



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

A Resolution entitled, "Requiring Disclosure and Reporting of Overriding Interest in Oil and Gas Leases for the Exploration and Development of Oil & Gas on the Fort Berthold Indian Reservation."

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 Tribes 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, Article IV, Section 5(l) of the Constitution of the Three Affiliated Tribes provides the Tribal Business Council authority to adopt resolutions regulating the procedure of the Tribal Council and other Tribal Agencies and Tribal Officials of the Reservation.

WHEREAS, Oil companies have obtained many oil and gas leases on the Fort Berthold Indian Reservation in the past five years either directly or through the use of "landmen" or "lease brokers" that have obtained the leases directly for the oil companies or turned around and sold them to the oil company; and

WHEREAS, These landmen and/or lease brokers often obtain an "overriding interest" in a oil and gas lease as compensation for obtaining the lease for or selling a lease to an oil company that is ultimately going to operate the lease;

WHEREAS, The Tribal Business Council recognizes that allottees are normally unaware that the landman or broker they are dealing with will obtain an overriding interest in their mineral lease if they sign the lease with them; and



RESOLUTION NO. 12- 005 -VJB

WHEREAS, The Tribal Business Council has heard many complaints from allottees that have learned and/or believe that the landmen or brokers that they signed a lease for now have an overriding interest in their lease; and

WHEREAS, Allottees believe that they should have and in the future should be informed of any overriding interest that a landman or broker or any other entity may receive in their minerals if they execute an oil & gas lease; and

WHEREAS, The Tribal Business Council desires to make certain that all allottees are informed of any overriding interests obtained in their oil & gas leases in the past or in the future.

THEREFORE BE IT RESOLVED, The Tribal Business Council hereby requires all overriding interests in oil & gas leases and/or minerals obtained for the discovery of oil and gas on the Fort Berthold Indian Reservation, in the past five years and in the future, be reported by the Operators of the Lease and by the landman or lease broker that obtained or will obtain the lease.

BE IT FURTHER RESOLVED, That any land man or lease broker that knows it will obtain an overriding interest in an allottee's oil & gas lease/minerals must disclose that fact to the allottee in writing prior to the allottee executing a lease.

BE IT FINALLY RESOLVED, That Tribe's legal department shall produce a reporting/disclosure form for all individuals or entities that obtained or will obtain leases on the Fort Berthold Indian Reservation that requires them to disclose what lease(s) (mineral allotments) or mineral interests they obtained an overriding interest and the amount of the overriding interest they obtained for procuring the lease or for selling the lease for an oil company. A disclosure form for each oil company shall also be produced and sent to each oil company operating on the FBIR that discloses the overriding interest paid to any entity that obtained leases on the FBIR in the past five years, if any. These reports shall be sent to the Secretary's office and filed for the Secretary and shall be public information for all allottees.



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 12th day of **January**, 2012, 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 12th day of **January**, 2012

ATTEST:

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

Tribal Chairman, Tex G. Hall
Tribal Business Council
Three Affiliated Tribes