

**OSAGE MINERALS COUNCIL
REGULAR MEETING
OSAGE COUNCIL CHAMBERS
PAWHUSKA, OKLAHOMA
MARCH 11, 2016
MINUTES**

Call to Order:

Chairman Everett Waller called the meeting of the Osage Minerals Council to order at 10:07 A.M.

Opening Prayer:

Councilman Redcorn gave the opening prayer and read the Deceased Osage list.

Roll Call:

Minerals Council Executive Administrative Assistant Lacey Reynolds called the roll. Osage Minerals Council Members present were Cynthia Boone, Joseph Cheshewalla, Galen Crum, Stephanie Erwin, Kathryn Red Corn, Talee Redcorn and Everett Waller. Andrew Yates was absent. A quorum was declared.

Visitors to the meeting were Daniel R. Dean, Ronny Wilson, Cindy Wilson, Jinx Geurin, Don Williams, Jerry Reiger, Janel Perry, Bob Knappe, Jamie Sicking, J. L. Hab, Dale L. Jesse, Beverly Brownfield, Teresa Rutherford, John Maker, and Nona Roach.

CHAIRMAN WALLER: Thank you. We have a little housekeeping to do. The first element is the reading of the resolution of the Washington event. (Executive Administrative Assistant Lacey Reynolds read the resolution. Passed 6 Aye, 1 No). Also, we'd like to announce the tribal and the Council are going to reset our date for next Wednesday and have our meeting on the 23rd, 10:00 A.M. in our Chamber. That letter is open, and we'll get to that later. We're going to vote on that, today. Anything else? With that...Yes, Councilman.

COUNCILMAN CRUM: At some point, today, I'd like to hear what it is we're going to be testifying on talking post #4 that we'll be promoting on the trip to Washington. I'm still unclear on what our mission is.

CHAIRMAN WALLER: Yes. I have approved the actual letters from our attorney to the House Sub Ways Committee on the Tribal testimony. We're going to have some tribes that the Chairman will come and speak about it. I'll have that sent out. I just approved it about four or five, last night, and it goes into exactly that we have an environment in which we need to look at repairs that's going to protect our Headright owners. It asks for administration dollars for not only us, but any entity that we're working with. That includes the Bureau, the Nation, ourselves. We just got to look at everything now. We're going to fall short; we know that. The bullet points, I'll have those delivered to you before I leave. Leave me a note to have Tom Fredericks' email sent out to them, and with that, the last commenting period is that under Senator Tester (D-MT), they're looking at BLM review. We're not the only tribe that has some problems and these problems are going to have to be fixed. We're going to have to come up with a solution, here. And, I'd like to offer the United States Government a chance to rectify the problem, before they meet us in Federal Court of Claims. Short story. But, yes sir, I'll have that one for you available, and the printout is on the – Where'd we say it was going to go? Is it the Hart Building on that one e-mail we have? I'll have you a better – They haven't sent that to me, yet. Councilman, yes.

COUNCILMAN REDCORN: I just want our Osage Headright Holders that the attorney, Tom Fredericks wrote a really nice paper. It's called, "Why is the Federal Government Treating Indian Land as Public Lands?" It's a position paper, and that drives the thinking of what this Minerals Council wants to pursue. There's a lot of things we've got to decide, and I agree with Kes-to-mi-Wah-tian-kah. But, right now, we've got an attorney that fully understands, and we appreciate the United States to come to talk with us and

invite us to these things. I feel, as our Chairman said, we've got a long history with the United States going back even to the 1800s, and that's how we want to approach this discussion. So, we appreciate you, the United States, coming forward. The other thing I liked about that meeting that we had, even though we can't discuss, maybe some of the things that were in that, I don't know. We can talk to our attorney, but I did hear one comment from the attorney in Muskogee who said we're all Natives in this room, and I appreciate that, too. I think now we have the ability as Native people to come to a strong solution that's going to protect our assets. So, even though we're leaving at home, I've got two children who don't even agree what to eat for dinner sometimes. We're all in this, together, and I appreciate your help. So, we want to come forward again. Again, we've got a long history with the United States as our Chairman has eluded to and some of our past stuff that his people have been involved with, down there in the Zoⁿ-Zo-Liⁿ. So, that's the spirit, I think, I'm enjoying the communication we have, and the spiritual leadership that we have from our attorney to treat our lands as an Osage Nation people. People struggle and their lands, the property and the things they own, they are title owners to this property. So, in that vein, we want to come approach the United States. Thank you, Chairman.

