

**OSAGE MINERALS COUNCIL
REGULAR MEETING
OSAGE COUNCIL CHAMBERS
PAWHUSKA, OKLAHOMA
MARCH 10, 2017
MINUTES**

CALL TO ORDER

Chairman Everett Waller called the meeting of the Osage Minerals Council to order at 10:01 A.M.

OPENING PRAYER

2nd Chairwoman Kathryn Red Corn gave the opening prayer and read the list of deceased Osage members.

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, Everett Waller. Andrew Yates was absent. A quorum was declared.

Andrew Yates was on assignment, and BIA Superintendent and Deputy Superintendent were unavailable.

Chairman Waller announced as four of the members of the Council will be in Washington, D.C., the next meeting will be held on Wednesday, March 22 at 10:00 a.m.

Visitors to the meeting were C. E. Hessert, James Hessert, Nona Roach, Charles Wickstrom, Bill Park, R. E. Yarbrough, Joy Ledbetter-OST, Lou Phillips, Lawrence Felder, Congresswoman Maria Whitehorn, Mark Ballard, Myron F. RedEagle, Loyd Felder, Skip Honeyman, Dr. Shahin Negahban and Jamie Sicking.

KU-TORP (Tertiary Oil Recovery Program at the University of Kansas): Shahin Negahban, Ph.D.

Councilman Redcorn introduced both Mark Ballard and Dr. Negahban, who presented a program entitled, "Developing Human Resources and Providing Technical Solutions and Technology Transfer to the Osage Nation".

NEW BUSINESS

New Frontier Drilling & Production LLC – Extension: Lawrence & Loyd Felder

Discussion was had regarding a one-year extension of two contracts, which are due to expire in March, 2017. Councilman Crum suggested a new lease, instead.

Osage Shareholders Association: R. E. Yarbrough, Chairman

Chairman Yarbrough gave his presentation regarding the Osage Mineral Estate and the Minerals Council's presence in Washington D.C.

City of Ponca City – Utility Easement: Michael R. Vanderburg

Mr. Vanderburg spoke to the Council regarding a number of utilities are built in the existing road right-of-way, on the east side of the Osage Casino. The electrical polls are in the way of the project as designed. It has been determined that the utilities need to move to a new utility easement adjacent outside of the road

right-of-way. He would like a waiver or comparable consent from the Council for approval of the new utility location, plus he is asking for a formal utility easement to be signed by the Osage Nation and approved by the BIA. Chairman Waller said there must be a resolution and a letter both signed on March 22 that covers the Council's permitting element and the BIA will approve where it goes.

Orion – New Leases: Skip Honeyman

Mr. Honeyman brought to the Council a proposal to take new two-year leases and not to plug existing horizontal well bores on 160-acre properties, each, at NW/4 25-26-5; SE/4 22-26-5; NE/4 16-26-5; and, SE/4 18-26-5.

Break was declared at 11:19 a.m. and the Council resumed the meeting at 11:44 a.m.

James Sicking, attorney, offered his services in Washington, D.C. to represent the Osage Minerals Council, if Council so desired, and Mr. Wickstrom could be the representative for the OPA. Discussion with the Council.

Motion to go into Executive Session by Councilman Redcorn, Second by Councilwoman Boone.

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.

EXECUTIVE SESSION – 12:00 P.M.

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12:05 P.M. – Motion to come out of Executive Session by Councilman Redcorn, Second by Councilwoman Erwin.

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

OLD BUSINESS

USDOl – Evan McLemore Letter: Bill Park & Councilwoman Erwin

Mr. Park, operator, Osage citizen and shareholder, came to the Council to speak in regards to the oil lease called the Ford 2A lease. During the construction of the Casino, Mr. Park was approached by Ira Wheeler, a long-time friend, who was working as a construction foreman on the new Casino, and told Mr. Park that the electric line and the flow line going to the Ford 2A well was going to have to be cut in order to make room for storm drainage for the Casio. Mr. Wheeler assured Mr. Park that once construction on the Casino was completed, the electric and the flow lines would be replace, and the Ford 2A would then be put back on line. Mr. Park relied on Mr. Wheeler's representations and allowed his electrical and flow lines to be cut.

However, Mr. Wheeler died and the agreement between them regarding the electrical lines and flow lines was not in writing. Mr. Park approached the mobile construction offices on site and asked when his lines would be replaced and production restored, in which he received no response. Mr. Park has been given 90 days or until some date certain after March 26, 2017, in which to either produce his lease or remove his equipment, electric lines and flow lines. Mr. Park, in response, would ask that the Nation honor its agreement with him and restore the electrical and flow lines like Mr. Wheeler said it would. This allows Mr. Park to meet the BIA's request and produce his lease for the benefit of the Osage Mineral Estate. However,

if the Nation is not inclined to honor its agreement and restore Mr. Park's lines, he asks that the Nation purchase his lease at the fair market price to be negotiated by the Nation and Mr. Park.

The Chairman asked that Mr. Park come back with a letter, specific, on what he would like the Council to do. Chairman Waller also spoke with the BIA, and they would do whatever the Council decides to do.

Washington D.C. Agenda: Councilwoman Boone

Discussion on the upcoming Washington, D.C. trip and agenda.

Meeting Minutes: 9/29/14; 1/18/17; 2/10/17; and, 2/15/17

Chairman Waller asked the Council to review and vote on them at the next regular meeting.

COMMITTEE REPORTS

Media: Councilman Redcorn

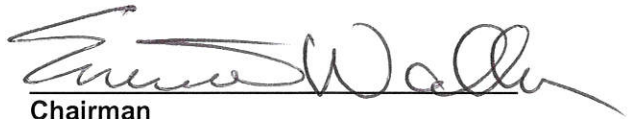
Councilman Redcorn mentioned that Lou is ready to send out Spring, 2017 edition of the Newsletter, and suggested that Mr. Fredericks give a summary update before sending it out.

Councilman Redcorn made the motion to adjourn, second by Councilwoman Erwin.

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

Adjournment – 12:43 P.M.

Approved:



Chairman



Executive Administrative Assistant