brought to the Council. **Councilman Revard** states it is premature to go the HR Department. **Chief of Staff** states that we do need to start the process; due to her absence at the end of November and beginning of December and that, the workload is too much for one person.

Councilman Revard states he is not opposed to it, and he knows we are short-handed and need help but in the real world, there are temporary services and that until we know what our needs are we do not need to go to HR. He said this process gets under his skin, because he wants to be included until we know who we are hiring and for what purpose. **Chairman Waller** clarifies that this is a job description that has been in place. He states that he has two staff members that have done so well in taking care of what they have had to take care of. That job description is what you will be looking at, no temporary is going to fall into that. **Councilman Red Eagle** states you got to remember that everything goes under the Nation. That we will interview them. He does know that it always takes three people to run this organization properly. **Councilman Shackelford** comments that it is not a snap your finger process. It is complicated when you have eight bosses. He says right now we have two people and we are used to having three so this hire needs to happen sooner rather than later. There is a lot of stuff going on while we are not sitting here. He states we need to get our staff help and we need to act on this.



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9. Meeting Minutes

Motion: Approve September 21, 2022 Meeting Minutes

Motion by: Chairman Waller

Councilmember Bighorse – Y

Councilmember Currey – Y

Councilmember Red Eagle – Y

Councilmember Shackelford – Y

Motion: **Passed** YES: 8 NO: 0

Second by: Second Chair Cheshewalla

Second Chair Cheshewalla - Y

Councilman Redcorn - Y

Councilmember Revard – Y

Chairman Waller - Y

ABSTAIN: 0 ABSENT: 0

10. Adjournment

Motion: Adjourn

Motion by: Chairman Waller

Councilmember Bighorse – Y

Councilmember Currey – Y

Councilmember Red Eagle – Y

Councilmember Shackelford – Y

Motion: **Passed** YES: 8 NO: 0

Time: 11:36 a.m.

Second by: Councilman Bighorse

Second Chair Cheshewalla - Y

Councilman Redcorn - Y

Councilmember Revard – Y

Chairman Waller - Y

ABSTAIN: 0 ABSENT: 0

Approved by the Fifth Osage Mineral Council on December 8, 2022.

A handwritten signature in blue ink, appearing to read "Everett Waller".

Everett Waller, Chairman

A handwritten signature in blue ink, appearing to read "Dacey Reynolds".

Executive Administrative Assistant