CHAIRMAN WALLER: Councilwoman.

COUNCILWOMAN ERWIN: I don't see the Bureau of Indian Affairs on our agenda, but I have a couple of questions I need to ask the Superintendent. May I?

CHAIRMAN WALLER: If there are no other questions, we'll move in to New Business. Go right ahead.

COUNCILWOMAN ERWIN: I appreciate the information you sent me. I do have some questions, though. You sent me a copy of the plat books, and I've got a memo that I sent to you, requesting a set of the Oswego maps and Mississippi maps, and what you sent me was not what I requested, and I realize there was a lot of effort on the plat books, making copies and sending them to me. But, I want a set of the Oswego and the Mississippi maps. Here's a copy of the e-mail I sent you. Also, on this one – I mean, it should be just a matter of going in and pulling maps out. There's sets, there's probably eight in a set. We used to sell them a long time ago.

SUPERINTENDENT PHILLIPS: So, you didn't get all of them, because I just asked them to give you all –

COUNCILWOMAN ERWIN: No, they gave me a copy of the plat maps.

SUPERINTENDENT PHILLIPS: OK.

COUNCILWOMAN ERWIN: I hadn't even looked at them, but that's not – There's a difference between the plat maps and the Oswego maps and the Mississippi maps.

CHAIRMAN WALLER: They're formation.

COUNCILWOMAN ERWIN: They're formation maps. OK? Anyway, that's what I was wanting. Now, I asked for this information on this Branch Energy case, and I just briefly had time to just go through it this morning, and I hadn't had time to read any of it. But, I was kind of at a loss here, because I didn't find anywhere where you had sent it to the Solicitor's office. I didn't see any kind of opinion or anything from him on this.

SUPERINTENDENT PHILLIPS: The only thing we've asked the Solicitor's office to do is give us an opinion as to changing the title.

COUNCILWOMAN ERWIN: Uh-huh.

SUPERINTENDENT PHILLIPS: You look at all this, and basically directs us to change the title to the receiver.

COUNCILWOMAN ERWIN: Well, I'm basically looking for something from the Solicitor's office telling us whether or not this Federal Court up in Illinois has any jurisdiction down here.

SUPERINTENDENT PHILLIPS: In Indiana?

COUNCILWOMAN ERWIN: In Indiana, wherever it is.

SUPERINTENDENT PHILLIPS: OK.

COUNCILWOMAN ERWIN: That's what I'm hunting for. I don't think they have any jurisdiction here, and I'm assuming that the Solicitor, you know, he would know that.

SUPERINTENDENT PHILLIPS: The Solicitor's office, we did request the Solicitor's office to give us an opinion as to change of title, and we got that yesterday. He told us to pursue it in changing the title over to the receiver.

COUNCILWOMAN ERWIN: Yeah, but I'm just a little confused on why we're doing this, and let that Court hold it up, when it should have already terminated anyway to the terms of the lease.

SUPERINTENDENT PHILLIPS: I did ask him your question, as far as why we didn't go in and terminate, prior to this date. He said when things are in litigation, we can't do anything.

COUNCILWOMAN ERWIN: Well, I realize that, but that's why I'm asking. I want him to tell me why they had the authority to come down here and do that – give us these mandates. Thank you.

CHAIRMAN WALLER: ...From the State Court.

COUNCILWOMAN ERWIN: Federal Court.

CHAIRMAN WALLER: Federal?

COUNCILWOMAN ERWIN: Yeah. It's way, way up there. I want a mandate. I want to see something where they actually have to do that.

CHAIRMAN WALLER: District or whatever it is.

COUNCILWOMAN ERWIN: Yes, sir. I'm through.

CHAIRMAN WALLER: Thank you. Thank you, Superintendent.

NEW BUSINESS

CEP:

CHAIRMAN WALLER: New Business. CEP.

JERRY REIGER: Jerry Reiger with CEP Mid-Continent. We're here again, and we have requested relief in our concession obligation dates, due to low gas prices, and just the regulatory issues that delay the process. We're here today just to keep that dialogue and discussion going, if it please the Council.

CHAIRMAN WALLER: I'd like to give my Council a little more time on adjusting for the change, if any.

