

**OSAGE MINERALS COUNCIL
REGULAR MEETING MINUTES
October 16, 2019**

1. Call to order

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

2. Opening Prayer and Reading of deceased Osages

Councilwoman Gray gave the opening prayer.

3. Roll Call

Lacee called roll. Council members present were: Susan Forman, Margo Gray, Marsha Harlan, Talee Redcorn, Myron RedEagle, Paul Revard, Everett Waller, Andrew Yates. Guests were: Nona Roach, Nicole Payne, Robin Phillips, Don Williams, Lenzy Krehbiel, Rick Scott Andy Matson, Janel Perry, Robert Knappe, Rhonda Wallace, Teresa Rutherford, Beverly Brownfield, and Billie Ponca.

Chairman Waller says I'm going to move into housekeeping Old Business Item C to provide a Summit report on our budget that was a question yesterday evening. Chairman Waller says the short discussion I want to have is that I just got back last week from the Oil & Gas Expo without going into too much time and element they went to participate for many reasons but I wants to thank my council for the contacts they made and the work they did and I personally always make sure that they know who I talk to and says it was a great event and we had a great meeting the other day and says that he wants to as Councilwoman Harlan to have a short comment on that.

Councilwoman Harlan says the council a couple of months ago authorized a work group and the work group consists of our council; Wilson Pipestem, Councilwoman Gray, myself, Councilman Redcorn, and Councilman RedEagle. Councilwoman Harlan says so we had met with the Annuitants For Change, and says they are the one's who are pushing for modification and perhaps a constitutional revision. Councilwoman Harlan says so when we met with them we had originally we got an idea of where they were headed, at that time we had scheduled another work group meeting with them for yesterday and had an outstanding presentation from Wilson Pipestem in regarding the trust assets and why certain things will work in revision and why certain things don't work in the current constitution with regards to the Minerals Council Minerals Estate. Councilwoman Harlan says we are set to have another meeting on October 30th at 10am. Councilwoman Harlan says this is not a committee, it doesn't follow committee rules, it is simply a work group, and says we have it opened to where the public can come to these meetings who can hear what the discussion is. Councilwoman Harlan says the first meeting we had we took comments from the public to have them tell us where they wanted to head with that, and says yesterday was more about the constitution in comparison to 1906. Councilwoman Harlan says we're going to present our ideas for change to the annuitants group, come back on the 30th, and try to mesh those two thought processes together before we present it at some point in the future before we present it to the entire council for support. Councilwoman Harlan says like she said it was a very good meeting yesterday, she thinks

everyone enjoyed themselves, it started at 1:30pm which she left at five, there were good comments from everyone, and that she appreciated it all.

Chairman Waller says with that he would like to go into one other issue that's a great concern to us as a council, we would like to ask Janel Perry from the Office of Special Trustee to have a few moments and talk to us about the new roll out of their program, and that he thinks there may have been a few issues.

Office of Special Trustee's Janel Perry says that she's starting to get good news so that's wonderful. Janel says good morning everyone that she sent a press release to Chairman last week to let you know that we have launched a new accounting system for OST and that began in 2018, we have to do that every so often to make sure competitiveness and make sure we're getting the right price that we provide but also to modernize our system. Janel says this bid was accepted for our new accounting system and we wanted to allow beneficiary access to their accounts to do more of the things that you do with your online banking so we began that transition a couple of weeks ago moving data over, and our anticipated launch was scheduled for October 7th. Janel says now we had over 5 billion dollars in trust asset dollars and over 400,000 in accounts so the bolts in Albuquerque decided to be very cautious when they were releasing funds to make sure it got where it needed to go and they actually started dispersing funds on the 9th funds that went out on the 9th and 10th we confirmed with beneficiaries yesterday and if they went out on Friday which is where most folks were we confirmed those starting hitting accounts today. Janel says it looks like the majority of those issues have been sorted out and are starting to go now, and says we do have a handful of accounts that are more complicated than others shall we say that we are currently working on with Albuquerque, and we're analyzing those and getting those addressed and back up to meet with my superiors at noon today to make sure that's all lined out. Janel says I mean I'm not going to lie we've been a little anxious in our office along with the beneficiaries because this is new to all of us and we do not want any issues for anyone involved so I feel confident most of those that still have concerns that we talked to those folks if anyone does still have concerns or they are experiencing delays or issues please contact me directly and I will make sure that goes straight to Albuquerque. Chairman Waller says to please give your number out.

