

**OSAGE MINERALS COUNCIL
REGULAR MEETING MINUTES
October 4, 2019**

1. Call to order

Chairman Waller calls the meeting to order at 10:04 AM.

2. Opening Prayer and Reading of deceased Osages

Councilman RedEagle gave the opening prayer.

3. Roll Call

Lanayah called roll. Council members present were: Susan Forman, Margo Gray, Marsha Harlan, Talee Redcorn, Myron RedEagle, Paul Revard, Everett Waller, Andrew Yates. Guests were: Lou Phillips, Norma Standridge, Dustin Herinlinger, Johnny RedEagle, Forence Bigheart T., Dante Halleck, Lenzy Krehbiel-Burton, Beu Brownfield, Teresa Bates Rutherford, Rhonda Wallace, L.K. Heskett, Sharon Long, Cheryl Potts, and Nona Rene.

Chairman Waller says that he has some housekeeping to do. Chairman says he has on the agenda a couple of items, and that Chief will say a few words to us with the Council in agreement with that have that taken care of, has another issue of a resolution that needs to be corrected with the Oil and Gas and rescind. Councilwoman asks Chairman Waller if they can report to the Council with regards to annuitants seeking change update. Chairman says yes and we may have clarification. Chairman says a week ago he met with the Vice President of the United States, you have sent me to the National Tribal Energy Summit, and says he and thank Director Frost who got us in to the table. Chairman Waller says Chief and I have been there before but it was so instrumental of hearing what the Osage need, and my letter head, and everything was Osage Minerals Council. Chairman Waller says he will report and send it to the Chief of the Nation as a press release, and says they are looking at fundamentally what is wrong with reservations like ours where we have a permitting element that caused us so much damage, the larger tribes have other problems, they handed out the new TERA (Tribal Energy Resource Agreement) notice of intent I am going to deliver to the Chief's office today, and says we also had some other breakout sessions and our office will bring you a full report. Chairman Waller says the last comment I had is that when in that Treaty Room I told them that it's all of our great grandfathers that were in that room, and some of the younger people try to play the modern day people they want to talk and they want to speak but I told them there's ways when you come to this Summit and that we had the Osages get up on behalf of the Nation I appreciate that Chief that this was under the ICEIWG the Indian Country Energy Infrastructure Working Group Department of Energy also brought their tribal energy loan guarantee programs back to us. Chairman Waller says he specifically stated to the President's Office Vice President that the Osage's are unique, the Chief and the Nation is going to look at certain items, but we handle the reservation Mineral Estate, so whatever you decide to give these other tribes I want to see a part go to my shareholders, also the other issues are not going to have a lot of comments on what I think about the TERA because we haven't even seen the new law or the possibility, with that I'm going to close.

