

**OSAGE MINERALS COUNCIL
REGULAR MEETING MINUTES
APRIL 17, 2019**

1. Call to order- Chairman Waller

Chairman Waller calls the meeting to order at 10:14 AM.

2. Opening Prayer and Reading of deceased Osages

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

3. Roll Call

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

Guests present were: Billie Ponca, Lester Matthews Jr., Frances Williams, Lenzy krehbiel burton, Nicole Payne, Donnie Wachtman, Norma Standridge, Jann Hayman, Craig Walker, Cameron Chesbro, Gene Bowline, Janel Perry, Bob Knappe, Scott Ducharme, Nona Roach, Kyle Johnson, Roy Fletcher, Beverly Brownfield, Teresa Rutherford, Rhonda Wallace, and Joe Cheshewalla.

Chairman Waller adds John Long onto the agenda under new business item b, he was left off in error. Warren American cannot be present today.

4. Superintendent Report

The Superintendent and Deputy Superintendent are not present. Chairman calls the Osage Agency, and requests a representative to be present at the meeting.

Motion by Councilman Revard to send a letter to the Superintendent and the Regional Office, requesting that if the Superintendent or Deputy Superintendent cannot be present at the OMC meeting a representative from the Regional Office be sent in their absence, seconded by Councilman Yates.

Councilwoman Harlan stresses that the representative should be a decision maker. Councilwoman Gray believes there may be a need to be a special meeting in the coming weeks.

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

Motion by Councilwoman Gray to table the Superintendents report, and requests the Superintendent be at the May 3rd Council meeting, seconded by Councilwoman Harlan.

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

5. New Business

a. Pennant Energy

Motion by Councilman Redcorn to accept Pennant Energy's proposal for the Strike Axe waterflood, in quarter sections E/2 of section 30 and SW/4 of Section 29 and NE/4 of section 31 and NW/4 of section 32 all in township 23N, Range 11E for a 1/8 royalty. Lease bonus of 3600 per quarter section. The remaining zones (Arbuckle, Skinner, Redfork, Wilcox, Simpson, etc.) will be at a 20% royalty rate, seconded by Councilwoman Gray.

MOTION PASSED: Councilwoman Harlan- Yes, Councilman Redcorn- Yes, Councilman RedEagle- Yes, Councilman Revard- Yes, Councilman Yates-No, Chairman Waller- Yes, Councilwoman Forman-Yes, Councilwoman Gray- Yes. (7 yes, 1 no)

b. John Long new lease proposal

Norma Standridge is proposing 3 leases for the SW/4 Section 27-T26N-R9E, NE/4 Section 27-T27N-9E, SW/4 Section 2-T26N, R9E for a 2-year lease, oil and gas less coal bed methane with a bonus of \$4,700 for each lease at a royalty rate of 20%.

Motion by Councilman Yates to accept the offer as proposed, a 2-year lease, oil and gas less coal bed methane with a bonus of \$4,700 for each lease at a royalty rate of 20% for SW/4 Section 27-T26N-R9E, NE/4 Section 27-T27N-9E, SW/4 Section 2-T26N, R9E, seconded by Chairman Waller.

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

c. LM Global drilling

Lester Matthews has taken over the lease in SW/4 3-20-12 from Mr. Hunt. Mr. Matthews reports that he corrected everything on the lease at the beginning, the lease was producing, but was producing under Mr. Hunt's name at that time. Later the lease was terminated. Councilman Revard believe that since the lease has been terminated, an extension could not be granted. The Council would have to approve a new lease. Councilman Revard asks if Mr. Lester could get a letter from Mr. Miller stating he could use the #4 well.

Motion by Councilwoman Harlan to table LM Global Drilling to the May 3rd agenda, seconded by Councilman Redcorn.

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

d. Osage Casino

Chairman Waller explains that there is some dirt at the Osage Casino Tulsa site that needs to be removed. Chairman asked if it would be sold, and they said probably for a dollar.

Motion by Chairman Waller to table the Osage Casino until May 3rd, seconded by Councilwoman Harlan.

MOTION PASSED: Councilman RedEagle- Yes, Councilman Revard- Yes, Councilman Yates-Yes, Chairman Waller- Yes, Councilwoman Forman-Yes, Councilwoman Gray-Yes, Councilwoman Harlan- Yes, Councilman Redcorn- Abstain. (7 yes, 0 no, 1 abstain)

e. Wachtman new lease proposal

Mr. Wachtman is proposing a 1/6th lease for quarter sections SE/4 20-26-9, and SW/4 31-27-9, and a lease bonus of \$3,600. Councilwoman Harlan would like to see a higher royalty.

Motion by Councilman Redcorn to table Wachtman to the next agenda, seconded by Councilwoman Harlan.

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

f. Access to all well records for unleased properties

Councilwoman Forman would like to start requesting all well records that are needed on unleased properties. Chairman suggests starting with 100 at a time.

