

**OSAGE MINERALS COUNCIL REGULAR MEETING
OSAGE COUNCIL CHAMBERS PAWHUSKA, OKLAHOMA
MAY 12, 2017
MINUTES**

CALL TO ORDER / OPENING PRAYER

Chairman Everett Waller called the meeting of the Osage Minerals Council to order at 10:06 A.M., gave the opening prayer and read the list of deceased Osages.

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 and Andrew Yates. A quorum was declared.

Visitors to the meeting were Joy Ledbetter-OST, J. L. Holt, Ronnie Hindman, Casey Hindman, Travis Anderson, Bob Knappe, Nona Roach, Candy Thomas, Linda Heskett, Julie Wilson, Eddy RedEagle, Jr., Myron RedEagle and Christy RedEagle.

CHAIRMAN'S REPORT

Headright payment for June will be \$3,945. Two members of the Council will be leaving for Washington, D.C. next week to deliver testimony in a Senate Sub-Committee Hearing. Minerals Council's regular meeting for May 17 has been rescheduled for Friday, May 19. BIA Superintendent will be unavailable today, but will be back on May 19. Chairman spoke with the Council's attorney. Regarding the Hayes' case update from the Supreme Court, the opening statements have been heard from the Mineral Council's side. No update, at this time, on the Windfarm case.

The Director, whom the Council chose, has gone through the H.R. process, and his target date will be May 22.

NEW BUSINESS

Warrior Exploration & Production, LLC: Robert Knappe

Mr. Knappe comes to ask the Council to consider a resolution for two new leases on the two quarter sections, NE/4 32-24-11 and SE/4 32-24-11. Discussion followed with the Council, and this will be considered in next Friday's meeting.

Travis Homes LLC: Travis Andereson

Mr. Anderson came before the Council where he discussed his purchasing a property. First step is to split his 4.09 acres into two parcels and take a one-acre tract of buildable property, closest to Highway 20 and rezone to commercial, where his intention is to put an HD Sports and Fitness Center. The second item is removing trees in easement area that blocks his future property and he'd like to clean up the area for as long as he owns the property so people can see his place of business. The third item, which would be approved by the Osage Minerals Council, to grant him approval to smooth out the easement in front of his future business (estimated area of 30' x70' area) and use for both future building pads.

Chairman Waller stated that he'd take care of the details of a letter to waive the permitting, possibly on Monday.

Councilman Redcorn made the motion to go into Executive Session, Second by Councilwoman Erwin.

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-YES.

EXECUTIVE SESSION – 10:30 A.M.

11:10 A.M. – Councilwoman Erwin made the motion to come out of Executive Session, Second by Councilman Cheshewalla.

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

No vote coming out of Executive. Councilwoman Boone and Councilwoman Erwin wanted a copy of the email that was sent to Chairman Waller and Mr. Brock. Chairman Waller said that the email will be sent to all Councilmembers.

OLD BUSINESS

Breach of Trust: Councilwoman Erwin

Councilwoman Erwin stated that she is still working on that, and when she gets it put together, it will be sent to all Councilmembers in time to review it.

Petro River: Councilwoman Erwin

Councilwoman Erwin handed the members of the Council something that she took off the internet about their fines, what they've done.

RFPs: Candy Thomas and Tammy Leeper

Ms. Thomas reviewed what happened at the last meeting to reject the bid and to begin the process again. She needs a revised scope and submit it to the agency, and Councilman Crum had asked Principal Chief, as a request, for one of the Councilmembers to be on the review committee for RFPs, which he agreed. Ms. Leeper said that the main thing to remember is that the Council will have communication with this entire process, but any correspondence or scopes written by any potential bidder, though the Council can have them, they cannot bid on the project. So, if they develop a scope, they cannot provide a proposal or a bid. Councilman Redcorn suggested that Councilman Crum be the contact for the Minerals Council back and forth. No resolution would be needed for this. More information will be discussed at the next regular business meeting.

Burbank/APAC Quarries-BIA Letter: Ronnie Hindman/Casey Hindman, Burbank Materials

They wish to submit a proposal that would expand their quarry by adding 399 acres of new leased ground and eliminating 80 acres (North half of existing lease). These additional leases will allow them to be more competitive and should increase their market base, and potentially increase sales. They

understand that there will be an EA required to meet the regulation standards. On the proposed points of consideration: Royalty to be 10% of sale price; Materials from all leases already in place and proposed leases to all be scaled at Burbank Materials Scale house; All scaled materials at Burbank Materials Scale house to be reported on one monthly report reflecting production from all leases.

Biannual Report:

Councilwoman Erwin asked that it be voted at the next regular business meeting.

New Hire: Councilwoman Boone

Councilwoman Boone asked about why her vote was not counted while she was gone, even though her proxy vote was submitted. Robert's Rules of Order (pg. 117) stated that it could be done, but only if it is in the Charter / Policies and Procedures.

Meeting Minutes (8): Oct 10, 17, 29, 2014; Mar. 22, 2017; April 13, 19, 2017; May 1, 5

Chairman Waller asked that they be reviewed and it will get the Council up-to-date through May 5.

COMMITTEE REPORTS

Oil & Gas Summit: Christy RedEagle

Chairman Waller gave praise to Ms. RedEagle for a job well done in a short amount of time. Ms. RedEagle said that since the Council had asked her earlier for this year, she could get more sponsorships and have more people involved, as well as getting information out in a timely manner, as in once a month, especially working with the Oil & Gas Summit Committee members, whether it is done in 1 or 2 days and possibly return to the Skiatook Casino, and she looks forward to it. Chairman Waller has asked that the new hire be involved.

Well Plugging: Councilman Cheshewalla

Regarding the well located at NE/4 16-21-12, Councilman Cheshewalla had stayed in contact with the plugger the past weekend whenever it was drying up and with good fortune the past two days, the equipment was brought in, got the bottom plug in and was back on Tuesday to put the top plug in. Councilman Cheshewalla stopped by there to check it out and was pleased with the job.

Bonding Issue: 2nd Chairwoman Red Corn

2nd Chairwoman Red Corn would like to discuss the bonding issue on the next agenda with the Bureau of Indian Affairs and have the Superintendent give a report regarding that.

Newsletter: Media

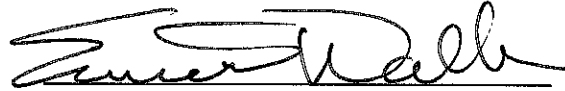
Chairman Waller said that no one has seen the newsletter, and it will be sent out for review.

ADJOURNMENT

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-YES, CYNTHIA BOONE-YES, JOSEPH CHESHEWALLA-YES.

Adjournment – 11:56 A.M.

A handwritten signature in black ink, appearing to read "Everett Waller", written over a horizontal line.

Chairman

A handwritten signature in black ink, appearing to read "Amy Bledsoe", written over a horizontal line.

Executive/Administrative Assistant