and the way that Constitutional Amendments work in this form of government in this Constitution, it didn't come to the Chief's office it goes just into Congress and that's just how it is. Says as it is we are governed by this Constitution and it can change through a Constitution Amendment process and that requires going to the Congress and going to the people, well there was a proposed Constitutional amendment about the Minerals session or Councilwoman Rosemary Wood and other shareholders visited my office just to ask for my comments on it and papers and this was before Congress so I looked at it and made suggestions well you better talk to someone about this and that. Chief says so then they went and talked with some of you and then somehow somehow I know it went to Congress and went to their lawyer and came back out to the Congress Agenda and that version I never saw that version before and I don't think you saw that version before, but it was just going on its own it was just going out there and then people started saying asking questions about it and then it got it's in the system it's still there so I think the intent of what Rosemary and her team has proposed is the intent on it is really good. Chief says it clarifies the way which I signed it, something we always talk about the independence of the Minerals Council, and right now it's blurred as you know there's provisions in there that says the Chief has the authority to disapprove resolutions and we had an informal, we had an Attorney General opinion from an Attorney General two times ago two Attorney General's ago that said "on no they can bring in they can bring them out it's up to them whatever," but still attempt it but the Chief can go on ahead watch what you do if you are that kind of person and they could write a letter whatever disapprove and that's that. Chief says well that to me is not the independence to the Mineral's Council because how do we make this work knowing that we can't get hung up on these little clauses and knowing that we had previous forms of government and knowing that we'll probably having another one in the future, and knowing that it's really just about us and how we take care of ourselves and our property so I'm not going to get too wound up about some paperwork and some words because those shouldn't get in our way of taking care of each other. Chief says so they wanted to help clarify in this time at this place to where we have more order to it then it comes out I see this version and there's one clause that I can say I object to and that is the clause that says the federal courts should have authority over any dispute between the Minerals Council and the Osage government the Congress, Chief, and the government. Chief says that doesn't need to be in there but I can also tell you as a practical reason why it's not going to work and suggests you talk Abi Fain is here she can do it later. Chief says the way federal jurisdiction works they teach you in a class called federal courts Councilwoman Harlan can also tell you, they tell you that the courts are limited jurisdiction they say so what's that mean well they say over here in tribal courts or state courts they're general jurisdiction that means they have authority over about whatever you bring to court whatever you can put into contracts. Chief says we have a dispute we want to go to the Osage County District Court or the Courts of Oklahoma or the tribal court or whatever but federal courts are different. Chief says federal courts are limited jurisdiction and limited to what to treaty disputes, any cases or controversies that arise if by treaty or cases of controversies that arise by federal statute and even then the federal statute has to provide for a federal court. Chief says people on their own cannot get together as they say confer federal jurisdiction by themselves, citizens cannot get together and say "well you and I have this contract if we have a dispute we are going to go right down to the federal court," so you walk in the federal judge will say "why are you in my court room, this is the last place you guys should go, you should exhaust all your remedies first and we're the last resort but you have to show me how you come to this court room, under what authority," you say "well,

down to this how are we going to respect you as the Minerals Council. Chief says I agree we need to clarify that I think you're on the right path I suggest you take whatever Congress has before this and look at what you just passed out and bring it back to this Minerals Council quickly because if you're going to do this it needs to be on the next election which is in June 2020 just months away and we have to do all 8 of them it has to go to Congress it has to get passed by ten out of 12 of Congress then it has to go to the election board it has a lot of work to be done, and as it stands now it's just sitting there, whatever is going on here we got to get it to where it fits within the law Abi, Wilson, and I we're staying out of it when it comes to what you do I'm stepping back. Chairman says they're reviewing it as we speak. Chief says so whatever Congress had whatever was passed out I recommend you do what you're doing. Chief says when you go to Congress at least I can say that I'm supportive as long as it doesn't take our authority and give it to somebody on the outside this is internal, it is our business so that's the part I wanted to say, and this needs to come back here quickly. Chief says he may not have a say in what was written but I can call a special session, you can do that and I can put that question right before under the rules of this government if Chief calls a with a special session under the rules as they currently are they have to decide they can't table it I can do that and I will so I wanted to do my report my economic recognize you I think you're on the right path separate I know you all are a business you all stay out of it, and support it however you need to support it that one part out of all.

Chairman Waller says when the Congress was writing that we are already supplying the answer they are using the Nation we are using the court system to alienate us from our own tribe that can't work either because I happen to know that all Chair voters are Osage voters with that being said Chief we are going to review that it's already in the process we have taken the process of two issues that came out of Congress's committee we will take this under advisement I think Abi already has it then we will try to get back with you as soon as possible. Chairman Waller constituency that's exactly what I told the federal government the Osage Minerals Council has to have that sovereignty that is not given to us by this written document what it's given to us is by the blood and soul of our people and with that that's why my elders are here, you strengthen us you honor us you have a place that we call home and we're not giving it up.

Councilwoman Gray says I think it might be appropriate that with Chief being here and he wasn't at the meeting that we didn't have a quorum at our special meeting but for Chair of the committee to report out on what was amended.