Janel Perry says yes it is (918) 287- 5791, of course they are always welcome to call the call center. Janel says not many do but I would like to know personally anyone that is still experiencing issues I want them to come directly to me because I have a one-on-one meeting at noon with my superiors and if it's one that I don't know about I want to make sure it's addressed then so again (918) 287-5791.

Councilwoman Gray says she was moving money over from her account for her grandson's birthday and it took ten days when usually it would be overnight. Councilwoman Gray says you're probably still going to work kinks and bugs out of it for a while but when you said it's going to be more like online banking, and says what do you really mean. Councilwoman Gray says it is like a sign in like if I want to check my account right now I just go to my account on my regular bank, I log in and scan it, and says is it going to be that type of level.

Office of Special Trustee's Janel Perry says I will answer your first concern first too I have noticed that requests if you have had your direct deposit that it hits usually within a day and

two days very quickly. Janel says it was a little slower once we started moving along and I suspect the Columbus Day had something to do with that.

Chairman Waller says it's Indigenous Peoples day we don't celebrate Columbus Day.

Office of Special Trustee's Janel Perry says the was shut down on Monday as far as the online goes we were looking at trying to get as close to online banking as we can now I have been told that certain were looking into getting account balances available to check, possibly updated addresses, asking and getting everything converted and keep adding services directly to beneficiaries to access their funds. Janel Perry says and I will be told as I get more information I've been told now for sure balances is upcoming and hopefully more services will be added as we get going.

Councilwoman Gray says the OMC has a challenge with addresses and I know with you going through the process you're probably cleaning up. Councilwoman Gray says I don't know if it's a formal request but we do need to get our list, your list, BIA's list to where we have one definitive clean list of updated contacts to send out our mailers, and says we got a stack of returns.

Chairman Waller says 300 I just want that for the record.

2nd Chair Yates says our annuitants who automatically have their banking online with deductions and what have you and says did you give them a heads up that there may be a slow down in their payments of their money coming in.

Office of Special Trustee's Janel Perry says our office doesn't handle the press releases so I'm not sure as far as nationwide what was provided but as soon as we knew we talked to our beneficiaries, our office tried to let everybody know what we are experiencing, what they should experience. Janel says I would like to see a little more wide spread notices, and says I do not know if the challenges or ramifications were there, and says I would have to speak to the external affairs on that.

Chairman Waller says thank you for stepping up like that for us that way we can deliver the transparency issues that are important to our people and so is you keeping us informed. Chairman Waller says I do want you to ask the Superior coming in today is if you can possibly have a clearing house event with the Bureau on this list that in case we ever do have an emergency situation that we can blanket out a response.

Councilwoman says Chairman I would like to make a response on number 7 on office space and says we are working on gathering with other councilmembers when we with Chief the other day he asked about some of our spacing we have over there, we were trying to get a list together for how many offices we will be utilizing. Councilwoman Gray says I know that I know you brought in a new person but it is a consultant. Councilwoman Forman says right. Councilwoman Gray says if they have to do work here there's an office available, and says I didn't know Councilman Redcorn if you had any, and says I know you were bringing on some people in the field but would they becoming in the office to do any work.

Councilman Redcorn says for Orphan Well they are all contractors.

Councilman Revard says same thing for the Well Plugging Committee, and says the engineer we will be contracting with on a consulting basis will have their own offices outside it won't be in our facility.

2nd Chair Yates says how about the gas consultant, and says I understand that as was just temporary. Councilwoman Forman says yeah the gas consultant does not need an assigned office, when he's here he will be in the field, we might meet in my office from time to time, and says we'll need to designate space for that. Chairman Waller says we have conference area to use space for that.

Councilwoman Gray says Chief was just wondering about what our plan was for the future, how many offices in our Strategic Plan meeting, and says we do have positions that are going to be filled so we would be utilizing the offices at some point. Councilwoman Gray says I want to table that until we come back with a complete report.

Motion by Councilman Gray to table 7a, 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)

Councilwoman Forman says if we're going to talk about at any point giving up some space or how we're going to readjust space for our own needs and says I think the committee needs to work with I don't know if it's Dante to come up with a floor plan for us to look and plus we have to look under our Strategic plan what positions we are going to create if any.

Councilman Redcorn says the plan was to move all the records we retrieved we had been from the third council and says we understand the new desires of the council but that still has to be decided we need to go grab the records we purchased and put them somewhere.

