



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

***A Resolution Entitled: "Consent for Spotted Hawk Development, LLC's mortgage of oil and gas leases on lands/mineral interests owned by the Three Affiliated Tribes and/or the title to which is held in trust by the United States for the benefit of the Tribes or subject to Federal restrictions against alienation."***

**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 VI, Section 5(l) of the Constitution of the Three Affiliated Tribes provides that the Tribal Business Council has the power to adopt resolutions regulating the procedure of the Tribal Business Council and other Tribal agencies; and

**WHEREAS**, Article IX of the Constitution of the Three Affiliated Tribes authorizes and empowers the Tribal Business Council to manage, lease and otherwise deal with Tribal resources in accordance with law; and

**WHEREAS**, The Three Affiliated Tribes (the "Tribes") are actively seeking to develop the oil and gas resources on the Fort Berthold Indian Reservation for the economic benefit of all of the Tribal members so as to provide both increased revenue and increased economic opportunities for Tribal members; and

**WHEREAS**, Spotted Hawk Development, LLC leases oil and gas mineral interests from the Tribes under that certain oil and gas lease entered into by and between the Tribes and Spotted Hawk, identified as Contract No. 7420A42433 (the "Lease") and as of the date hereof, Spotted Hawk is in compliance with the terms and conditions of such Lease; and

**WHEREAS**, Spotted Hawk Development, LLC (together with its affiliates, "Spotted Hawk") plans to issue senior secured notes in a private placement (the "Notes") in order to finance its continued exploration and development activities for the lands Spotted Hawk leases pursuant to the Lease; and

**WHEREAS**, Spotted Hawk has requested, for its own benefit and for the benefit of any successors and assigns, the consent of the Tribes for that certain Mortgage - Collateral Real Estate Mortgage, Assignment of As-Extracted Collateral and Production, Security Agreement and Financing Statement and Fixture Filing from Spotted Hawk, as Mortgagor, for the benefit of U.S. Bank National Association, as Collateral Agent, and the documents ancillary thereto (collectively, the "Note Mortgage"), to be entered into upon the issuance of the Notes, which Note Mortgage conveys to U.S. Bank National Association and its



successors and assigns a security interest, lien, power of sale and a right to all remedies available under federal restrictions against alienation of trust lands upon any and all of such properties leased by the Tribes to Spotted Hawk under the Lease, which properties and leases cover lands and mineral interests (i) owned by the Tribes or (ii) the title to which is held in trust by the United States for the benefit of the Tribes or subject to Federal restrictions against alienation; and

**WHEREAS,** Spotted Hawk further requested the consent of the Tribes to all other terms and provisions of the documents evidencing the Note Mortgage, including, but not limited to the choice of law provision set forth therein; and

**WHEREAS,** The Tribal Business Council finds it in the interest of the welfare and benefit of the Tribes to consent to and approve Spotted Hawk's request that the Tribes consent to the Note Mortgage.

**NOW THEREFORE BE IT RESOLVED,** that pursuant to the authority and power granted to the Tribal Business Council under the Constitution of the Three Affiliated Tribes, the Tribal Business Council, on behalf of the Tribes, does hereby consent to and approve the Note Mortgage, to be entered into upon the issuance of the Notes, which Note Mortgage conveys to U.S. Bank National Association and its successors and assigns for the benefit of the holders of the Notes a security interest, lien, power of sale and a right to all remedies available under federal restrictions against alienation of trust lands upon any and all of such properties leased by the Tribes to Spotted Hawk under the Lease, which properties and leases cover lands and mineral interests (i) owned by the Tribes or (ii) the title to which is held in trust by the United States for the benefit of the Tribes or subject to Federal restrictions against alienation; and

**BE IT FURTHER RESOLVED,** that the Tribal Business Council does hereby consent to and approve of the execution of the consents by the Tribal Chairman, Tribal Council Secretary, Vice Chairman and Treasurer of the Tribal Business Council (or any one of them) are hereby authorized to execute the consents and any further documentation associated with such consents; and

**BE IT FURTHER RESOLVED,** that the Tribal Business Council confirms that if any provision of this Resolution or the application of any provision of this Resolution is found or held to be invalid, all remaining provisions of this Resolution and the application of such remaining provisions of this Resolution shall be unaffected and remain valid and enforceable; and

**BE IT FINALLY RESOLVED** pursuant to the authority and power granted to the Tribal Business Council under the Three Affiliated Tribes Constitution that the foregoing resolutions consenting to Spotted Hawk's Note Mortgage upon any and all of such properties leased by the Tribes to Spotted Hawk under the Lease including all terms and provisions set forth therein, including, without limitation, the choice of law provision and forum selection clause set forth in such Note Mortgage and further, consenting to any future conveyance, assignment and transfer of rights, title, interests and obligations under the Lease to U.S. Bank National Association and its successors and assigns provided that such future assignment, conveyance or transfer is associated with, arises or results from the terms and conditions of the Note Mortgage or rights and/or interests granted or otherwise contemplated thereunder and provided further that in no event shall the terms of the Note Mortgage expand the rights and/or alter the obligations of the lessee, or its lenders or their successors or assigns under the Lease including through foreclosure.



**CERTIFICATION**

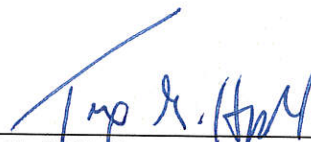
I, the undersigned, as Secretary of the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Indian Reservation hereby certify that the tribal Business Council is composed of seven (7) members of whom five (5) constitute a quorum, 5 were present at a Regular Meeting thereof duly called, noticed, convened and held on the 9<sup>th</sup> day of August, 2012, that the foregoing Resolution was duly adopted at such meeting by the affirmative vote of 4 members, 0 members opposed, 1 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 9<sup>th</sup> day of August, 2012.

**ATTEST:**

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

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