



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

A Resolution Entitled, “Consultant Agreement – Preferred Controls Inc., 720 Western Avenue, Minot, ND 58701”

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, The Tribe has recently adopted an ordinance and related amendments (Resolutions 11-022-VJB, 13-013-VJB and 13-071-VJB) mandating surveillance and safety systems at oil & gas well sites; and

WHEREAS, the TAT Energy Office is in need of set of regulations in order to enforce the Tribal Ordinance and has identified Preferred Controls Inc. of Minot, ND as its recommended contractor to perform this task; and

WHEREAS, The Tribal Business Council has reviewed the proposal and now formally approves the attached agreement with Preferred Controls Inc. to complete the aforementioned project.

THEREFORE BE IT RESOLVED, The Tribal Business Council of the Three Affiliated Tribes hereby formally approves the Professional Services Contract with Preferred Controls Inc of Minot, ND to assist the Energy Department in development of regulations for the enforcement of the Tribal Surveillance Ordinance (Resolutions 11-022-VJB, 12-013-VJB and 12-071-VJB); and

BE IT FURTHER RESOLVED, The total cost for the project including travel shall not exceed \$68,917.00 unless approved in writing by the Tribal Business Council; and

BE IT FINALLY RESOLVED, the Tribal Chairman and TAT Energy Department Director are authorized to execute this Professional Services Contract on behalf of the Tribe.

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE THREE AFFILIATED TRIBES AND
PREFERRED CONTROLS INC.**

1. PARTIES

This contract is between the Three Affiliated Tribes, 404 Frontage Road, New Town, North Dakota 58763 (hereinafter "Tribe") and Preferred Controls Inc. of 720 Western Avenue, Minot, ND 58701 (hereinafter "Consultant")

THE PARTIES AGREE AS FOLLOWS:

2. CONTRACT PURPOSE:

The purpose of this Contract is to provide assist the TAT Energy Office in developing regulations for the enforcement of the Tribal Surveillance Ordinance.

3. TERM OF CONTRACT

The term of this contract shall be for the period of until completion of project.

4. DESCRIPTION OF SERVICES TO BE PERFORMED BY CONSULTANT:

Consultant shall render the following services to the Tribe:

1. Develop SCADA standards and specifications for all oil production wells located on the Fort Berthold Indian reservation to be used for the enforcement of the Tribes' Surveillance Ordinance

5. WHERE SERVICES ARE TO BE PERFORMED:

Services will be performed at company's office, TAT Energy Department, Main Street, New Town, ND 58763 and/or as directed by TAT Energy.

6. COMPENSATION AND PAYMENTS:

In consideration of the services to be performed the Consultant shall be \$68,917.00 for the entire project.

7. EXPENSES:

Consultant shall not be reimbursed for any expenses associated with the services performed under this Agreement.

8. INDEPENDENT CONTRACTOR:

- A. The Consultant assures the Tribe that the Consultant is an independent contractor providing services for the Tribe and that neither the Consultant nor any of the Consultant's employees, agents, sub-Consultants, etc. are employees of the Tribe under this Contract or any subsequent amendment or extension hereof. Consultant has no power or authority to act for, represent, or bind the Tribe or any entity affiliated with the Tribe in any manner. Consultant and Consultant's employees are not entitled to any medical coverage, life insurance, or participation in any other benefits afforded to the Tribe's regular employees, or those of Tribe-affiliated entities. If the Tribe or any of Tribe-affiliated companies are required to pay or withhold any taxes or make any other payment with respect to fees payable to Consultant, Consultant will reimburse the Tribe or the affiliated entity in full for taxes paid, and permit the Tribe to make deductions for taxes required to be withheld from any sum due the Consultant.
- B. The Consultant is solely responsible for assuring compliance with all legal requirements, including payment of all applicable taxes, premiums, deductions, withholdings, overtime and other amounts which may be legally required with respect to the employment of any persons providing services to the Consultant or any of its sub-Consultants, under this Contract. The Consultant agrees that the Consultant shall indemnify the Tribe for any and all claims, obligations, liabilities, costs, attorney fees, losses or suits accruing or resulting from: 1) the Consultant's failure to comply with this Contract; 2) from any ruling of any legal authority or claims by any sub-Consultant, employee or alleged employee of the Consultant, that the Consultant or a person the Consultant has held out to be his/her employee is an employee of the Tribe.

9. CONSULTANT NOT TO ENGAGE IN CONFLICTING ACTIVITIES:

During the time of this Contract, Consultant will not enter into any activity, employment, or business arrangement that conflicts with the Tribe's interests or Consultant's status. The Tribe shall have the option of terminating this Contract at any time if in Tribe's sole judgment a conflict of interest exists or is imminent. Consultant will advise the Tribe of Consultant's position with respect to any activity, employment, or business arrangement contemplated by Consultant that may be relevant to this Section. For this purpose, Consultant agrees to disclose any such plans to the Tribes prior to implementation.

