

**OSAGE MINERALS COUNCIL
REGULAR MEETING MINUTES
DECEMBER 7, 2018**

1. Call to order- Chairman Waller

Chairman Waller calls the meeting to order at 10:06 AM.

2. Opening Prayer

Councilman RedEagle gave the opening prayer and read the names of the deceased Osages.

3. Roll Call

Lacey Reynolds called roll. Council members present were: Susan Forman, Margo Gray, Marsha Harlan, Myron RedEagle, Paul Revard, Everett Waller, and Andrew Yates.

Guests present were: Stephanie Rainwater, Charles Wickstrom, Nona Roach, Andy Middick, Stand DeLong, Scott Ducharme, Robert Knappe, Pipestem Law Firm, and Jamie Sicking.

Councilman RedEagle asks to move up the newsletter, Chairman approves.

4. New Business

Councilman RedEagle makes a motion to send out a newsletter 4 times a year, 1 page to all annuitants concurring with payment months, seconded by Councilman Revard.

Councilwoman Harlan agrees that a newsletter need to be sent, but does not agree with a 1-page newsletter. She indicates she would rather see a substantial newsletter twice a year. Councilwoman Gray indicates she is not against a newsletter, speaks about an annual report. Furthermore, there is only \$4,500 currently budgeted for the newsletter, this proposal would be around \$20,000. She believes that the budget needs to be evaluated before this can be decided. Councilwoman Forman and Councilman Redcorn indicate they are for the proposal.

MOTION PASSED: Councilwoman Forman- Yes, Councilwoman Gray- No, Councilwoman Harlan- Yes, Councilman Redcorn- Yes, Councilman RedEagle- Yes Councilman Revard- Yes, Chairman Waller- No, Councilman Yates- Yes. (6 yes, 2 no)

a. Scott Ducharme- ABB Challenges in the field

Mr. Ducharme states that 80% of the ABB tests have been positive, the soonest possible drilling time for these positive tests is May. On average for every 10 wells he has estimated that it is a loss of \$520,000 in royalties for the first year, and for the first 5 years \$1.2 million lost in annuities for the shareholders. For the 40 wells that were not able to be drilled due to the ABB it is \$4.5 million potential dollars lost for shareholders.

b. Jamie Sicking

Mr. Sicking is the attorney for the Osage Producer's Association. He has been in a lawsuit regarding the ABB. The law states that if you ask to delist an endangered species they have 90 days to respond. It had been a year with no response, their response was that they are too busy dealing with lawsuits to deal with this. The result was that the producer's association sued them. They gave them a date of April 2019 to have an answer. Their response was that they may be able to get a positive answer for them if they give them the time to work it out. He is hopeful for a positive outcome. Mr. Sicking's

view is that the Council has a louder voice on this, and they would have to be listened to. Councilman Redcorn believes that the DOI is working negatively for the Indians. Councilman Revard asks if he was proposing asking the Council to join their suit. Mr. Sicking would rather see the Council go for their own equal protection claim citing Secretarial Order 3206.

Chairman calls for a 5-minute break at 10:43 AM.

Chairman calls the meeting back to order at 10:56 AM.

c. Fred Storer

Mr. Storer presents his presentation over the ABB, and mowing the area around the well site.

d. Dr. Wyatt Hoback

Mr. Hoback was not present.

e. Yancey Redcorn

Mr. Redcorn was not present.

f. Wellco

Moved to after executive.

g. Newsletter

Moved to the beginning of the agenda.

h. Charles Tillman

Mr. Tillman agrees that there is a need for a newsletter. Mr. Tillman is requesting the quarterly reports back to 2014. Chairman indicates he will work on gathering the info.

i. Wilson Pipestem

Mr. Pipestem speaks about his history in the Osage, and his law firm.

Motion by Councilwoman Harlan to hire Mr. Pipestem as local Council, seconded by Councilwoman Gray.

Councilwoman Forman would like to consider other legal Counsel, so she is not in favor of this motion. Councilman Redcorn speaks for the need of a lobbyist in Washington DC. Councilman Redcorn would like for Counsel to only communicate with the Chair.

MOTION PASSED: Councilwoman Gray- Yes, Councilwoman Harlan- Yes, Councilman Redcorn- Yes, Councilman RedEagle- Yes Councilman Revard- Abstain, Chairman Waller-Yes, Councilman Yates- Yes, Councilwoman Forman- No. (6 yes,1 abstain, 1 no)

Chairman Waller announces that the Council received a favorable opinion from the Solicitor General in the Enel case.

Motion by Councilman Redcorn to waive executive, seconded by Councilwoman Harlan.

MOTION PASSED: Councilwoman Gray- Yes, Councilwoman Harlan- Yes, Councilman Redcorn- Yes, Councilman RedEagle- Yes Councilman Revard- Yes, Chairman Waller- Yes, Councilman Yates- Yes, Councilwoman Forman- Yes. (8 yes,0 no)

Councilman Redcorn gives a grant update, the grant started on December 3rd, the Orphan Well Committee is working on analyzing these wells.

Chairman Waller announces the Council will bypass executive, and calls for a 5-minute break at 11:56 AM.

5. Old Business

Chairman calls the meeting to order at 12:13 PM.

Councilman Redcorn was excused during the break.

Motion by Councilwoman Harlan to table Yancey Redcorn, seconded by Chairman Waller.

