



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

A Resolution entitled: “Approval of the Consent to Assignment 1040.00 acres within Dakota-3 E & P, LL’s, IMDA of tribal trust lands to Kodiak Oil & Gas (USA) Inc., for Oil and Gas Development on the Fort Berthold Reservation pursuant to 25 CFR, Part 225”

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, 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 Tribe is actively seeking to develop its resources for the economic benefit of all of its members which will provide both increased revenue and increased economic opportunities for tribal members; and



WHEREAS, Subject to approval by the Bureau of Indian Affairs (the “BIA”) on June 15, 2007, and September 19, 2007, Dakota-3, LLC (“Dakota-3”) executed prior versions of and Oil and Gas Lease (the “Previously Executed Leases”) with the Tribe (the “Lessor”) under the Indian Mineral Development Act (the “IMDA”) of 1982 and regulations issued by the BIA pursuant to that Act found at Title 25, Part 225, of the Code of Federal Regulations; and

WHEREAS, The Tribal Business Council had previously approved the Previously Executed Leases in Resolution Nos. 07-127-VJB and 07-170-VJB, but the Previously Executed Leases were not approved by the BIA and therefore did not become binding or effective; and

WHEREAS, The Tribal Business Council received comments and revisions to the Previously Executed Leases from the BIA and from Dakota-3, which comments and revisions were reviewed and approved by the Tribe’s counsel and were incorporated into a form of oil and gas lease presented to the Tribal Business Council for approval on October 16, 2007, (the “Lease”), and the Lease and the assignment thereof by Dakota-3 to Dakota-3 E&P, LLC, a Delaware limited liability company (“Dakota-3 E&P”) were approved by the Tribal Business Council in Resolution No. 07-197-VJB; and

WHEREAS, The Tribal Business Council now has received additional comments and revisions from Dakota 3, E&P wherein they wish to assign it’s mineral interest in 1040 acres to Kodiak Oil & Gas (USA), Inc. of said acreage specifically described as stated below and **where all stipulations in the original IMDA will apply ; and**

MT1773 T147N-R92W, Sec. 13: E½NE¼, NW¼ (240 acres)
MT2249 T147N-R92W Sec. 14: E½ (320 acres)
MT3053-A T148N-R93W Sec. 33: NE¼ (160 acres)
MT1970 T148N-R93W Sec. 34: NE¼ (160 acres)
T3053 T148N-R93W Sec. 33: SE¼ (160 acres)

NOW THEREFORE BE IT RESOLVED, That the Tribal Business Council hereby determines that the foregoing proposed actions are the best interest of the Tribe and promote the welfare of the Tribes and does hereby ratify and approve the Amendments; and

BE IT FURTHER RESOLVED, That the Tribal Business Council of the Three Affiliated Tribes hereby affirms and ratifies its approval of the assignment to Kodiak Oil & Gas (USA) Inc., for oil and gas development of said tribal trust mineral acreage located within the following:



MT1773 T147N-R92W, Sec. 13: E $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ (240 acres)
MT2249 T147N-R92W Sec. 14: E $\frac{1}{2}$ (320 acres)
MT3053-A T148N-R93W Sec. 33: NE $\frac{1}{4}$ (160 acres)
MT1970 T148N-R93W Sec. 34: NE $\frac{1}{4}$ (160 acres)
T3053 T148N-R93W Sec. 33: SE $\frac{1}{4}$ (160 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 225 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 §225.33; 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, 5 were present at a Regular Meeting thereof duly called, noticed, convened and held on the 10 day of July, 2009, that the foregoing Resolution was duly adopted at such meeting by the affirmative vote of 5 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 10th day of July, 2009.

ATTEST:

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

Tribal Chairman, Marcus D. Levings
Tribal Business Council
Three Affiliated Tribes