COUNCILWOMAN ERWIN: Actually, I have read his book that I read it, that came from the attorney. But since Andrew isn't here today, I had some questions I was going to ask Andrew about it, and he's not here, so he can't answer my questions.

CHAIRMAN WALLER: So, we won't handle that, today.

COUNCILWOMAN ERWIN: Yes.

CHAIRMAN WALLER: We will get back with you on the 23rd to give you a better time to react.

JERRY REIGER: OK. Thank you.

Ronald Wilson: Sandy soil permit

CHAIRMAN WALLER: Mr. Ronald Wilson. Mr. Wilson, how are you?

RONALD WILSON: I'm good. How are you?

CHAIRMAN WALLER: Make yourself at home. I show sandy soil permit. Go right ahead

RONALD WILSON: I'm a landowner here in Osage County and run it over by Skiatook Lake. My father donated most of the land the Lake Road on the east side of the dam. So, we've got some property there, like about 50 acres and Dad's got 3,400 acres over there. And then, my oldest son and I just purchased the Hull Ranch, which is about three miles south of here, up here on this ranch. But, I'm actually a fireman in Tulsa. I've been there 26 years. My oldest son is a fireman, but I do excavating on my days off, and a side business. Getting close to retiring, so I'll probably do more of that, after I retire, but from time to time, I get the opportunity to utilize some of the stone we've got on our property. So, I'm here seeking advice or direction how to go about getting permission to utilize it on a project from time to time, you know, a self-retaining wall or stone – 99 measure kind of sporadic, but I want to be in compliance and do it thoughtfully.

CHAIRMAN WALLER: Yes, sir.

RONALD WILSON: That's kind of my story.

CHAIRMAN WALLER: With that, Councilman.

COUNCILMAN CRUM: I've chatted with you, outside, and I know some of the questions. You are selling some of this, from time to time to other folks?

RONALD WILSON: Correct.

COUNCILMAN CRUM: Some of it, also, was, you said, some fill or something that somebody had pushed in during that...?

RONALD WILSON: We had obstruction in Skiatook Lake. They were not going to be able to build Lake Road. The County and State took to dispose of all the dirt that came out where they cut across the spillway and the hill. They wanted to dispose of all that material for no charge. Basically, they were pushing it in there with dozers. Several hundred thousand cubic yards of fill, and so, you know, if the opportunity came, somebody needed some dirt, they might want to sell them some of that, too.

CHAIRMAN WALLER: May I ask a question?

RONALD WILSON: Yes.

CHAIRMAN WALLER: Is your property restricted? Are you Osage? Is this restricted property by any chance?

RONALD WILSON: Not that I know of.

CHAIRMAN WALLER: OK. So, it's fee simple. Councilman, please.

COUNCILMAN CRUM: Well, it sounds to me like that this is fairly straight forward in what we've done in the past. People who were gathering rock, and we know the CFR's call for 10% of the Fair Market Value, and in the past, we've kind of used as long as it looked to be consistent with whatever you sold it for, for 10%. Now, you're not weighing this yourself by the load, probably, right?

RONALD WILSON: Sometimes we have the opportunity to weigh, but other times, sandstone weighs about 135 lbs./cu. ft. is what I'm told, so we can measure the loads and, you know, estimate it that way.

COUNCILMAN CRUM: OK, and when you do measuring it, you're weighing it on a certified scale. So...

RONALD WILSON: Correct.

COUNCILMAN CRUM: OK, so we'll have weight certified scales or by the load. I suggest that we make an agreement with him of 10% of what he's selling it for, and then I'm not sure of how he's reporting. That's one of the things he's required to get with Robin on setting up that method of how other people do it. So, I'm for him being able to do this.

CHAIRMAN WALLER: Yes, sir

COUNCILMAN CRUM: For 10%.

CHAIRMAN WALLER: Yes, sir. Councilman.

COUNCILMAN REDCORN: I appreciate your communication with the Minerals Council. I'm of the mind that you've got some property here. You've purchased it, and want to make some money, and want to get enjoyment out of that. Whatever we can do to get your lease; however, we want to make sure that it's clear, all the options that you're going to pursue it. You're going to measure the rock, which that's fine with me. We're doing that on other areas, too. We try to get the best gas, but that method is approval to the Bureau and please add that element into your agreement or post something. If I could put that into your lap, you tell us, I'm going to run it over the scale for these situations. I'm going to take out a measuring tape and I'm going to do this, and then hand it over to the Bureau, and then all instances that you can foresee that can happen off of that property, and then as Mr. Crum says, we'll enjoy the 10% of that, if that's agreeable to you. We'll put that in an agreement.