Councilwoman Harlan says Chief thank you we had about a two dozen shareholders and interested parties show up and we hadn't convened the sub-committee to meet but we did at that moment because all the members we here Councilman Redcorn was here, Councilwoman Gray, myself, and Councilman RedEagle joined us, and says I think he's going to be part of the committee now. Councilwoman Harlan says so we listened and we gave them the opportunity to speak to us for about an hour and a half I think it was and we came to the conclusion that we're all on the same page, we all want the same thing, and that is to strengthen the Minerals Council, and the protection of the estate under the Constitution. Councilwoman Harlan says I think that sometimes we let public comments get in our way of actually having verbal comments with one another and we took that time we listened to everyone and have set

Councilman Revard says less than the coalbed do you know if there's any coalbed production on it. Mr. Herinlinger says to his knowledge there is nothing on it at all. Councilman Revard says I just felt that we were going to try at some point to give all the mineral rights put back together under one lease since no one is actively pursuing coalbed methane it just complicates things. 2nd Chair Yates says I'll speak to that. Councilman Revard says I would like to include coalbed methane when we lease new leases when the coalbed is not being HBPD is to combine coalbed back to original oil and gas lease it stem from. 2nd Chair Yates says that was intentional initially put in the language because of the coalbed methane concession so its old language that we've held on to and I see it's on the agenda for later, we can pass something movement I don't know if we want to address it Bureau side if it's right or wrong, and that he's all for removing it because concession is gone it is no longer valid.

Councilman Revard says when we started doing coalbed methane with Chief Tillman back in the late 80's early 90's the government was giving tax credit for that type of expiration it didn't turn out very lucrative to pursue just coalbed methane here we are continuing to separate I say we throw coalbed methane with several of these minerals just as a matter of maintenance if no other reason.

Councilman Redcorn says he agrees with Councilman Revard this seems like they might want to go after that on this activity I think we go ahead.

Motion by Councilman Redcorn to approve 4D Oil and Gas lease for quarter sections \$4,700.00 a quarter 20% royalty on a three year with coalbed, seconded by Councilwoman Harlan.

MOTION PASSED: Councilwoman Forman-Yes, Councilwoman Gray-Yes, Councilwoman Harlan-Yes, Councilman Redcorn-Yes, Councilman RedEagle-Yes, Councilman Revard- Yes, Chairman Waller- Yes, 2nd Chair Yates-Yes. (8 yes, 0 no)

Councilman Revard asks if he will submit well records and electric logs to the Minerals Council. Mr. Herinlinger.

b. Russell Evans Economic Impact Study Update

Councilwoman Forman says she hoped to get an answer back from Mr. Evans of what it would cost to get an update on the Economic Impact Study, and says she wasn't sure it was proper for us to hire him on our own because he was solicited by Tom Fredericks for this original report but the reason I wanted an update before the Summit was that it would be good for him to come speak at the Producer Roundtable with an update of Economic Impact study that he did back in 2013. Councilwoman Forman says she wants to clarify if we can't even reach out as a council to him to work directly for us we have to go through Mr. Fredericks.

Chairman Waller says he will give some options, this effort is already involving our attorneys and the lawsuit with Enel the update would just be brought up to the council and then we will decide if we disperse that or send it out but if we can you come up with a proper request to have that done.

Motion by Councilwoman Forman to table, seconded by Councilman RedEagle.

Councilwoman Gray says put sponsorships and registrations. Chairman Waller says as amended that would be fine.

Councilwoman Forman says the \$24,000 is the total promised and collected and the \$5,758 is the amount of what we need.

