



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

Resolution Entitled: “Approval of Contract - Tallsalt Advisors LLC”

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 and By-laws of the Three Affiliated Tribes was adopted by membership of the Tribes on May 15th, 1936 pursuant to the Indian Reorganization Act of 1934 and duly approved by the Secretary of Interior; 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 Constitution of the Three Affiliated Tribes 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, Tallsalt Advisors LLC (“Tallsalt”), an Arizona Limited Liability Company, is a company experienced in the energy industry with a focus on the financial accounting of royalties and lease analysis; and

WHEREAS, the Tribal Energy Department has used Tallsalt previously to perform historical accounting services and wishes to continue utilizing Tallsalt’s services.

NOW THEREFORE BE IT RESOLVED, that the Three Affiliated Tribes Tribal Business Council does hereby approve the Annual Contract for Tallsalt Advisors LLC to provide data collection, historical analysis and reporting on the Tribe’s oil & gas production and royalties; and



Resolution No. 14- 030 -VJB

NOW BE IT FURTHER RESOLVED, Tallsalt shall be engaged for a one (1) year term and shall be entitled to the following compensation under the Annual Contract (attached) for services provided. The contract is in effect starting on October 1st 2013 and will end on September 30th 2014.

Flat Fee: \$30,000.00 per month

Travel Allowance of \$2,000 per month for on-site visits;

Total Compensation under the Contract shall be \$384,000.00. Any modification shall require Tribal Business Council; and

NOW BE IT FINALLY RESOLVED, The Tribal Chairman is authorized to execute all documents with regard to the Contract with Tallsalt Advisors LLC.

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TALLSALT ADVISORS

January 9, 2014

Mr. Carson Hood
Administrator, MHA Nation Energy Division
Three Affiliated Tribes
404 Frontage Road
New Town, North Dakota 58763

Subject: Professional Services Agreement

Mr. Hood,

This Professional Services Agreement (the “Agreement”) between the Three Affiliated Tribes (the “Tribe” or “MHA”) and Tallsalt Advisors LLC (“Tallsalt”), an Arizona limited liability company, sets forth the services Tallsalt will provide under this Agreement and the related terms and conditions.

SCOPE OF ENGAGEMENT

Tallsalt shall provide the specified services by instruction from and under the supervision of the Administrator of the MHA Energy Division (“Administrator”). Tallsalt will prepare its analyses using the most recently data available from the Office of Natural Resource Revenue (“ONRR”), Bureau of Indian Affairs (“BIA”) and North Dakota Industrial Commission (“NDIC”).

Data Collection, Analysis and Reporting

1. For horizontal wells, commencing production after June 1, 2008 in which MHA has a trust mineral interest (“Tribal Well(s)”) and for royalties due to MHA for the period from June 1, 2008 through September 30, 2015, Tallsalt will:
 - Prepare a monthly statistical report of royalties, production volumes and distributions, including monthly and yearly presentation of:
 - Volumes, sales value, royalties, distributions
 - Distributions by Lessee/IMDA
 - Price per barrel
 - Royalty rates

Files will be updated monthly or as new information becomes available to MHA.

- Maintain a list of producing horizontal wells. Files will be updated as new information becomes available to MHA.

- Maintain cross reference tables matching leases, wells and communitization agreements. Files will be updated as new information becomes available to MHA.
 - Develop and maintain a file of communitization agreements, if available, with summaries of MHA's interests in each well. Files will be updated as new information becomes available to MHA.
 - Maintain and archive source files of monthly Royalty Reports, Production Reports and Distribution Reports provided by ONRR to MHA.
 - Maintain a file of cumulative monthly royalty and rent distributions made to MHA. Files will be updated monthly.
 - Analyze production volume, distribution, royalty data, valuation and API gravity value for trends and anomalies. Notify the Administrator of such trends and anomalies and provide recommendations, if appropriate, to investigate or correct reporting discrepancies.
 - Develop and maintain long-term royalty projections for MHA's mineral interests. Projections will be updated as requested by MHA.
 - Prepare analyses of royalties, production and distribution information for specific wells, communitization agreements or leases, as requested by the MHA Energy Division.
 - Develop a review plan for large leases held by Marathon, QEP, WPX and Spotted Hawk ("IMDAs") where MHA has specific contractual audit rights. The review plan will outline how MHA can review valuation and allowances documentation supporting each lessee's royalty reporting to federal agencies. If requested by the MHA Energy Division, Tallsalt will conduct or assist MHA staff with such review. Tallsalt shall provide up to 80 hours of staff time conducting such review at no additional cost to MHA, thereafter Tallsalt shall bill at its hourly rate for additional work performed.
 - While the analyses performed under this Agreement may form the foundation for litigation MHA may pursue, litigation support services are not included in the scope of this Agreement. Litigation support services include preparing documents and analyses specifically to be included in legal filings, analysis of the opposing party's documents and testimony.
2. For all horizontal wells located within the exterior boundaries of Fort Berthold Indian Reservation ("FBIR"), Tallsalt will:
- Maintain files of monthly oil production for all horizontal wells on FBIR from data provided by NDIC. Files will be updated monthly.
 - Maintain a count of all wells (tribal or otherwise) on FBIR from data provided by NDIC.
 - Develop and maintain multi-year oil and gas production projections, including flared gas volume estimates by operator. Projections will be updated as requested by MHA.
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Capacity Building