Councilwoman Harlan says the reason I seconded Councilwoman Gray's motion is that I made a motion in that committee seconded by 2nd Chair Yates which was passed unanimously that there would be a plan put together and the Chief was very clear that he needs that space for the health clinic and if we're going to use it he would like for us to be able to justify maintaining that space so the motion in committee was that we work with the powers that be to create that floor plan and that hasn't had an opportunity to occur yet because we just met with him last week so I think that takes care of both of the councilmember's concerns because one of the things I commend is where are we going to put those records and then also who is going to be contract space that is actually needed and the Chief wants to know if this fiscal year space is going to be used so that is the pending motion out of the committee that needs to be worked on which is why I seconded the motion to table this.

Councilwoman Forman says I just want to know what committee this was this motion came from and what committee is assigned to handle the office space issue.

Councilwoman Gray says the Liaison Committee and says formally the Chief had talked to you two and I just happened to be walking on throughout before our last meeting in the hallway

and had Dr. Shaw there and they expressed that they have a need to have administrative offices and they looked over and figured out that they needed that space. Councilwoman Gray says as the clinic is growing we know we could take all of our people and our records and put them back there because they said it looks like you're not using this space and so we explained to them that we are using that space but in year one it was just getting up. Councilwoman Gray says you can see here today we just now got everything, we just got our furniture, we got our secured wifi for here and a guest wifi, and says we spent \$250,000 updating this space so in the event when we get our Orphan Well business, our gas business we would have a location but we're only in year one and then year two, and that's in our Strategic Plan. Councilwoman Gray says I said let me pull that information so I can show you that we do have plans over the next three years for growth and business, and says as we tackle the ABB (American Burying Beetle) and all the other challenges that we have, and then we talked about the well logs and says we've been talking about this ever since we've been on council. Councilwoman Gray says and says he says well I'll find a place to secure those so they're trying to clean out some place and in fact there's a three o'clock meeting with Bill Lynn and Dante Halleck to go look at storing those documents and I guess they thought that was our problem, just to store the documents, we said no we are wanting to build a room out so when our oil and gas producers want to view those logs they will have a location where with tables to pull them out and they asked us about digitization we'll probably do that but at this point they want the paper with the files to look at and that is our goal and they're going you can put all that on the paper because if that's what you're going to do we'll look somewhere else for the administrative. Councilwoman Gray says they don't want to get a double wide and put it up here, and says they understand this building may go away in three years.

Chairman Waller says in under two is what we were told.

Councilwoman Gray says he asked it be put into the Liaison because we are working with the office of the Chiefs, actually the Osage Nation runs every building, they have this, that's why we go and ask money for our space cost and direct cost then it turns around and goes back to them. Councilwoman Gray says so that's why Chief asked that we have this discussion.

2nd Chair Yates says Councilwoman Gray kind of covered what I was going to say, I understand Councilman Redcorn's concern with the records that we bought, buy the building or move them out of there, so that's what we informed the Chief we needed space for that. 2nd Chair Yates says he is working on providing that space through archives and I said ultimately we would like to digitize them and put them where they can access them through computers themselves. 2nd Chair Yates says hopefully we can get those digitized at some point but right now they're just clearing a space, and says we're trying to figure out how much space they needed to store those files.

Councilwoman Forman says I don't know if Liaison Committee is the proper committee to be handling floor plan issues.

Councilman RedEagle says I was on the Second Council with 2nd Chair Yates and my brother was Chief at the time and there was a 25 year master plan at that time where they were going

to house us. Councilman RedEagle says they wanted to move us out of here and they had the money to then and they didn't do that.

Councilman Revard says thank you Chairman this is for you and Superintendent Phillips, you know I'm one of the newbies around here so who actually owns this building.

Chairman Waller says Osage Nation. Councilman Revard says okay then we lease it to the Bureau of Indian Affairs they're space.

Chairman Waller says I'm not allowed to go into their contracts so they'll have to answer that. Councilman Revard says Superintendent I assume that the BIA leases a portion of the Osage Nation building that we're in right now.

Superintendent Phillips says that is correct. Councilman Revard says there was talk a week or two ago amongst some of us some of us heard that you all might be relocating. Councilman Revard says do you know or could you share with us your future plans on whether or not you plan to stay in this building maybe for the rest of our term for this council. Councilman Revard do you anticipate relocating the next three years.

Superintendent Phillips says I don't know if I am the one that can really answer that.

Superintendent Phillips says well I can say that we asked for some renovations in our area that are much needed so I can let you know that but I'm not the individual that takes care of the lease. Councilman Revard says so you don't know if you're moving out because that was a consideration I think that would make them solve the Chief's problem if you all were relocating.