Chairman Waller says the 14th for this and that he would like to rescind a resolution when Lacey gets here because that's when we can rescind it, the dates are incorrect on the last resolution and it also stated we're going to have the consultation with it and the U.S. government can only be there on the 7th the week before and we're going to send that out to you I've already talk to the Chief and he'll be available with Executive and the Nation. 2nd Chair Yates asks if it will be at the Tulsa Casino. Chairman Waller says that's a question supposedly we were looking at having it here but since they fly in and all I would like to see if we can take care of that on the 16th of being over at Tulsa so the flights get in and we would get them in to our hotel casino and we just use a reserve over there. Councilwoman Forman says they're coming on the 7th. Chairman Waller says Darryl Lacounte new head of the head (Director) of the Bureau of Indian Affairs along with Jonna Blackhorse and that's the only dates we can get him here and the great thing is that at the Oil & Gas Summit we're going to have the Whitehouse Tara Sweeney there dear friends of ours I saw her at Washington and she's ready to go she is going to try to have your solicitor's roll out inherent federal functions and that will be delivered the second she receives it to the Osage. Chairman says that's what he's looking forward to.

d. Orphan Well Plugging letter

Chairman Redcorn says last meeting we requested as Orphan Well Committee have been working on the grant and we identified many wells that as you know William Lynn is spearheading that effort and he's found wells that he thought might be an classified as an emergency well I asked Mr. Lynn to go ahead and let the BIA know that we think there might be some wells classified as an emergency. Councilman Redcorn says that's what prompted the conversation between us and the BIA so I think a few weeks ago Mr. Lynn sent that email in excel spreadsheet showing that this is the case, and then last time we had a special meeting with Mr. Revard as sponsor and we talked about not the emergency wells but the non-emergency well list so it was decided that at that put these wells Mr. Lynn has identified on the non-emergency list and Mr. Revard has 1.25 million dollars for plugging there. Councilman Redcorn says that Candy Thomas who is responsible by the Nation for the 3 million dollars she worked out an agreement with the BIA to get that in by 30th of October however our latest discussion with Mr. Pipestem determining the BIA is fully aware that they are responsible for all these wells per Mr. Revard's conversation, we decided not to send this letter until all of that is clear, and I communicated with Mr. Pipestem and he thought that was best and then I also communicated with Candy Thomas who is okay if we need to review for Mr. Pipestem. Councilman Redcorn says on the other side the emergency wells there's no discussion we need to get these classified as emergency our end agrees, BIA agrees so it doesn't have relevancy, we want to make sure we are classifying them correctly.

Councilwoman Harlan says we had a direct conversation with the Superintendent regarding a well for whatever reason there was some confusion as to whether she could say whether it was emergency or not by her staff she said she had that authority we asked her to deem that well an emergency has anyone heard whether she did or did not is

I also as an Environmentalist am very concerned about the groundwater so I do think that maybe your committees I guess it would be the Orphan because we are pretty well defined on emergency and environmental but on your committee you were going to prioritize wells that need to be plugged and I stayed away from it but I pretty much decided it was probably going to have to be how old was the well how it was constructed. 2nd Chair Yates says a lot of these don't have cement in them, and says back in the day they would put them in and put cement in the bottom just to hold the casing in place so you know there's cross contamination of formation and groundwater. 2nd Chair Yates says I do think that needs to be put in there, that high water, and Mr. Lynn was approved an Echometer fluid gun so he can say we're at the SWD underground source of drinking water it's possibly migrating in and contaminating that ground water because that's the next big thing is groundwater we need to protect that. 2nd Chair Yates says maybe that should be written into that orphan well and somehow written into that prioritization of the wells that need to be plugged.

Chairman Waller says this was brought into the limelight at the roundtable, we are not claiming responsibility of those unplugged wells in no way shape or form, and says we are environmentalist. Chairman says you need a guideline in emergency plugging and I understand the Superintendent's plight she easily gets to sit over there and make that decision, and says that's fine because she's got to sign off on that 139 and then the other request is we put in this guideline of emergency and we have to have if applicable we as a council should have been allowed to redirect the money because we sign.

Councilwoman Gray says she concurs with what 2nd Chair stated on groundwater.