To enhance the capacity of MHA to manage its oil and gas resources, Tallsalt will:

- Train staff members of the MHA Energy Division, identified by the Administrator, on the data collection, analysis and reporting activities conducted by Tallsalt under this Agreement.
- Collaborate with various MHA governmental departments and divisions to share data, analysis and information developed under this Agreement.
- Assist MHA to enroll qualified tribal members as potential candidates to participate in the "202 program" with ONRR.

Addressing Operator/Lessee Reporting Issues

1. Under the direction and authorization of the Administrator, Tallsalt will assist MHA Energy Division staff to communicate with operators, lessees, BIA, ONRR and/or NDIC regarding any discrepancies or anomalies identified through Tallsalt's data analyses.
2. Identify specific areas where (i) federal information systems, (ii) data gathering processes and (iii) operator reporting requirements can be modified to provide information that will facilitate accurate and rapid confirmation of royalty information by MHA. Assist MHA to effect such changes, if requested.

Reporting and Communications

1. Present a mid-year and end of year update to the MHA Business Council.
 2. Present, if requested, updates of activities and findings for federal agencies.
 3. Representatives of Tallsalt will conduct at least one visit to FBIR per month to address activities performed under this Agreement.
 4. Maintain a secure online database with the data collected by Tallsalt and reports prepared by Tallsalt.
 - The database shall possess the following capabilities:
 - Secure password protected access for approved users.
 - Mapping function identifying:
 - Producing and permitted Tribal Wells
 - Producing non-Tribal Wells
 - Wells for which an APD has been submitted to NDIC and that are identified by the MHA Energy Division
 - Non-producing permitted wells
 - Tables and graphs of royalty and production data for Tribal Wells.
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- Tables presenting production data for Tribal Wells.
- Tallsalt's presentations and reports in .pdf format available to download.
- Secure access shall be provided to the following:
 - Administrator and Deputy Administrator of the MHA Energy Division
 - Chairman and each member of the Business Council
 - MHA Chief Executive Officer
 - MHA Tribal Tax Director
 - Staff of the Energy Division identified by the AdministratorAccess shall be terminated upon resignation or termination of the individual from the specified office or position.
- To preserve the integrity of the data, Tallsalt shall be solely responsible for updating information in the database during the term of this Agreement.
- Upon termination of this Agreement, or any extensions thereof, Tallsalt shall transfer control of the database to the Administrator. Upon termination, Tallsalt shall provide contact information for information technology professionals that can assist MHA to maintain the software of database.

COMPENSATION

Tallsalt's compensation under this Agreement consists of (a) monthly professional fees, (b) monthly travel allowance, and (c) reimbursement of project related expenses. Tallsalt's fees and expenses shall be invoiced in accordance with the following:

- A. Monthly Professional Fees are equal to a fixed amount of \$30,000 per month.
- B. A travel allowance of \$2,000 per month will be paid along with the Monthly Professional Fees. This travel allowance covers all travel costs for one monthly trip by Steve Gundersen or other senior staff to New Town or Denver to address reporting discrepancies with lease operators and/or federal agencies. Other project related expenses will be billed as a separate item without markup. Associated expenses may include travel (airfare, auto rental, mileage), lodging (including allocated rent), subsistence, research resources, applicable sales taxes and other direct project expenses incurred. Invoices shall provide an itemization of project related expenses.

TIMELY INFORMATION & MEETINGS

Tallsalt will request certain information considered useful in providing the specified services related to the scope. The Tribe shall provide the requested information on a timely basis, if available, and provide access to key personnel to discuss the Tribe's oil and gas leasing program with the understanding that the availability of such information on a timely basis may

significantly alter the comments and recommendations provided, as well as Tallsalt's ability to complete the scope under this Agreement.

The Tribe shall provide necessary authorizations to federal agencies to discuss matters regarding its oil and gas mineral interests and leases and to directly receive reports from federal agencies. The Tribe shall authorize federal agencies to assist Tallsalt to set up a computer system with the NIOGEMS system and to provide the database for the Tribe's oil and gas mineral interests and leases.

Necessary information required to complete this scope of work includes continued access to information provided to Tallsalt, including:

- a) Monthly ONRR Production Reports containing information reported in OGOR Form 4054.
- b) Monthly ONRR Royalty Reports containing information reported in ONRR Form 2014.
- c) Monthly OST Distribution Reports.

