



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

A Resolution entitled: “Approval to leases 160 acres of Lands located in Dunn County to Simray Production Company, LP, for Oil and Gas Development on the Fort Berthold Reservation”

WHEREAS, This Nation having accepted the Indian Reorganization Act of June 18, 1934, and the authority under 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 IX, 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 Three Affiliated Tribes has been approached by Simray Oil & Gas Inc., for oil and gas development on the Fort Berthold Reservation in the Township 148N Range 93W section 16 NE/4 containing 160 acres total



WHEREAS, the Tribal Business Council now desires to enter into a straight Tribal Oil and Gas Lease Agreement with Simray Oil & Gas Inc., to lease 160.00 tribal mineral acres within the Fort Berthold Reservation, for oil and gas development on the Fort Berthold Reservation, for the consideration of Eight Hundred and no/cents (\$800.00) per acre bonus, twenty-one percent (21%) royalty and two dollars and fifty cents (\$2.50) per acre rental for a Five (5) year lease,

NOW THEREFORE BE IT RESOLVED, The Three Affiliated Tribes hereby approves of entering into a straight Tribal Oil and Gas Lease Agreement with Simray Oil & Gas Inc. to include the following stipulations:

1. The Amount of the royalty payments shall be twenty-one percent (21%).
2. The bonus paid per acre shall be Eight Hundred dollars and no cents (\$800.00).
3. The initial term of the lease shall be Five (5) years with an annual delayed rental of two dollars and fifty cents (\$2.50) per acre for lands
4. Simray shall drill 1 (one) well within first Three (3) years of lease.
5. The amount of land to be available for lease is acknowledged to be approximately 160.00 acres in the following township.

T148N-R93W section 16 NE/4 containing 160 acres

6. The mineral lease shall be substantially in the same form as the BIA Oil and Gas mining Lease.

NOW THEREFORE BE IT RESOLVED, the Tribal Business Council approves the lease of the aforementioned 160.00 acres to Simray Oil & Gas Inc., for the terms and conditions described in the Resolution and designates the Tribal Oil and Gas Department finalize a straight Tribal Oil and Gas Lease(s) with Simray Oil & Gas Inc. consistent with this resolution.

FUTHER BE IT FINALLY RESOVLED, that the Chairman of the Tribal Business Council is hereby authorized to execute a finalized straight Tribal Oil and Gas lease Agreement(s) on behalf of the Three Affiliated Tribes and that either the Vice-Chairman, Secretary or Treasurer may sign as a co-signatory on said Agreement.



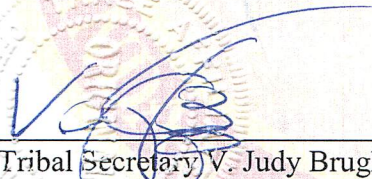
CERTIFICATION

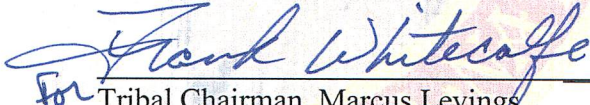
I, the undersigned, as Secretary of the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Indian Reservation, hereby certify that the tribal Business Council is composed of seven (7) members of whom five (5) constitute a quorum, 5 were present at a Regular Meeting thereof duly called, noticed, convened and held on the 15th day of April, 2010; 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 15th day of April, 2010.

ATTEST:


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


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