Councilman Redcorn says he feels like we are at a good stopping point with Wilson taking the lead on determining because in my mind we've been plugging wells since I've been on in 2006 but the way I feel about the way it's done I talked to Wilson is BIA comes over we do a little bit then it goes to BIA then they're doing it all, and says that's how it's been from then till now, now it's a different game as Mr. Revard pointed out now that 3 million went to Ms. Thomas as you all recall we were trying to put that 3 million back into our Plugging account and it was overruled by the Nation. Councilman Redcorn says he believes now it good point to stop and let Mr. Pipestem give us guidance, we're still going to do the same things but the liability they managed it the BIA managed it, they got the millions to do that, and says we don't want the liability.

Councilman Revard says at the Plugging committee meeting we had I made a point about this that by us plugging these wells not just the emergency wells any abandon well we are doing so because of the negligence of the BIA for not having the proper management to even allow for a well to be abandoned without a lessee held responsible. Councilman Revard says he thought this was already in the works but I was hoping that our Minerals Council would draft for one blanket letter to cover every abandon well or well by well basis we turn in a permit because we're going to plug this well but only because you're not and we're doing it to protect our estate and our environment and that we still hold the BIA responsible for that well especially if something went wrong once somebody gets killed out there. Councilman Revard says we're doing this as responsible stewards of the land and I will hold the BIA responsible we're doing it out of necessity because you're not doing it.

Chairman Waller says he wants to make one comment that was brought to the Secretary of Interior Bernhardt's while I'm sitting at the Roundtable and also with our Congressman

think they quite had the direction to do what you were saying and that was also something I was hoping that we would have a temporary person come and get all of that organized, and says I am in total agreement. Councilwoman Gray says now that we have this that way we all need to have training on this, and maybe additional training on how to fully utilize Boardbookit, and I think it would be great to have. Councilwoman Gray says like I said I work with another organization and we use this too, there are little things they can use administratively where they can turn on so we can do some of those functions, I think this is more of an administrative action as opposed to, I'm glad you brought that by, and says but I concur with you on that.

Councilman Revard says I'm not proposing any resolution I just wanted a discussion. Chairman Waller says the summer help did so good it was inundating, I talked to Lanayah about that we want to start this spreadsheet that goes into that element and what we will do is look at it but first off I think the resolutions are just like council is talking about, and we'll get that caught up sir. Chairman says I have to ask how many are having problems with your Dell computer.

f. Assignment of CBM (Coalbed Methane) lease

Chairman Revard says he wants to bring attention to some of the hurdles that the people across the building created nothing that I'm asking for action on, I just want to advise you all on somethings you may not be aware of some hurdles that our producers have. Councilman Revard says he learned yesterday from talking to the engineer Steven who is a nice gentleman and certainly qualified to do what he's doing over there, and says that I just learned that you know we've talked about this 30 day notice period when there's an application to either drill or rework a well after they get to the point they are ready to approve it then they hold it there send out a notice to the Chief, Minerals Council, and to the Surfacers who they consider interested parties and they say it's for 30 days they have to appeal the decision to approve that particular permit. Councilman Revard says I just want to let you know for one thing I still object having to go through that, we all know that even in Oklahoma the Minerals, if you go to the agency and ask the Superintendent for assistance with land owner dispute all she'll do is send you down to the district court and claim that she doesn't have jurisdiction. Councilman Revard says he would like to see if we could get that moved into our tribal courts not the district courts and would like to talk to our council about that. Councilman Revard says that the 30 days is not really 30 days from the date of the letter it's 30 days from when the Surfacers owner picks up their mail and not everyone goes to the post office so in the case I'm familiar with the surface owner waited two weeks before he picked up his certified mail and it started from that date. Councilman Revard says from the moment they get that green card it's actually 35 days, the whole procedure is not necessary, and says wish we could do away with that.

Councilwoman Harlan says if Councilman Revard could just have the gentleman make contact with us if they try to terminate then I think we would have a legal action there, and that sometimes things are said as threats that never get carried through but if it comes to fruition I think we would have legal action that Councilman would need to move on.

