

Osage Minerals Council

Regular Meeting

August 14, 2015

MINUTES

Call to Order

Chairman Waller calls the meeting to order at 1:00 P.M.

Opening Prayer and Reading of Deceased

Chairman Waller gives the opening prayer. Chairman Waller reads deceased Osages.

Roll Call

Lacey Reynolds calls roll. Osage Minerals Council members present Councilwoman Boone, Councilman Cheshewalla, Councilman Crum, Councilwoman Erwin, Councilwoman Red Corn, Chairman Waller, Councilman Yates

Guests in attendance:

Jinx Geurin, Bob Knappe, Joy Ledbetter-OST-Osage Agency, Jean Dennison, Lee Ann Ammons, Jamie Sicking, Lonnie Hudgins, L.K. Heskett, Julie Wilson, Sandra Jamison, Teresa Rutherford, Bev Brownfield, Shane Matson, Joe Hall, Jess M. Kane, Nona Roach, Fred Storer, Scott Heskett, Keli Mashburn

ODOT-MOU proposal-

Chairman Waller stated that he has been requested by the State of Oklahoma to come in front of the Council to have a proposed MOU to be brought to us. This agreement will help ensure that the Council and BIA have current information regarding highway improvements in Osage County and that the Department has the necessary language and understanding of potential fees and permit requirements. This will in turn allow construction timetables to be executed as planned and help contractors more effectively bid on projects. Councilman Crum asks, "Are they planning on bringing a proposed deal?" Chairman Waller said, "Yes." Councilwoman Erwin asks, "Is this the State of Oklahoma?" Chairman Waller said, "Yes." Chairman Waller states that the Council's attorney will also look at the proposal. Councilman Yates asks, "Which attorney? McCullough is kind of the general."

Chaparral – Tom Lackey Update on North Burbank

Chairman Waller said Tom Lackey was not supposed to be here. Chairman Waller just wanted to give the council heads up about Tom Lackey would like to give them a report on Wednesday.

Performance –Leases (Bob Knappe w/ Attorney Jess Kane)

Bob Knappe is following up on a proposal that they had presented last month, that's related to an idea of a contingency lease, or a stand by lease, also known as a top lease. They are in the process of completing an acquisition of production in lease hold this from Chaparral Energy and we have attracted a large amount of capital for drilling. In the same way the operators in Osage County that are struggling with the idea of a title opinion because of the Donelson case . If the Council would pass a resolution granting this type of lease which goes in effect only in the event that the court would order the termination or the order of the leases as is outlined in the lawsuit. Then this lease would go into effect and preserve the title of the properties that they want to acquire to drill on. They have seven and a half million dollars allocated, ready to go to start drilling on these properties. At the request of the Council last month, Mr. Kane did get in touch with the Councils attorney Mr. Dowd and to Mr. Woodcock at the Solicitors Office. Mr. Kane thought it went well with Mr. Dowd and Mr. Woodcock. Mr. Kane talked about the resolutions that were in the books. The reason there are two resolutions is these leases include the actual lease that is the subject of the Hayes v. Chaparral case, one of these resolutions corrects the title.

Sullivan-Salt water Easement

Chairman Waller said, "We will take care of it on Wednesday's meeting."

Minerals Council Website –Talee Redcorn

Councilman Redcorn talked about having a website for the Minerals Council. Councilman Redcorn states that this is like the newsletter. This will inform the shareholders of information that is going on.

Announcement

Chairman Waller states that the Osage Princess will be here on Wednesday to take pictures with the Minerals Council.

Motion was made to go into Executive by *Councilwoman Boone* and seconded by *Councilman Crum*.

VOTING: BOONE-YES , CHESHEWALLA-YES, CRUM-YES, ERWIN-YES, K.RED CORN-YES, T.REDCORN-YES, WALLER- YES, YATES-NO,

MOTION PASSES: 7–YES 1–NO

(Entered Executive at 10:43 a.m.)

Motion was made to come out of Executive by *Councilwoman Erwin* and seconded by *Councilman RedCorn*.

VOTING: CHESHEWALLA-YES , CRUM – YES, ERWIN- YES, K.RED CORN-YES, T.REDCORN-YES, WALLER-YES, YATES-YES, BOONE-YES

MOTION PASSES: 8 – YES 0 – NO

(Came out of Executive at 12:06 p.m.)

Motion was made to adjourn by **Councilman Crum** and seconded by **Councilwoman Erwin**.

VOTING: CRUM -YES, ERWIN-YES, K.RED CORN -YES, T. REDCORN-YES, WALLER-YES, YATES-YES,
BOONE-YES, CHESHEWALLA-YES

MOTION PASSES: 8 – YES 0 – NO

(Adjourned at 2:38 p.m.)

Minutes by: cr

Submitted by: Grace Reynolds
Approved by: 