Chairman Waller says I just want to reiterate that you will be relocating because they're going to tear the building down but I was told two years, and says the other comment I do have is the clarity of the contract itself only reason I know is former properties and that kind of goes into what Councilwoman Forman is talking about. Chairman Waller says later on I think we do need to specific set this. Chairman Waller says the other item that we had under the Third Minerals Council is doing is digital key ops, and says in that room is not only the Council the headright owners, and the producers will be allowed to come in and we're going to look at digitizing well logs that are so important to our efforts with that being said I'd like to go into the Superintendent Report.

4. Superintendent Report

The Branch of Field Operations issued 9 Trucking Permits Issued, 4 Lessee Response Letters Issued, 17 Well plugging's witnessed, 26 Leases checked for production/primary term, 11 OERB Evaluations were Performed, 91 Lease inspections, 42 Lease inspections/follow-up were Performed, 8 Gas Meter Provings Witnessed, 4 Tank Trucks Checked for Permit, 18 Tank Strappings were Witnessed, 142 Landowner/lessee meetings, they addressed 10 Complaints responded to, they performed 15 Spills/leaks inspected with 9 follow-ups, 107 Tank gauged and 2 Tank Bottom Removals were witnessed.

Superintendent Phillips says the Branch of Lease Management reported 26 assignments were approved, 57 division orders were approved, they collected in oil and gas rentals \$480.00 for the month, and Water Usage Royalty Paid they collected \$6,336.50. Superintendent Phillips says Lease Management identified 18,078 Wells that are producing which do include salt water disposal wells. Superintendent Phillips says for sales reported other than gas APAC recorded production of 22,147.92 tons paid a royalty of \$21,557.50, Burbank Materials reported

10,038.36 tons royalty paid \$11,242.96, Candy Creek Crusher reported 10,380.45 tons paid a royalty of \$9,020.62, Schmidt Brothers reported 192 cubic yards paid a total royalty of \$144.00, Rocky Banks reported 896 cubic yards and reported \$80.00 payment.

Superintendent Phillips says the Branch of Subsurface Minerals reported 9 drilling permits were approved, 2 workover permits were approved, 2 plugging permits and 1 Emergency Plugging permit were approved, for the month they recorded Parsage Oil Company identified Hominy 3-21 well was drilled 9/30/19 and it reported 5.4 (BOPD) Barrels per day. Superintendent Phillips says Parsage Oil Company Hominy 3-18 and 9/30/19 skim of oil.

Superintendent Phillips says the Branch of Accounting reported 27,374.50 Barrels is produced royalty barrels was 4,288.31, royalty paid was \$219,444.80, total dry gas was 214,904 MCF, royalty paid was \$33,959.37, total of liquid gas was 52,778 gallons royalty paid was 2,533.80, the oil there was a change of date so we'll probably see that on next month. Deputy Superintendent Winlock says you are going to see an increase next month some of those royalties aren't showing in barrels because OST change made in the system so it's going to show up this next period. Superintendent Phillips says next month.

Superintendent Phillips says the Branch of Enforcement and Lease Compliance received 1 EA for 1 permit, we approved 2 EA's for 7 permits, 2 NOA's were approved, 28 non-compliance letters, 1 non-production letter, 1 penalty letter, 5 extension letters, 1 further remediation letter, final notice letter 6, and 1 spill closure letter, there were 6 notices for spill remediation and reporting Notice, and 6 exemption approval letters and that concludes my report.

Councilman Revard says really good report only one comment here from the royalty paid for liquid gas seems kind of low.

Deputy Superintendent Winlock says that's the reason why we stayed and did all these key changes we added last month, it's lower now but you're going to see an increase on the next report because we couldn't report that because we didn't have the numbers.

Councilman Redcorn says you're reporting the liquid volumes but you're not what's been paid for the shareholders.

Deputy Superintendent Winlock says well on Mondays we can't report anything because we didn't have the availability the numbers.

Chairman Waller says that's a great option too that we need to talk to your Supervisor about is we're going to have that break down of the contracted self that shows the payment and the items.

Councilwoman Forman says if you scroll up to the barrels of oil produced 27,374.50 divided by 30.4 that's about 900 barrels a day, and says that's not all the barrels that were produced.

Deputy Superintendent Winlock says no that's just what I was saying we could not report because we didn't have all the information, and says because of the changes in the system then we couldn't report it. Superintendent Phillips says the next report will show an increase.

Councilwoman Forman says I would like to break out what the real month production is and the adjusted part is, we need two numbers when you put them together it makes it look like we're producing more data than we really did, we need to follow our production as it drops because that's all it's doing these days.