MOTION PASSED: Councilman RedEagle- Yes Councilman Revard- Yes, Chairman Waller- Yes, Councilman Yates- Yes, Councilwoman Forman- Yes, Councilwoman Gray- Yes, Councilwoman Harlan- Yes. (7 yes,0 no)

Motion by councilwoman Harlan to approve a saltwater disposal easement for Wellco on SW/4 31-25-9, seconded by Councilwoman Gray.

MOTION PASSED: Councilman RedEagle- Yes Councilman Revard- Yes, Chairman Waller- Yes, Councilman Yates- Abstain, Councilwoman Forman- Yes, Councilwoman Gray- Yes, Councilwoman Harlan- Yes. (6 yes,0 no, 1 abstain)

a. Grant and deliverables

Moved to before executive.

b. Website

Councilwoman Gray speaks on the future updates for the website.

Motion by Councilwoman Harlan to give the Chair authority to approve postings on the website, seconded by Councilwoman Forman.

MOTION PASSED: Councilman Revard- Yes, Chairman Waller-Yes, Councilman Yates- Yes, Councilwoman Forman- Yes, Councilwoman Gray- Yes, Councilwoman Harlan- Yes, Councilman RedEagle- Yes. (7 yes,0 no)

c. Sole source A/V

Motion by Councilwoman Gray to table the A/V for further discussion, seconded by Councilwoman Harlan.

MOTION PASSED: Chairman Waller-Yes, Councilman Yates- Yes, Councilwoman Forman- Yes, Councilwoman Gray- Yes, Councilwoman Harlan- Yes, Councilman RedEagle- Yes, Councilman Revard- Yes. (7 yes,0 no)

d. Oil & Gas Summit

Motion by Councilwoman Harlan to approve Christy RedEagle for Summit, not to exceed amount in the contract, seconded by Councilman Yates.

MOTION PASSED: Councilman Yates- Yes, Councilwoman Forman- Yes, Councilwoman Gray- Yes, Councilwoman Harlan- Yes, Councilman RedEagle- Abstain, Councilman Revard- Yes, Chairman Waller-Yes. (6 yes,0 no, 1 abstain)

Motion by Councilwoman Harlan to approve Smilin Vic as the Summit band, seconded by Councilwoman Forman.

MOTION PASSED: Councilwoman Forman- Yes, Councilwoman Gray- Yes, Councilwoman Harlan- Yes, Councilman RedEagle- Yes, Councilman Revard- Yes, Chairman Waller-Yes, Councilman Yates- Yes. (7 yes,0 no)

Motion by Councilwoman Harlan to approve casino contract, seconded by Councilwoman Forman.

MOTION PASSED: Councilwoman Gray- Yes, Councilwoman Harlan- Yes, Councilman RedEagle- Yes, Councilman Revard- Yes, Chairman Waller-Yes, Councilman Yates- Yes, Councilwoman Forman- Yes. (7 yes,0 no)

Motion by Councilwoman Harlan to approve the program for Summit, seconded by Councilwoman Gray.

MOTION PASSED: Councilwoman Harlan- Yes, Councilman RedEagle- Yes, Councilman Revard- Yes, Chairman Waller-Yes, Councilman Yates- Yes, Councilwoman Forman- Yes, Councilwoman Gray- Yes. (7 yes,0 no)

Motion by Councilwoman Harlan to approve the oil and gas summit budget, seconded by Councilwoman Forman.

MOTION PASSED: Chairman Waller-Yes, Councilman Yates- Yes, Councilwoman Forman- Yes, Councilwoman Gray- Yes, Councilwoman Harlan- Yes, Councilman RedEagle- Yes, Councilman Revard- Yes. (7 yes,0 no)

6. Meeting Minutes

Motion by Councilman RedEagle to approve November 14th minutes with amendments, seconded by Councilwoman Harlan.

MOTION PASSED: Councilman RedEagle- Yes, Councilman Revard- Abstain, Chairman Waller-Yes, Councilman Yates- Yes, Councilwoman Forman- Yes, Councilwoman Gray- Yes, Councilwoman Harlan- Yes. (6 yes,0 no, 1 abstain)

Motion by Councilwoman Harlan to approve the November 20th meeting minutes, Seconded by Councilwoman Gray.

MOTION PASSED: Chairman Waller-Yes, Councilman Yates- Yes, Councilwoman Forman- Yes, Councilwoman Gray- Yes, Councilwoman Harlan- Yes, Councilman RedEagle- Yes, Councilman Revard- Yes. (7 yes,0 no)

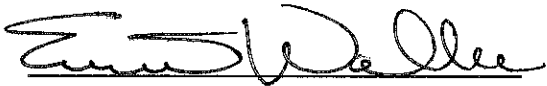
7. Adjournment

Motion by Councilwoman Harlan to adjourn, seconded by Councilwoman Gray.

MOTION PASSED: Chairman Waller-Yes, Councilman Yates- Yes, Councilwoman Forman-Yes, Councilwoman Gray- Yes, Councilwoman Harlan- Yes, Councilman RedEagle- Yes, Councilman Revard- Yes, Chairman Waller-Yes. (7 yes,0 no)

8. Time: 12:40 PM

Approved by the 4th Osage Minerals Council on the 4th day of January, 2019.

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

Chairman

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

Administrative Assistant