RONALD WILSON: Yes, sir.

CHAIRMAN WALLER: Have you sent us a plat of the property or any kind of element that we can look at?

RONALD WILSON: I have a copy of my email to request. I included my legal description, township, section.

CHAIRMAN WALLER: Do you have a photo of it or anything?

RONALD WILSON: I can come up with one.

CHAIRMAN WALLER: Please do. That's so you can highlight, ingress, egress where it's located.

RONALD WILSON: Sure.

CHAIRMAN WALLER: And this other material – and I'll get right with you, Councilwoman – this other material, once that Federal Contractor repays the Corps of Engineers, Federal Entity, when they didn't...You didn't have to buy that dirt. It came to your property. That's your property. So, I feel like Council, whatever benefits you. Councilwoman.

COUNCILWOMAN ERWIN: How much land do you have? How many acres?

RONALD WILSON: I have 50 acres over by Skiatook Lake, and 725 that's here, south of Pawhuska.

COUNCILWOMAN ERWIN: South of Pawhuska?

RONALD WILSON: Then, my father's property is, I think, around 400 acres over by Skiatook Lake.

CHAIRMAN WALLER: Council, you have any other...Yes, Council?

COUNCILMAN CRUM: Something that you said brought a question. You're anticipating when you haul this material off your place, you're not crossing anyone else?

RONALD WILSON: No.

COUNCILMAN CRUM: OK, because with our regular rock grades and stuff, we run into the problem of making sure that they have the proper authorization from neighbors and stuff to get...

RONALD WILSON: No.

COUNCILMAN CRUM: OK. Good.

CHAIRMAN WALLER: Councilwoman Boone.

COUNCILWOMAN BOONE: Mr. Wilson, have you sold or moved any rock off of your place in the sandy soil, prior to your coming here?

RONALD WILSON: My father kind of started this, he's getting ready to turn 86. He allowed a guy to come in with a couple of loads and also fish, came out and we can't do this, and so, that's why I'm here. I'm going to go up and try to get this authorized. It was a company called Southwest Stone. A friend of his is known a long time, and come out, and I don't know, Office Fish saw him and asked questions about it.

COUNCILWOMAN BOONE: OK. So, there was prior activity before you came here. OK. Thank you.

CHAIRMAN WALLER: Thank you.

COUNCILMAN REDCORN: There's been a lot of discussion on what I'd like to see if you could bundle that, put it in a package and hand it to the Bureau of Indian Affairs. That's proposed, plus the information of whatever they want in there...I'm sorry?

RONALD WILSON: Just bring it in here to this office?

COUNCILMAN REDCORN: Give it to her.

SUPERINTENDENT PHILLIPS: To the Bureau.

CHAIRMAN WALLER: Bureau of Indian Affairs.

COUNCILMAN REDCORN: Plus, whatever she's got there, and so we can make a judgment either 'yea' or 'nay'.

CHAIRMAN WALLER: Superintendent.

SUPERINTENDENT PHILLIPS: Councilwoman Boone brought up an interesting question. You said that there has been stone removed from the property? Can you also identify how much has been removed?

RONALD WILSON: Well, I think there was two loads.

SUPERINTENDENT PHILLIPS: OK. So, we'll need for you to put that in your proposal, as well.

RONALD WILSON: OK. And, I thought they were going to go meet with Mr. Cox, but I saw him the other day, and I notified him, and I said, 'Hey, Officer Fish came out and they're going to come here', and he said, 'OK. We've got to wait and everything'. I saw him the other day, and said that nobody ever came. So, I'm not sure what happened on that.

CHAIRMAN WALLER: Councilwoman, you have anything to add?

COUNCILWOMAN BOONE: No.

CHAIRMAN WALLER: Councilman.

COUNCILMAN CRUM: Just plan on going forward with it. If I understood correctly, we're going to meet next on the 23rd.

CHAIRMAN WALLER: That's correct, sir.

COUNCILMAN CRUM: So, if that'd give you – We could gather up the stuff and have it to her, and normally, we listen to stuff on Friday, anyway, and then do it on the following Wednesday. This'd be a whole week later, because of our trip. So we could take care of it on our normal course of duties.