Councilman Redcorn says he believes TERA or compact contract if you're talking about putting them in tribal courts and I'm going to read this Harvard Project that is something

Councilwoman Gray says as long as it meets the requirements of the emergency plugging some of the other things that we do are sole sourced because they are unique to the Nation and some things I follow procurement like a case-by-case issue unfortunately we do have to work with Tammy Leeper, and says all you have to do is write sole sourced and that it's an emergency.

Councilman Revard says I use a lot of these contractors myself and says I want completely out of the decision of who we use to do any of this work so the rest of you will have to pick the contractor. 2nd Chair Yates says we need to have a list of contractors so we don't show favoritism, put it where it's fairly equal, put these contractors make sure they're bonded licensed and in good standing, make a list, and rotate it each time.

b. Status of the revised request for well records from the BIA

Councilman Revard says at one of our meetings we authorized to write a revised letter of well record request for that one township and range, didn't we just ask for 139 and 208's that we needed all these records.

Chairman says we did send a revised letter, Lacey and I did after the meeting and that was asked in the last council meeting, and they didn't answer it then, we will try to make sure we get some request from them.

Councilman Redcorn says he sent a letter to the council asking Wilson Pipestem directing, in that letter one of them had the five pieces that BIA takes care of, one is engineering, one is leasing those two both shifted over in our hands within the Nation and I think that would be soft solution to the FOIA problem but if you look at that letter it had two things the access permit proposed regulations from Minerals Council Three which we voted down and the other was we had five categories of work the BIA does. Councilman Redcorn says the first is lease space, second is engineering, third is field operational, and says so I would consider one of the two.

Councilman RedEagle says why don't we send a letter to the one above her that is calling the shots why don't we send the letter to Mr. Woodcock.

c. Biannual meeting dates

Chairman Waller discusses this earlier in the meeting. Chairman Waller says we need to have 48 hours to turn in the agenda, and that is a written request to the Chairman to get on the agenda. Chairman says we already requested that it is here, that's the official to Darryl. Chairman says right now it is November 7th 10:00am at our Chambers.

Councilman Redcorn exited at 12:06pm.

7. Meeting Minutes

Motion by Councilwoman Harlan to approve September 18th Regular Meeting Minutes, seconded by Councilman RedEagle.

MOTION PASSED: Councilman RedEagle-Yes, Councilman Revard- Yes, Chairman Waller- Yes, 2nd Chair Yates-Yes, Councilwoman Forman- Abstain, Councilwoman Gray- Yes, Councilwoman Harlan-Yes, Councilman Redcorn- absent. (6 yes, 1 abstain, 0 no, 1 absent)

8. Adjournment

Abi Fain says we have the ABB comments due next Wednesday October 9th, we've submitted our version to Dr. Howard and their making revisions based on their expertise so we expect to get those back soon to get a finalized direction out to everybody and submit it, and says the other thing I want to update everybody on is that today the Assistant Secretary's office is meeting with the NEPA review team to go over the Osage EIS they don't have an anticipated outcome from this meeting but if we receive an update I'll let Chairman Waller know.

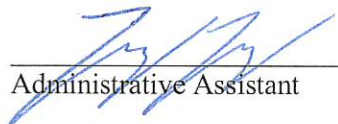
Motion by Councilwoman Harlan to approve September 18th Regular Meeting Minutes, seconded by Councilman RedEagle.

MOTION PASSED: Councilman Revard- Yes, Chairman Waller- Yes, 2nd Chair Yates- Yes, Councilwoman Forman- Abstain, Councilwoman Gray- Yes, Councilwoman Harlan-Yes, Councilman Redcorn- absent, Councilman RedEagle- Yes. (7 yes, 0 no, 1 absent)

Time 12:13pm

Approved by the 4th Osage Minerals Council on the 16th day of October, 2019.


Chairman


Administrative Assistant