



**RESOLUTION OF THE GOVERNING BODY OF THE
THREE AFFILIATED TRIBES OF THE
FORT BERTHOLD INDIAN RESERVATION**

A Resolution entitled: “Approval to lease 360 Acres of tribal trust lands to Kodiak Oil & Gas Corp., for Oil and Gas Development on the Fort Berthold Reservation pursuant to 25 CFR § 211 and Request to the Superintendent to Negotiate a Lease Pursuant to 25 CFR§ 211.20 (a) and (d) “

WHEREAS, This Nation having accepted the Indian Reorganization Act of June 18, 1934, and the authority under said Act and having adopted a Constitution and By-Laws pursuant to said Act; and

WHEREAS, The Constitution of the Three Affiliated Tribe generally authorizes and empowers the Tribal Business Council to engage in activities on behalf of and in the interest of the welfare and benefit of the Tribes and of the enrolled members thereof; and

WHEREAS, Article III of the Constitution of the Three Affiliated Tribes provides that the Tribal Business Council is the governing body of the Tribes; and

WHEREAS, pursuant to Article VI, Section 5(1) of the Constitution, the Tribal Business Council has the power to adopt resolutions regulating the procedures of the Tribal Business Council and other tribal agencies and tribal officials on the Reservation; and

WHEREAS, Article VI, Section 5(i) of the Constitution specifically authorizes and empowers the Tribal Business Council of the Tribe to make assignments and leases of Tribal lands and otherwise to manage tribal lands, interests in Tribal lands, and property upon such lands, in conformity with Article IX of the Constitution; and

WHEREAS, Article IX of the Constitution specifically authorizes and empowers the Tribal Business Council to manage and lease or otherwise deal with tribal lands and resources in accordance with law; and

WHEREAS, 25 CFR Part 211 provides the authority and procedures for leasing tribal lands for mineral development; and

WHEREAS, 25 CFR sub-part 211.20(a) provides that no oil and gas lease shall be approved unless it has first been offered for advertised bid sale unless the Secretary grants the Indian mineral owner written permission to negotiate for lease; and

WHEREAS, 25 CFR sub-part 211.20(d) further provides that an Indian owner may also submit negotiated leases to the Secretary for review and approval; and



WHEREAS, 25 CFR § 211.29 further provides that the regulations in this part may be superseded by the provision of any tribal constitution, by-law, or charter issued pursuant to the Indian Reorganization Act or by ordinance, resolution or other action authorized under such Constitution, provided that such tribal law may not supersede the requirements of federal statute applicable to Indian mineral leases; and

WHEREAS, the Fort Berthold Reservation comprises approximately 1,000,000 acres and has within it potentially significant oil and gas resources as the Reservation lies within the generally accepted geologic formation known as the Williston Basin, a geologic formation that has been developed since the early 1950's; and

WHEREAS, the Three Affiliated Tribes received a proposal from Kodiak Oil & Gas Corp., to lease 360 tribal mineral acres within the Fort Berthold Reservation, which said proposal was submitted and unanimously approved by the Tribal Business Council on February 14, 2008; and

WHEREAS, the Tribal Business Council seeks, by resolution, to formalize its February 14, 2008 action to approve the leasing of 360 acres to Kodiak Oil & Gas Corp., for oil and gas development on the Fort Berthold Reservation, for the consideration of \$666 per acre bonus, eighteen (18) percent royalty and \$2.00 per acre rental for a five (5) year lease,

NOW THEREFORE BE IT RESOLVED, That the Tribal Business Council of the Three Affiliated Tribes hereby formalizes its approval action on February 14, 2008, to lease 360 acres of tribal lands for oil and gas development to Kodiak Oil & Gas Corp., for the consideration of \$666 per acre bonus, 18% royalty and \$2.00 per acre rental for a five year lease.

BE IT FURTHER RESOLVED, That the Tribal Business Council of the Three Affiliated Tribes hereby affirms and ratifies its approval of the lease for oil and gas development of said acreage specifically described as:

T 148N-R93W Section 30 and 31 (360 acres)

FURTHER, BE IT RESOLVED, That the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Reservation hereby authorizes the Tribal Chairman to execute an oil and gas lease or leases, as may be necessary, on behalf of the Tribe for the development of oil and gas on the properties described and under the terms specified.



FURTHER BE IT RESOLVED, That the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Reservation, in accordance with 25 CFR 211.29 and the Constitution and Bylaws of the Three Affiliated Tribes, hereby declares that this Resolution shall expressly supersede and waive the leasing procedure set forth by regulatory provision and policy, including among others, the advertisement and bidding process, and specifically directs the Secretary, acting through the Bureau of Indian Affairs, to approve the negotiated lease pursuant to this Resolution and 25 CFR §211.20;and

FINALLY, BE IT RESOLVED, that the Tribal Business Council of the Three Affiliated Tribes hereby requests the Bureau of Indian Affairs to expedite the approval of the lease herein described.

CERTIFICATION

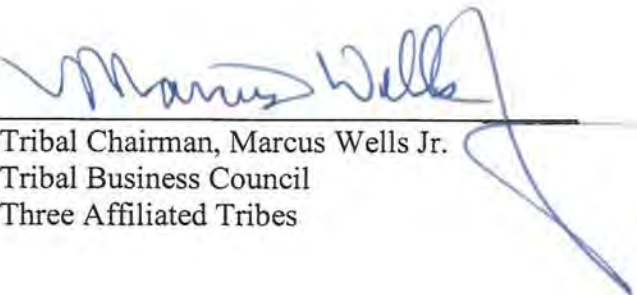
I, the undersigned, as Secretary of the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Indian Reservation hereby certify that the tribal Business Council is composed of seven (7) members of whom five (5) constitute a quorum, 7 were present at a Special Meeting thereof duly called, noticed, convened and held on the 4th day of December, 2008, that the foregoing Resolution was duly adopted at such meeting by the affirmative vote of 7 members, 0 members opposed, 0 members abstained, 0 members not voting, and that said Resolution has not been rescinded or amended in any way.

Chairman Voting. Not Voting.

Dated this 4th day of December, 2008.

ATTEST:


Tribal Secretary V. Judy Brugh
Tribal Business Council
Three Affiliated Tribes


Tribal Chairman, Marcus Wells Jr.
Tribal Business Council
Three Affiliated Tribes