RONALD WILSON: OK.

COUNCILMAN CRUM: I would suggest that course of action to bring that stuff back and talk to us at that time.

CHAIRMAN WALLER: Thank you. Appreciate it.

Daniel Dean: Sandy soil permit

CHAIRMAN WALLER: Daniel Dean. Mr. Dean, please.

DANIEL DEAN: Good morning. I addressed the Nation today, respectfully, in the name of Wah-Kon-Tah. I also am seeking a sandy soil permit to collect stone from some of the local ranches, here, giving me permission to do so, if I can receive a license from you all, and I have two purposes. The first is to protect my elders' homes on restricted Indian land in O-1 Jump Lease. There's one well out there. That's probably the best way to indicate where it's at is through O-1, the Jump Lease. There are three family homes out there that elders live in, and I want to use stone, not from the restricted land, but from the ranch, several ranches to stone mason the homes to protect them better from the wildfires. That was a very close call the other night. My Uncle Louis' house was moments away from being destroyed without – anyway, face down in the fire, and, also, with the size of the three structures, and me doing the work alone, it'll probably be a two-year project. But, as well with Mr. Wilson's purposes for requesting a sandy soil permit, I, myself, would

like to gather stone and sell it to local sandstone mason, who built the fireplaces. The stone will not be removed from our land, which is restricted Indian land. It will be from ranches like Mr. Herron, the Wallace ranch, and possibly the Drummond ranch. I spoke with the head cowboys on the Ball ranch, also, and there's a possibility that we can come to an agreement to be able to gather stone from their properties. They don't want to charge me for the stone. So, it's helping them turn the prairies, the original grazing that they want. I also do tree removal, because they'll bulldoze them down, anyway. I'd rather do something positive with the timber, and I wanted to make sure that I'm not breaking any statute rules or regulations with removing the trees and cut them off at ground level, and we used them for fence posts and other projects. Is that considered a mineral?

CHAIRMAN WALLER: It's just cutting off your property. You're going out on fee-simple property and retrieve this.

DANIEL DEAN: These are ranches that are trying to return their land to grazing land.

CHAIRMAN WALLER: Are you trying to do it like a red cedar program, like we run here at the Nation?

DANIEL DEAN: I don't know anything about that program.

CHAIRMAN WALLER: OK. Well, might have to change that to restricted land. Councilman.

COUNCILMAN REDCORN: Thank you for your words. We talk together. Appreciate you bringing that up. You're looking out for your grandparents, your relatives. That's good. You should take care of them and look forward to that, and appreciate that. In fact, I ask you the same as we ask this gentleman if it would be OK if he could provide that and put that into a bundle, a proposal, and bring it to Robin Phillips, and say, this is all the things I want to do. That way, we'll have it in front of us, written down on this piece of paper, that we'll understand, fully, and she'll have that to guide. If you need help, you can call me, or any members on this Council. We'll help you do that, and we look forward to helping you on this, however we can. Take care, brother.

CHAIRMAN WALLER: Get us something that we can look at. I love visuals, so I can see it. With that, we'll approach the Superintendent and we'll get you started.

DANIEL DEAN: Thank you.

COUNCILWOMAN ERWIN: Would you supply, and that's all I was wanting to know about the legals. Also, you said the Harris, Wallace and Drummond and possibly the Ball ranch, they want you to come and actually clear the rocks out of their pasture, so they can have, grow wheat or whatever.

DANIEL DEAN: No. Return to the original grazing land that was – the land was 100 years ago. They want, of course, to graze cattle, but the Wallace ranch has bison and elk.

COUNCILWOMAN ERWIN: Oh, I see. OK.

DANIEL DEAN: And they then asked me to come and remove anything and I found out they were going to be bulldozing some of the trees, and I thought that, why not try to use it for something good.

CHAIRMAN WALLER: *(Could not understand)* handle that privately.

DANIEL DEAN: OK.

COUNCILWOMAN ERWIN: Thank you.

CHAIRMAN WALLER: And, we'll expect you back on the 23rd. Actually, after you've met with the Superintendent and brought the package in. We'd like to say that brother's right on something. It's been a long time since someone has thanked the Lord Jesus Christ. Just to talk. I want to tell you, it's important today. It's important what you say.

CHAIRMAN WALLER: With that, I'd like to have Councilwoman Erwin, like to do a discussion on our Hayes Case.