2nd Chair Yates says there's been an issue with emergency well plugging and I'd like an update on it, and says in passing this morning I spoke with Councilman Revard he that we're going to possibly be moving in Friday on that. Councilman Revard says that's right. 2nd Chair Yates says that's good news it's been several months waiting, is your office fine with that, and says is all the permits in place.

Deputy Superintendent Winlock says I believe we issued three permits I think for emergency plugging so you're good to go. 2nd Chair Yates says so everything is good we're not waiting for anything to get going. Superintendent says Yes.

Councilwoman Harlan says for clarification is this the particular well 2nd Chair is asking about is this the one the Bill Lynn sent us all an email, and says is that the one? Councilman Revard says yes it's really horrendous and getting worse maybe because of the recent rain but Bill has made arrangement with contractors to start the work on it at the end of the week, and says then in addition to that Superintendent has approved three more permits beyond this one permit and we've checked with Pam Jester and Tammy Leeper as to the availability of funds which we're talking the well-head account that's got \$12,000 she'd like to use that account up and drain it completely then move over to the 177,000 well remediation fund, and then once we expend all those funds we'll start dipping in to the 3 million dollar grant.

Councilwoman Harlan says I have a very distinct concern why we're plugging wells that originally had bonds that are no longer in existence so from a legal standpoint would ask that you keep all of the records on the exact cost so forth that way that may... some litigation later.

Councilman Revard says when we had our one and only committee plugging meeting the Superintendent was courteous enough to come over and attend it and this issue got brought up that we made it very clear at least I as a Chairman by us taking in on this responsibility to plug this emergency well and other emergency wells that we are in no way accepting any responsibility for that well. Councilman Revard says we've instructed our legal counsel to draft a letter to the Superintendent. Chairman Waller says on the council's behalf. Councilman Revard says that's correct, we still fight that these wells were abandoned for whatever reason under the government's of the Bureau of Indian Affairs so we look to the Bureau of Indian Affairs to remedy this in their absence in doing so and due to our attempt to be good stewards of our mineral estate we cannot just sit and watch our land get destroyed, so we are taking action out of our own pocket with the idea in hope that some point we can be reimbursed by those who really and truly are responsible for these wells.

Councilwoman Harlan says I am real satisfied with that.

Councilwoman Gray says this is for Councilman Paul Revard and says I really like that idea that we set up five or six vendors that we can rotate through to do that, and says is that in place now so that can expedite when we have emergency wells because I know that the tribe has their procurement things that you have to bid and sometimes we just don't have time for that, and says are you able to get that done. Councilman Revard says here's where we are right now it's on an informal basis, when we get to the 3 million dollar plugging grant I will have a petroleum engineer as an consult approve by Candy Thomas through their RIP ... for somebody manage all of that but in this case Councilman 2nd Chair Yates has advised me who used to be the Chair of the Plugging Committee when an issue would come up they would just go out and take care of it as far as the contractors themselves I've left that up to Bill Lynn who has kind of volunteered with Councilman Redcorn's knowledge taking him away from Orphan Well Committee to take care of this one particular Emergency Plugging that we're going to ...soon and Bill has gathered a few contractors who are capable of doing this and I learned this morning that he's made calls to a few of them that if one became available to do this personally. Councilman Revard says others that are on his list the Lester Well Service and I forgot the third one but there will be more and he will have a list and 2nd Chair Yates suggested and I certainly agree with it that we just rotate for each well, you don't want to pull one contractor off of one well that they've been working on. Councilman Revard says they might have an operation stall and then they come back, it would be good to have the same contractor to come back to that well but the next well I'll go to the next contractor if they're available if they're not then it goes to the next one, we both have a system like that, it would be someone like Bill Lynn now for this one well, in the future it would be this one consulting engineer to keep track of all that that would answer to me that I would share to the full council.

Councilwoman Harlan says I have a question to Superintendent, and says what is your position with regard to the environmental liability of these orphan wells where the bonds were term whatever happened to them, and says what is your position to the liability of it. Superintendent Phillips says I don't know if I am the one to provide. Deputy Superintendent Winlock says probably need to bring that during the Bi-Annual meeting. Superintendent Phillip says that's what I recommend you do.

