



# MANDAN, HIDATSA, & ARIKARA NATION

*Three Affiliated Tribes • Fort Berthold Indian Reservation*

*HC3 Box 2 • New Town, North Dakota 58763-9402*

## SPECIAL COUNCIL MEETING MINUTES

MARCH 12, 1997

TRIBAL BUSINESS COUNCIL  
701-627-4781  
Fax 701-627-3805

### 01. CALL TO ORDER.

A Special Meeting of the Three Affiliated Tribes' Tribal Business Council was held on Wednesday, March 12, 1997, in the Tribal Council Chambers, for the purpose of final review and approval of the oil and gas agreement. The meeting was called to order by Chairman Russell D. Mason, Sr., at 4:00 p.m. A moment of silent prayer and meditation was held. Councilmen Thomas Bird Bear, Mark N. Fox, Austin Gillette, Tex G. Hall, Edwin Hall, and Daylon Spotted Bear were present.

### 02. SPECIAL BUSINESS.

- a. MOTION #1 to Approve R#97-060-DSB to Accept the Final Version of the Oil and Gas Agreement with ALENCO Oil. Staff Attorney, Thomas M. Disselhorst, presented the final documents of the oil and gas agreements. Austin Gillette moved for approval. Seconded by Mark Fox for purposes of discussion. Discussion: Any changes in the agreement terms or conditions will come back to the Tribal Business Council. Any supplemental changes that change the nature of the documents will also be subject to full consideration of the council. The agreement will not be final, nor will the two million dollar bonus be available to the Tribe, until at least 75% of the allotted acres available, including all tribal lands, have been leased by Alenco. The Tribe will receive 18.25% of the net profit for production of all oil and gas trust lands leased by Alenco, held by the Tribe or by individual members. (According to Staff Attorney Disselhorst [after clarification was requested by Mark Fox], if this was done privately, without an agreement, the 18.25% the Tribe is to receive would be kept by the company.) Alenco has agreed to pay for leases of individual trust land, a lease-signing bonus of either \$20 or \$35 per acre depending on location, inclusive of the annual rental. Individual lessors will receive a 1/8 production royalty-- proportionately reduced among each person entitled to the royalty for the same mineral acres. The Tribe will receive an interest from the net proceeds of all the oil that is produced on the reservation; therefore, this oil lease will be for the benefit of all tribal members, in that the Tribe, as a whole, will share in the production of all the wells on the reservation.

Kyle Baker, Natural Resources, provided a background on the lack of development of mineral resources on the reservation in previous years. Mr. Baker said this is the first oil company willing to work with us--the terms are good and will benefit everyone--mineral owners, landowners, and the Tribe.

The TERO fee will be \$20,000 per annum for the first five years, first payment to be made when the agreement is signed, and the next payment to be made on the second annual date of the agreement. \$10,000 will be supplemented from the Tribe each year to TERO, for a total amount of \$30,000 per year to TERO. Thomas Bird Bear, Mark Fox, and Tex Hall requested documentation be provided by TERO as to whether or not they did agree to the above. A report from the Natural Resources Environmental Division with respect to expected impact on the environment was also requested. (Recorder's note: Marcus Wells, Jr., TERO Director, provided a memorandum dated March 13, 1997, expressing TERO's approval. This memo is filed with R#97-060-DSB as an attachment.) Discussion was held on whether or not the royalty amount was too low. The allottee who has oil on his or her land will receive a royalty rate of 12.5%. Discussion on Tribe's environmental laws and regulations. This agreement allows the tribe to move forward with environmental regulations and laws, and gives us an opportunity to develop those environmental laws. Presently, the Tribe has some laws, but there is no enforcement of those laws. Discussion on taxes, which are 25%. State taxes will be reduced to 5% from 9%. Mark Fox said he would probably support this agreement, as it appears to benefit all the people and the Tribe, collectively; and those people who oppose this agreement do have the option of not signing their lease(es).

Vote on motion: 5 in favor. 2 opposed. Motion carried.

**03. OTHER BUSINESS.**

- a. MOTION #2 to Approve Addition of Luke Yeahquo Jr's. Request to Agenda. Tex Hall moved to add Luke Yeahquo, Jr., to the agenda regarding snow removal in Mandaree. Motion was seconded by Mark Fox. Vote: 6 in favor, 1 not voting.
- b. MOTION #3 to Approve Payment to Luke Yeahquo, Jr. for Snow Removal in Mandaree. Councilman Hall explained that a bill had been submitted by Luke Yeahquo in the amount of \$5,900, and Ted Danks said this didn't come under FEMA. Moved by Tex Hall to pay Luke Yeahquo's snow removal bill, but that we seek federal dollars in the first instance in advance. Seconded by Mark Fox. Vote on motion: 7 in favor. Carried.

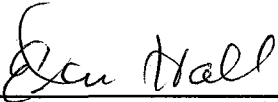
**04. NEXT MEETING. Thursday, March 13, 1997.**

Special Council Meeting  
03/12/97, Page 3 of 2

05. **ADJOURN.** MOTION #4 to Adjourn. Motion to adjourn by Tex Hall, seconded by Mark Fox. 7 in favor. Meeting adjourned at 6:50 p.m.

**CERTIFICATION OF MINUTES**

As Executive Secretary of the Tribal Business Council of the Mandan Hidatsa Arikara Nation, Three Affiliated Tribes of Fort Berthold Reservation, I hereby certify that the Tribal Business Council is composed of seven members, of whom five members constitute a quorum. Six members were present at a Regular Meeting held on the 8th day of April 1997 whereupon the Special Council Meeting Minutes of March 12, 1997 were presented for approval by the Three Affiliated Tribes' Recorder. Said minutes were duly approved by the affirmative vote of 6 members, 1 member absent.



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Edwin Hall, Acting Executive Secretary  
Three Affiliated Tribes' Tribal Council

**ATTEST:**



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Russell D. Mason, Sr., Chairman  
Tribal Business Council



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*DSB*

## Inter-Office Memorandum

To: Thomas Bird Bear

From: Daylon Spotted Bear  
Executive Secretary

Subject: Release of Council Meeting Tapes

Date: 7-24-97

Please sign this memo and return to my office for the release of the recordings of the special council meeting on March 12, 1997. This tape contains tape 2 of 2 of a special council meeting on March 3, 1997. Both tapes of a special council meeting on March 12, 1997, and tape 1 of 4 of the regular council meeting on March 13, 1997. After reviewing the tapes, please provide my office with the exact amendments you wish to make to the minutes.

*Thomas Bird Bear 7-25-97*

*No Amendments. 1-26-98 Return of Tapes. BB.*

*REC'D Marian Spotted Bear, Records*



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7-25-97