COUNCILWOMAN ERWIN: Can I bring up one thing first?

CHAIRMAN WALLER: It's housekeeping? Yes.

COUNCILWOMAN ERWIN: It's not housekeeping. It's a matter of that we received, late yesterday, it's a draft of some minutes that was at a Biannual Consulting Meeting in 2014. I read it. I was only Minerals Council-elect. There's many, many errors in here, as I can recall. I didn't take minutes, but there are errors in here. I just wanted to bring it to you all's attention, because they need us to vote on it, and send it back to them, so they can get it in the record. OK. I just want you all to know that. I don't know who has the minutes on our side. So, you know, we need to go over that.

CHAIRMAN WALLER: That's the discrepancies you and I...

Hayes Case Discussion: Stephanie Erwin

COUNCILWOMAN ERWIN: Yes, sir. And, then I wanted to bring up this motion that was filed, and it was the Federal Defendants opposition to the Minerals Council motion to dismiss. I made sure everybody had a copy of it, so that you can read it, so we can discuss it at a future date what this actually means to us, and that probably needs to be done in Executive Session, but I didn't bring it up today, so you all can read it and we can digest it, and get on with it. Thank you.

OLD BUSINESS

Warrior Exploration and Production: Bob Knappe

CHAIRMAN WALLER: I'd like to go into Old Business. Warrior Exploration and Production.

BOB KNAPPE: Mr. Chairman. Bob Knappe, Warrior Exploration and Production. Thank you, Mr. Chairman and Council for giving me some time to come and speak to you, again. I'm here in similar businesses in the past related to the Warrior acquisition properties from Chaparral. I'm here again, and I'll pass these on to ask for some new leases. So, I'll pass these out. Something to look at.

CHAIRMAN WALLER: Yes, sir. Are these anywhere like the last ones we took care of? These are all new?

BOB KNAPPE: All new, and if I may, I wanted to chime in on one thing that always appreciated every time, and as I witness these meetings, it is a fact that it is open, and that there's care and concern for our Creator and our Lord, and Him guiding our thoughts, actions and something that I've always admired and appreciated. So, since it was prevalent to this, I wanted to say that. So, several leases from Chaparral, back in September, part of that acquisition was a couple of leases that were in primary term about eight months, so I went ahead and purchased some from Chaparral because we were adjacent to the acreage that was held by production, hoping we could drill some offset wells and then consolidate them into the existing lease hold. Given the circumstances that we've been faced with over the last eight months, we won't be able to accomplish everything that we needed to necessarily get to drill wells. So, I'm not going to be able to hold the leases by production, before the expiration of the primary term.

CHAIRMAN WALLER: Yes, sir.

BOB KNAPPE: I have recently received approval of the leases, but given the timeframe between now and when they expire, because of the approaching start of the new beetle season, I'm not going to be able to get everything done in time to drill at the expiration of the term. So, what I would like to ask the Council to consider, as we have done in the past, is negotiating with us for a new lease, the same term, same bonus, everything as we did, previously. I wasn't hoping I'd have to come out so soon again for more leases, but I hope that's a good thing.

CHAIRMAN WALLER: Sounds real good.

BOB KNAPPE: And, specifically, the one in Sec. 36, I worked with Robin on this. I'm particularly concerned about that one, because we're currently working on an EA that promises net for five wells that include drilling in that location, and because of the timing of expiration of the primary term and a new lease, and whether or not that creates a problem with the processing of the EA, I'm hoping I can avoid any further delay in getting the EA process done. I can separate that one and put that on a separate EA, if I need to. But my intent is just to drill those this Spring, and then that one in Sec. 1 will take longer. We're going to have to wait for the beetle study, so it's probably going to be next Fall before I can get everything I need to drill application, and I just want to present that for your consideration, and you'll vote on it, probably at the next meeting. But, just wanted to be available to answer any questions, and express my appreciation.

CHAIRMAN WALLER: Councilman.

COUNCILMAN CRUM: Had you attempted to permit these sites before? You said you were already working on an EA.

BOB KNAPPE: Well, I couldn't permit them. I did conduct a beetle survey, as soon as we closed with Chaparral in September, before the end of the deal, last beetle season. But because of the bundle of leases I didn't receive approval of the leases until last month, and because of the timeframe that's necessary, they can't process my EA on consider my permit application, until I actually own the lease. So, I'll have to wait for the assignment to be approved, before I can continue with the process.