10. WARRANTY THAT CONTRACT DOES NOT COMTEMPLA TE CORRUPT PRACTICES – DOMESTIC OR FOREIGN:

Consultant represents and warrants that (a) all payments under this Contract constitute compensation for services performed; and (b) this Contract and all payments, and the use of the payments by Consultant, do not and shall not constitute an offer, payment, or promise, or authorization of payments, and of any money or gift to an office or political party of, or candidate for political office in, any jurisdiction within or outside the United

States. These payments may not be used to influence any act or decision of any official, party, or candidate to use his, her or its influence with a government to affect or influence any act or decision of such government to assist the Tribe in obtaining, retaining, or directing business to the Tribe or any person or other corporate entity. As used in this paragraph, the term "official" means any officer or employee of a government, or any person acting in an official capacity for or on behalf of any government; the term "government" includes department, agency, or instrumentality of a government.

11. FUNDING AVAILABILITY:

The Consultant agrees and understands that this Contract is dependent upon available funding. In the event such funding expires or is reduced, this Contract may be terminated or modified by the Tribe at its sole discretion. Modification of the Contract includes, but is not limited to, reduction of the rates or amounts of consideration of the alteration of the manner of the performance in order to reduce expenditures under the Contract.

12. TERMINATION OF CONTRACT:

When terminated for cause by either party, this Contract may be terminated immediately upon written notice. Written notice shall be delivered to the addresses set forth under Paragraph 1 above. This Contract may be terminated without cause upon 60 days written notice to the other party. Any notice deadline shall be measured from the date the notice is posted and mailed.

13. GOVERNING LAW:

This Contract is subject to and shall be interpreted in accordance with the laws of the Three Affiliated Tribes.

14. ASSIGNMENT OF RIGHTS AND DELEGATION OF DUTIES:

The rights and duties under this Contract may not be assigned or delegated by either party without the prior written consent of the other.

15. ENTIRE CONTRACT AND MODIFICATION:

This Contract contains the entire Agreement between the parties. This Contract may not be modified except by later written Contract signed by both parties.

16. INSURANCE & INDEMNIFICATION:

The Consultant shall indemnify the Tribes' from any liability or loss incurred by Consultant during the term of this Agreement.

17. JURISDICTION:

This Contract was executed and is to be carried out on the Fort Berthold Indian Reservation. Any dispute arising under this Contract is subject to the jurisdiction of the Fort Berthold District Court.

18. COMPLIANCE WITH APPLICABLE LAWS:

The Consultant shall comply with all applicable Federal, State, and Tribal (i.e. TERO) laws and regulations in performing this Contract. Consultant shall also comply with all of the Tribe's policies, procedures, and rules.

19. LIAISON & CONTRACT SUPERVISION:

Carson Hood – TAT Energy Director shall be the supervisor over the Consultant and the Consultant's work.

20. SEVERABILITY:

It is understood and agreed by the parties hereto that if any term or provision of this Contract is held to be illegal, void or in conflict with any applicable Tribal, State or Federal law, the validity of the remaining terms and provisions shall not be affected. And the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held to be invalid.

22. WAIVER:

Waiver of any default, breach or failure to perform under this Contract is not deemed to be a waiver of any subsequent default, breach or failure of performance. In addition, waiver of any default, breach or failure to perform is not to be construed to be a modification of the terms of this Contract unless reduced to writing as an amendment to this Contract.

23. OTHER TERMS AND CONDITIONS:

Unless in direct conflict with the Terms and Conditions of this Contract, any terms and conditions contained within Consultant's "Parts 1-4", Appendix A and/or Appendix B shall be merged into this contract (See attachments) with the express exception of:

- a. **Part 1-1. Ownership of Documents.** Any documents or work product produced under the terms of this Contract shall be the exclusive property of the Three Affiliated Tribes. Contractor shall have non-exclusive rights to the use of said documents, designs and/or work product.
- b. **Part 4.2. – Reimbursable Expenses.** Any reimbursable expenses or costs that may be incurred that are outside of Appendix B shall require approval of the Tribal representative.

c. **Part 4.5. Liens.** Contractor shall be expressly prohibited from filing of any liens against the Tribe for any reason. Issues of non-payment shall be resolved through informal negotiation or other remedies available to the parties.

24. **SOVEREIGN IMMUNITY:**

Nothing in this Contract shall be construed, held or interpreted as a waiver of the Sovereign Immunity of the Three Affiliated Tribes, its officers, agents, or assigns.

AGREED AND APPROVED:

CONSULTANT: Preferred Controls Inc.

By _____
Date _____

THREE AFFILIATED TRIBES:

TAT Energy Department

By _____
Carson Hood, Director Date _____

CONCURRED:

By: Tex G. Hall
Chairman, Tex. G. Hall Date 1-16-14

APPROVED: Resolution No. _____ (October 10, 2013)

ATTACHMENT:

1. Parts 1-4 – Contractor’s standard Terms and Conditions.
2. Appendix A
3. Appendix B




CERTIFICATION

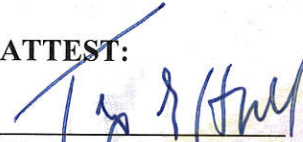
I, the undersigned, as Secretary of the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Indian Reservation hereby certify that the tribal Business Council is composed of seven (7) members of whom five (5) constitute a quorum, 6 were present at a Regular Meeting thereof duly called, noticed, convened and held on the 9th day of January, 2014, 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 9th day of January, 2014.



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

ATTEST:


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