The Tribe shall provide Tallsalt with sufficient office space for one workstation in close proximity to the MHA Energy Office in order to conduct work under this Agreement.

INDEPENDENCE, EXPERTISE AND KEY PERSONNEL

Tallsalt shall be an independent contractor and shall be separately responsible for payment of all taxes. Tallsalt represents that its assigned personnel have sufficient expertise and experience to provide the services requested under this Agreement.

Key personnel assigned to this engagement include Steve Gundersen (*Navajo*), Melanie Ben (*Navajo*) and other supporting research, analyst and clerical staff from Tallsalt. Additional staff will be assigned to this engagement as the number of wells increases.

TERM AND TERMINATION

The Term of this Agreement extends from October 1, 2013, provided the Tribal Business Council passes a supporting resolution, ("Effective Date") through September 30, 2015 ("Termination Date").

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The Agreement may be terminated by the Tribe or Tallsalt with written notice. In the case of early termination, the Termination Date will be 11:59 p.m. Central Time of the last day of the calendar month six (6) months following notification of termination by the Tribe or Tallsalt. Upon termination of this Agreement, the Tribe shall pay Tallsalt the professional fees and reimbursable expenses due through the Termination Date. Tallsalt shall provide the Tribe with a final invoice reflecting the remaining accrued and unbilled professional fees and expenses. Within thirty (30) days following the Termination Date, Tallsalt shall provide the Tribe with a final version of its monthly reports.

CONFIDENTIALITY

All non-public information received or produced by Tallsalt regarding the Tribe's business plans and finances will be held in the strictest confidence and will not be disclosed to any third party, without written permission from the Tribe, except as required by law. Work product created by Tallsalt for the Tribe will be held in the strictest confidence and will only be disclosed in accordance with instructions provided by the Tribe. Tallsalt may place announcements and advertisements in financial and other newspaper, journals and mailings, at its own expense, describing the Tribe as a client and generally describing the services provided under this engagement once the proposed transaction has been completed.

INDEPENDENCE AND CONFLICTS OF INTEREST

Tallsalt does not believe any potential conflicts of interests existing that would affect our ability to provide the Tribe with independent opinions and recommendations. As a matter of policy, Tallsalt does not work for non-Tribal parties in their dealings with Native American Tribes. To our knowledge Tallsalt has not and is not currently working with any parties that may be operating wells on the Tribe's land.

GOVERNING LAW AND JURISDICTION

The laws of the Mandan Hidatsa Arikara Nation (Three Affiliated Tribes) shall govern the construction, performance and enforcement of this Agreement.

SOVEREIGN IMMUNITY

Nothing in this Agreement, its provisions or any term therein shall be held, construed or interpreted as a waiver of the sovereign immunity of the Mandan Hidatsa Arikara Nation (Three Affiliated Tribes), its elected officials, employees, agents or assigns.

ENTIRE AGREEMENT

This Agreement supersedes any and all other agreements either oral or in writing between the parties with respect to the subject matter of this Agreement and contains all the covenants and agreements between Three Affiliated Tribes and Tallsalt with respect to this engagement.

Mr. Carson Hood
Three Affiliated Tribes
January 9, 2014
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AMENDMENTS

This Agreement may be amended only in writing which shall be approved and executed by the parties hereto.

ACCEPTANCE

If the terms of this Agreement are acceptable, please sign in the space provided below and return the Agreement to Tallsalt to:

Steve Gundersen
President
Tallsalt Advisors LLC
6991 E. Camelback Road, Suite B-308
Scottsdale, Arizona 85251

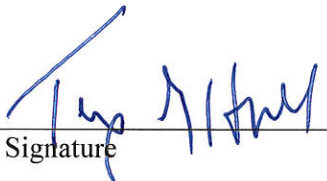
Thank you for the opportunity to submit this proposal. We look forward to being of continued service to Three Affiliated Tribes.

TALLSALT ADVISORS LLC


By: _____
Steve Gundersen
President

Date: _____

THREE AFFILIATED TRIBES

By:  _____
Signature

By:  _____
Printed Name

Date:  _____




CERTIFICATION

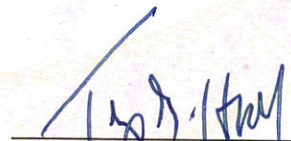
I, the undersigned, as Secretary of the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Indian Reservation hereby certify that the Tribal Business Council is composed of seven (7) members of whom five (5) constitute a quorum, 6 were present at a Regular Meeting thereof duly called, noticed, convened and held on the 13th day of February, 2014, that the foregoing Resolution was duly adopted at such meeting by the affirmative vote of 6 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 13th day of February, 2014.

ATTEST:


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


Chairman Tex G. Hall
Tribal Business Council
Three Affiliated Tribes