COUNCILMAN CRUM: I suspected that, and I wanted to verify. The five derrick symbols that are proposed...

BOB KNAPPE: Those are proposed. Yes, sir.

COUNCILMAN CRUM: OK.

BOB KNAPPE: For the first days.

COUNCILMAN CRUM: OK. My eyes are not good enough to read the small symbols that are on here...

BOB KNAPPE: That's the dots the oil producers. That's the offset leasing hold, and that's the wells that are producing.

COUNCILMAN CRUM: Those are the ones you already have.

BOB KNAPPE: Yes.

COUNCILMAN CRUM: OK. We're not talking about a lease sale, at this time. I think some of us would love to have that process beginning. But, in the meantime, somebody that's willing to drill wells certainly has my attention.

BOB KNAPPE: I want to recognize my own responsibility that there was only eight months left, when I purchased from Chaparral. I knew that. I was hopeful I could get everything done in time to hold them before the exploration term. I wasn't able to get that done.

CHAIRMAN WALLER: Council, do you have any other questions? Thank you.

BOB KNAPPE: Thank you.

CHAIRMAN WALLER: Any Committee Reports?

COUNCILWOMAN BOONE: Excuse me. You missed one.

Payment to Attorney: Cynthia Boone

CHAIRMAN WALLER: Yes, ma'am. Councilwoman Boone.

COUNCILWOMAN BOONE: In your books, today, are a couple of itemized statements. We discussed them in Executive Session, briefly. At our Special Meeting on February 2, as to the method of payment. I would like to go over these to see if you have any questions about them, and feel free to highlight those on there that you question, and you don't think is accurate and correct. I'm ready to vote on this on the 24th. Remember, all these itemized statements have been marked 'Confidential'.

CHAIRMAN WALLER: Thank you. Anything else you'd like to add?

COUNCILWOMAN BOONE: No, thank you, Mr. Chairman.

CHAIRMAN WALLER: Any questions from the Council?

COUNCILMAN REDCORN: Councilwoman Boone, are you prepared that we're going to vote on this for approval? Is that your plan?

COUNCILWOMAN BOONE: And payment? Yes.

COUNCILMAN REDCORN: And payment.

COUNCILWOMAN BOONE: On the 24th.

COUNCILMAN REDCORN: On the 23rd.

COUNCILWOMAN BOONE: Yes.

COUNCILMAN REDCORN: Thank you for your effort, there.

COUNCILWOMAN BOONE: You're welcome.

CHAIRMAN WALLER: Councilwoman Boone, this is the package we looked at that covers everything today?

COUNCILWOMAN BOONE: Yes.

COMMITTEE REPORTS

CHAIRMAN WALLER: I'd love to entertain a motion to adjourn. I'm sorry, I'm rushing. Do you have any Committee Reports that need to go on the 23rd? Councilman.

Media Committee:

COUNCILMAN REDCORN: Thank you, Chairman. We submitted an email out to our Committee, Media, which is Councilwoman Erwin and Councilman Cheshewalla and myself, and I'd like for Tom Fredericks and Rebecca Sher to write us a summary, so we could put up all the issues handling, so we can submit it to our Osage Headright Holders, the information, and have that proposed for Council on the 23rd. That information will go out on our newsletter and our website.

CHAIRMAN WALLER: Thank you, sir. Anything else?

COUNCILMAN REDCORN: That's it.

ADJOURNMENT

COUNCILWOMAN ERWIN: I make a motion that we adjourn.

CHAIRMAN WALLER: I have a motion on the floor that we adjourn by Councilwoman Erwin.

COUNCILWOMAN BOONE: I second.

CHAIRMAN WALLER: Seconded by Councilman Redcorn. No discussion. Call for the question.

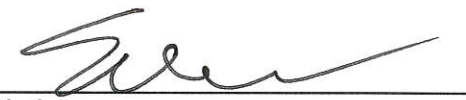
MOTION PASSED: CYNTHIA BOONE-YES, JOSEPH CHESHEWALLA-YES, GALEN CRUM-YES, STEPHANIE ERWIN-YES, KATHRYN RED CORN-YES, TALEE REDCORN-YES, EVERETT WALLER-YES, ANDREW YATES-ABSENT.

Adjournment – 10:52 A.M.

Approved:



Executive Administrative Assistant



Chairman