Superintendent says I just have a question, when we're talking about the emergency plugging and that we are starting to utilize the funds for the 3 million that was given right. 2nd Chair Yates says not yet. Councilwoman Gray says we have to expend some other funds first. Superintendent says because I do have 3 million dollars I think half of that is towards emergency plugging. Chairman Waller says it's availability but the Osage Nation Accounting is trying to do the other but I think the options are still there I just like to add one thing to the this is I'm sure they realize that but you do not go through a protocol on an emergency plugging that they're trying to put us through and you as the Bureau of Indian Affairs, that's why we could get it done, you would call, we would come over or 2nd Chair would have come over before we signed it you told you let's go plug it we'd go plug it, and says thank you council that's exactly how we need to rotate how we've always done.

2nd Chair says I'm just rehashing what's already been, he mentioned we were going to use the 3 million to plug these emergency well pluggings, you mentioned there's going to be some record keeping and I think it is important that we do not utilize 1.25 million earmark for emergency pluggings for orphan well pluggings, at one point 2.5 million is going to be important down in the future because I foresee a lot of plugged wells purging or maybe existing TA wells to start purging, I'm wanting to make sure we don't use that up we always have access to that, and says the orphan wells I'm wondering when is that program going to get started because it seems to be taking a while. 2nd Chair Yates says there's people with wells on their properties wanting to get those plugged sitting there orphaned without responsible parties. Councilman Redcorn says the emergency list we filled with Orphan Well Committee, BIA's in agreement and we're in agreement these guys got to get plugged asap. Councilman Redcorn says the Orphan Well is another issue so we asked Mr. Wilson Pipestem advice how we're going to handle the Orphan Well request and he's doing that now, once we get that clear our numbers are rolling, we're supposed to do that per agreement but Candy Thomas was okay and she said Mr. Pipestem was going to ensure these items that have been brought up by Mrs. Harlan that the BIA is always responsible and that is how we feel, it has not been managed by us, and says it's been managed by the United States. Councilman Redcorn says we are ensuring legally that the next list of orphan wells we got them ready to go, it has got to go through legal review per Wilson Pipestem. Wilson Pipestem says we can discuss this in executive session.

Councilman Revard says I'd like to go back to Councilwoman Forman's concern what she was discussing with the Superintendent the barrels produced for this current period, this one is low, next one is going to be high, I'm asking Superintendent if you could at the end of next month go back and give us some kind of statement of what the numbers were for this period and the next one so we will know, and says give us the written adjusted so we can plug it in to a graph so we can follow. Superintendent says when the comment was made over here about a breakdown production for September and October I already wrote that down. Councilman Revard says okay good.

Chairman Waller says all the business goes to Lacey Reynolds and anything that has to do with Superintendent will send it in there, and says we'll get it out on Boardbookit as quick as possible.

5. New Business

a. Warrior- New Lease

Robert Knappe says I'm here requesting a new lease for Performance Petroleum Company we would like to get a lease on the NW 31-29-11 20% Royalty with a lease bonus of \$4750.

Motion by 2nd Chair Yates to approve new oil & gas for Performance NW 31-29-11 3 year 20% royalty lease bonus \$4750, seconded by Councilman RedEagle.

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

Councilman Revard says is the Coalbed Methane held by production or is it open. Mr. Knappe says I would assume that it's open. Councilman Revard says combine the Coalbed Methane with the Oil and Gas and then secondly if we are to grant you a new lease would you voluntarily provide us copies or your approved permits and 208 completion reports to the Mineral Council in addition to the Bureau of Indian Affairs because you know our lack of access to the records is a problem so we're trying to build our own database as we go along it would be helpful. Mr. Knappe agrees. Councilman Redcorn says I think the resolution as stated includes Coalbed Methane and unless is specifically stated not that we should roll with the lease, I agree what the resolution has stated. Mr. Knappe says if the other leases are oil and gas less coalbed methane and we get an oil and gas lease am I still able to consolidate those leases to other as long as they have the same royalty. Chairman Waller says that's correct and gas sales all the above.

Councilman Revard says I just want to make sure that we are not granting a lease on coalbed methane and oil and gas, and says maybe we validate with the Superintendent's office on that the coalbed is open. Chairman Waller says those are only held by production now anyway actual coalbed concessions are gone but I do like identification. Superintendent says we'll be happy to look and notify Lacey as soon as I get back.

b. Rick Scott Construction-214 lease

Chairman Waller says that we and he is committed to the education of our children, and says that my assistant and I are allowed to write you a letter to waive this. 2nd Chair Yates says if it's less than \$5,000 than I say waive this. Councilman Redcorn says you Chairman have the right to sign this without bringing it to the council. Chairman Waller says yes sir I want to make everyone aware.

c. CEP-new lease

Don William says he's here to get the new oil & gas lease for SW 23-21-9 3 year 20% royalty with \$4700 lease bonus.