Motion by Councilwoman Forman to request records on unleased properties on the Osage Mineral Estate, seconded by Councilman Redcorn.

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

g. TEDC Grants

Councilwoman Gray explains that this proposal is due on the 5th. Councilwoman Gray and Councilwoman Harlan have been working on this, they are planning on meeting with Ms. Thomas. The grant will help establish the infrastructure that is needed. The grant will be asking for 100,000, it should help established a business structure, and laws for the Osage.

Motion by Councilwoman Gray to accept the proposed resolution, seconded by Councilman Redcorn.

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

h. Ian Duncan support letter for DOE Grant Submittal

Motion by Councilman Redcorn to issue a support letter for Ian Duncan's research grant on the North Burbank unit, seconded by Councilwoman Harlan.

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

Chairman Waller calls for a break at 11:31am

Chairman Waller calls the meeting back to order at 11:46

i. **PO for vehicle maintenance and tires**

Motion by Councilman Redcorn to approve a PO for tires for the vehicles to come out of the orphan well grant budget, seconded by Councilwoman Harlan.

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

j. **Gas letter discussion**

Councilwoman Forman would like Mr. Ducharme to speak to the Council about the issues he has had with the mowing option for the ABB. Chairman moves this discussion to executive.

k. **Commissioner of Land Office Travel**

Motion by Chairman Waller to approve travel for the Commissioner of Land Office, seconded by Councilman Redcorn.

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

l. **Consultation set agenda, and approve minutes**

Chairman moves the item to old business.

m. **Drum Keeper donation**

Motion by Councilman Yates to donate \$5,000 to the Drum Keeper of each district, seconded by Councilman Redcorn.

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)

n. **Summit 2019 dates**

Councilwoman Forman proposes November 13th and 14th of 2019.

Motion by Councilwoman Gray to set the Summit dates for November 13th and 14th of 2019 to be held at the Osage Casino Tulsa, seconded by Councilman RedEagle.

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

Motion by Councilman Redcorn to accept Councilwoman Forman as the Summit Committee Chair as recommended by Committee, seconded by Councilman Yates.

MOTION PASSED: Councilman Redcorn- Yes, Councilman RedEagle- Yes, Councilman Revard- Yes, Chairman Waller- Yes, Councilman Yates-Yes, Councilwoman Forman-Yes, Councilwoman Gray- Yes, Councilwoman Harlan- Abstain. (7 yes, 0 no, 1 abstain)

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

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

Time: 12:15 PM

6. EXECUTIVE

- a. Osage Nation Dept. of Natural Resources- ABB Conservation
- b. OK Tax Commission
- c. Gas measurement Independent opinion
- d. Independent decision for take gas in kind
- e. Orphan well grant consultant's selection

7. Old Business

Motion by Councilwoman Harlan to exit executive, seconded by Councilman RedEagle.

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

Time: 2:00 pm

Motion by Councilman Redcorn to hire the highest ranking candidate, BOG Services as the Orphan Well Consultant, 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, Councilman Redcorn- Yes. (8 yes, 0 no)

Motion by Councilman Redcorn to hire the second highest ranking candidate, Henry Rennick as the second consultant, seconded by Councilman Yates.

MOTION FAILED: Councilman Revard- Yes, Chairman Waller- No, Councilman Yates-Yes, Councilwoman Forman-No, Councilwoman Gray-No, Councilwoman Harlan- No, Councilman Redcorn- Yes, Councilman RedEagle- Yes. (4 yes, 4 no)

Motion by Councilwoman Harlan to request a second RFP for the second consultant position, seconded by Councilman Redcorn.

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

Motion by Councilwoman Forman for Chairman Waller to instruct Pipestem Law to render an opinion on the Trust obligation if we take our gas in kind, seconded by Councilwoman Harlan.

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

a. Energy Net

Motion by Councilwoman Harlan to table Energy Net to the next agenda, seconded by Chairman Waller.

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

b. Whizbang water flood

Motion by Councilwoman Harlan to table Whizbang water flood to the next agenda, seconded by Councilman RedEagle.

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)

c. Consultation agenda and minutes

Motion by Chairman Waller to approve the bi annual meeting minutes, seconded by Councilman RedEagle.

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

d. MOU- ODOT

Motion by Councilman Yates to approve the Oklahoma Department of Transportation Memorandum of Agreement, seconded by Chairman Waller.

Councilman Revard stepped out of the meeting room.

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

8. Meeting minutes

Motion by Councilwoman Harlan to approve the March 20th minutes, seconded by Councilman Yates.

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

9. Adjournment

Motion by Councilwoman Harlan to adjourn, seconded by Councilman Redcorn.

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

Time: 2:16 PM

Approved by the 4th Osage Minerals Council on the 3rd day of May, 2019.



Chairman



Administrative Assistant