Motion by to approve new oil& gas lease less Coalbed Methane for CEP SW 23-21-9 3 year 20% royalty with \$4700 lease bonus, seconded by Councilman Redcorn.

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

Councilwoman Forman says spent the last couple days going over gas production and oil production and I was concerned that in March under your existing contract we were paying only half of what the market value was so I'm hoping that any new gas you bring on that you have the ability to renegotiate getting us market value for our gas. Don Williams agrees. Chairman Waller says that's correct because it's going to under a new sales agreement of the lease itself and with that being said anytime we're going to run into this in the future that this lease will have to be done under an oil ad gas for specifically oil or gas.

Councilman Revard Don on the coalbed methane do you recall what royalty rate that is. Don replies. Councilman Revard says CEP northeast shelf says they're selling gas to themselves so this gas contract that you would like to see improved and says send your well logs.

BREAK TIME 11:19am

d. Zoom

TIME 11:32am

Councilwoman Gray says she's used GoToMeeting and that the Nation uses Zoom. Councilwoman says the features and functions of Zoom as a conferencing tool for meetings and with attorneys that is a low cost per year, and that the Osage Shareholders Association use them, and that it is a good way to connect.

Motion by Councilman RedEagle to approve Zoom Business, seconded by Councilman Redcorn.

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

e. IHS Powertools

Councilman Revard says he asking for this to come out of the C395 budget and basically it gives us the ability to determine value on our leases which not only for the Orphan Well but any value determination you may ask our Geologist to do this is the tool that allows him to.

Motion by Councilman Redcorn to approve the purchase of Powertools from IHS Market for \$4,478.39, seconded by Councilman RedEagle.

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

Councilwoman Harlan says I heard both terms rent, purchase, and lease are they going to be ours. Councilman Redcorn says I'm sorry it's a one year lease. 2nd Chair Yates says my question is directed to Budget Committee Chairwoman Gray, and says is there money in C395 or can you make this work. Councilwoman Gray absolutely we can make this work if it's like Zoom, I think anything that is under \$5,000 that for equipment and needs, we're in a new fiscal budget, but in the future if you could just run it through it will be okay because we have to add amendments and keep it clean.

f. OWC Tim Dowd Resolution

Councilman Redcorn says we have a vote in the Orphan Well Committee we are asking for the full council contract with Mr. Tim Dowd and we're asking how do we need to deal with these operator leases if we pull some resources, and says the question became is the money there worth it and is it even possible to re-do this list.

Motion by to allow OWC to utilize Tim Dowd Services requesting how to deal with operator leases from the C-395, seconded by Councilman RedEagle.

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

Councilwoman Harlan says where is the funds coming from to pay for his services. Councilman Redcorn says we're having a hard time convincing Ms. Thomas that it should come out of the grant. Councilwoman Harlan asks how much. Councilman Redcorn I wouldn't say but 5 hours or 10 hours of his time. Councilwoman Harlan says what are we saying \$1,500 or \$2,000 dollars. Councilman Redcorn says yes. Councilwoman Harlan says I think that this is very important to conversations this council has had on the environmental issues and where we're going to go, this could be someone on a basis we could use if we decide to go forward so could I ask Councilman Redcorn to amend his motion that that would come out of the C395. Councilman Redcorn says he amends his motion. Councilwoman Harlan says would the Chair amend his second. Chairman Waller says yes.

Councilwoman Gray says that she received a wants to get a resolution to approved to move further with hiring the highest rank vendor, Magnum as the graphic designer and have the resolution ready since Tammy Leeper will be out of office till the 21st. Councilwoman Forman says I brought mine before the whole council do you have the ratings, the prices, and says I think we should table this until we are provided with the information. Councilman Redcorn says that Tammy Leeper selects the vendor to make it fair, and says that I'm hearing we're going to approve the recommendation from Tammy Leeper she needs a resolution from us, it's her ball now, she selected the contract per nation law, and we just need to say yes.

Motion by to hire Magnum as Graphic Designer, seconded by Councilman Redcorn.
MOTION PASSED: Chairman Waller- Yes, 2nd Chair Yates-Yes, Councilwoman Forman- No, Councilwoman Gray- Yes, Councilwoman Harlan-Yes, Councilman Redcorn-Yes, Councilman RedEagle-Yes, Councilman Revard- Abstain. (8 yes, 1 no, 1 abstain)

Motion by Councilwoman Harlan to enter Executive, seconded by Councilwoman Gray.

MOTION PASSED: 2nd Chair Yates-Yes, Councilwoman Forman- Yes, Councilwoman Gray- Yes, Councilwoman Harlan-Yes, Councilman Redcorn-No, Councilman RedEagle-Yes, Councilman Revard- Yes, Chairman Waller- Yes. (8 yes, 1 no)

TIME

6. Executive to discuss confidential and/or proprietary matters
 - a. Personnel- Everett Waller

7. Old Business

Motion by Councilwoman Harlan to enter Executive, seconded by Councilwoman Gray.
MOTION PASSED: 2nd Chair Yates-Yes, 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)

TIME

Motion by Councilwoman Harlan to award 7.5% increase to our Executive Assistant Lacey Reynolds, seconded by Councilwoman Gray.

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

Motion by Chairman Waller for office staff Lanayah Turley and putting her in for the former staff worker to pay at the same amount of our last office staff and all payment Ms. Turley previously received as an emergency or permanent new hire shall be construed as proper payment, and no retro pay will be considered to be owed to Osage Minerals Council for Lanayah Turley, seconded by Councilwoman Harlan.

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

Councilwoman Harlan says for Chairman to amend his motion to include that if there is any discrepancies of what she was making and is not to be making we would waive any issues of being paid back. Chairman Waller says yes I do amend that. Councilman Yates says all payment Ms. Turley previously received as an emergency or permanent new hire shall be construed as proper payment, and no retro pay will be considered to be owed to Osage Minerals Council for Lanayah Turley. Councilwoman Harlan says now I'll second that motion.

a. Office Space

b. Finalize Biannual meeting agenda

2nd Chair Yates says as long as we're going to discuss the orphan well plugging and abandonment and also I'd like to add that there be discussion on existing TA wells and production wells on existing and orphan leases.

Councilwoman Harlan says in regard to orphan wells that we add to a new subparagraph that addresses the environmental liability under #2 it should say discussion of environmental liability.

Motion by Councilwoman Harlan to adopt the agenda to include updated statistical data which is finalized today, seconded by Councilman Redcorn.

MOTION PASSED: Councilman Redcorn-Yes, Councilman RedEagle-Yes, Councilman Revard- Yes, Chairman Waller- Yes, 2nd Chair Yates-Yes,

Councilwoman Forman- Yes, Councilwoman Gray- Yes, Councilwoman Gray- Yes, Councilwoman Harlan-Yes. (8 yes, 0 no)

Councilwoman Forman says the last consultation meeting we had had a very nice spreadsheet showing the information that they did not give us on the dry gas report and I asked for the information to be provided of course they have not so I would like to put that on the agenda ask them what the status is of you giving us this information.

Councilwoman Harlan says I'm happy to amend my resolution to include an update of status data on this consultation agenda and it could be under the ongoing oil and gas development issues if Councilman Redcorn will amend his second. Councilman Redcorn says I agreed. Councilwoman Harlan says we want them as broad as possible to open up doors to others and they won't say that wasn't on the agenda.

Chairman Waller says I do have a budget to have a reflection Councilwoman Forman added in the adjustments she made to the budget but it's really just the adjustment of donations because I didn't see a change in the working budget.

Councilwoman Forman says we increased some of the expenses. Chairman Waller says does she need a resolution to have this budget. Lacey Reynolds says after the completion of the Summit she will have to come back with the final expenditures. Councilwoman Harlan says because it's private dollars. Councilwoman Forman says all the expenditures come from the service field, our producers, our gas and oil purchasers, and our partners.

Motion by Councilwoman Harlan to approve 10/4 MM with Dante Halleck corrected, seconded by Chairman Waller.

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

8. Meeting Minutes

Motion by Councilwoman Harlan to approve 10/4 MM with Dante Halleck corrected, seconded by Chairman Waller.

MOTION PASSED: Councilman RedEagle-Yes, Councilman Revard- Yes, Chairman Waller- Yes, 2nd Chair Yates-Yes, Councilwoman Forman- Abstain, Councilwoman Gray- Yes, Councilwoman Gray- Yes, Councilwoman Harlan-Yes, Councilman Redcorn- Yes. (8 yes, 0 no, 1 abstain)

9. Adjournment

Motion by Councilwoman Harlan to adjourn, seconded by Chairman Waller.

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

Time 12:13pm

Approved by the 4th Osage Minerals Council on the 1st day of November, 2019.


Chairman


Administrative Assistant