



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

A Resolution entitled, "Consent to Approval of Right(s) of Way and Approval of Setback Variance Request by Marathon Oil Company for the Treasure USA Well Pad and Multiuse Corridor Project."

- WHEREAS,** This Mandan Hidatsa and Arikara Nation (the "MHA 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 under said Act, and
- WHEREAS,** Pursuant to Article III, Section 1 of its Constitution and By-Laws, the Tribal Business Council is the governing body of the MHA Nation; and
- WHEREAS,** Pursuant to Article VI, Section 5(1) of said Constitution, the Tribal Business Council has the power to adopt resolutions regulating the procedures of the Tribal Council, its Agencies and Officials; and
- WHEREAS,** The Tribal Business Council has authority to engage in activities on behalf of and for the welfare and benefit of the Tribes and of the enrolled members thereof; and
- WHEREAS,** Article IX Sections 1 and 3 of the Constitution provides that the Tribal Business Council has the authority to manage and lease or otherwise deal with tribal lands and resources; and
- WHEREAS,** Leases and Rights of Way (ROWS) across Tribal Trust land require the consent of the Tribal Business Council pursuant to federal and Tribal Law; and
- WHEREAS,** Applications for Rights of Way on Tribal Land are subject to the requirements of Tribal Law, including Resolution No. 14-071VJB (MHA Nation Pipeline Right-of-Way Terms and Conditions), and Resolution No. 15-0450LKH (Establishing a Procedure for the Approval of Leases, Rights of Way, Setback Variances and Permissions to Survey on Tribal Land); and
- WHEREAS,** Marathon Oil Company ("Marathon") received approval from the MHA Natural Resources Committee for this Well Pad and Multiuse Corridor in the Fall of 2014. Subsequent to that approval, the MHA Environmental Protection Agency requested that Marathon reroute its access road to avoid certain Spring Leaks, thus altering its plans and requiring Marathon to acquire a new Landowner Consent to Right-of-Way. The proposed well pad will be utilized to increase density drilling in Marathon's existing Hopkins USA 15-2H Drilling Spacing Unit ("DSU"). Marathon is currently holding this 2,560 acre spacing unit through the



production of the Hopkins USA 15-2H well, which is currently producing from both sides of the 2,560 acre spacing unit. The North Dakota Industrial Commission (“NDIC”) is now requiring Marathon to drill a second well in this unit by July 31, 2016 to avoid its DSU from being downsized. Marathon is currently awaiting an order from the NDIC that will either approve of a one (1) year extension or that will require Marathon to drill an additional well into this Hopkins Spacing Unit; and

WHEREAS, Marathon has taken additional lengths to ensure Lake Sakakawea will not be contaminated, including;

- Working with the MHA Natural Resources Department to secure a Letter of Concurrence to ensure the specifications of its flowlines and leak detection methods will meet its standards, for lands within a half (½) mile of the Lake and for lands outside of a half (½) mile of the Lake.
- Ensuring that the Well Pad will have two (2) sufficiently impermeable two foot (2’) berms made of clay that will wrap around the southern side of our pad.
- Agreeing to stock pile all of the top soil on the southern side of the pad to divert run-off from the nearest drainages.
- Planning to use a two foot (2’) berm around the northern side of the pad to divert run-off onto the well pad.
- There will be no facilities on Location; and

WHEREAS, Benefits of securing ROW approval include additional revenue streams to the MHA Nation and Allottees from royalties on production from wells drilled on the proposed location. In addition, by allowing Marathon to construct two additional well pads, Marathon will be able efficiently develop the entire DSU; and

WHEREAS, The current ROW application, attached as Exhibit A, submitted by Marathon for the Sophia Well Pad, described herein have been reviewed and recommended for approval by the MHA Natural Resources Department and the MHA Nation Energy Division in accordance with the MHA Nation’s approved procedure for authorizing ROWs on Tribal Land; and

WHEREAS, On June 13, 2016, at a duly held meeting between of the Natural Resources Committee, the MHA Nation Energy Division recommended for the approval of Marathon’s Sophia ROW application and consent request, and the Natural Resources Committee forwarded the matter to the Tribal Business Council for final action; and

WHEREAS, The Tribal Business Council passed Resolution No. 12-087-VJB, entitled, “The Missouri River, Badlands and Sacred Sites Protection Act” which requires a half



mile setback for well sites/drilling pads from the Missouri River, Little Missouri River, and designated sacred sites or villages in the Badlands; and

WHEREAS, The Tribal Business Council passed Resolution No. 12-139-VJB, entitled, “Amending the Missouri River and Badlands Protection Act to Allow Variances upon Recommendation by the Tribal Energy Office,” which authorizes the MHA Nation Tribal Energy Office to consider setback variance requests and make recommendations to the Tribal Business Council to approve such requests “when minerals would be stranded due to the setback provisions or where the applicant has made a clear showing that granting the variance would not cause an adverse environmental effect upon the Missouri River or the Little Missouri River”; and

WHEREAS, On March 27, 2015, the Tribal Business Council passed Resolution No. 15-045-LKH entitled, “Establishing a Procedure for the Approval of Leases, Rights-of-Way, Setback Variances and Permissions to Survey on Tribal Land”; and

WHEREAS, On March 7, 2016, Marathon submitted to the MHA Nation Energy Division a request for a Setback Variance, as set forth in Exhibit B, for the Treasure Wellpad project; and

WHEREAS, The Setback Variance request submitted by Marathon to the MHA Nation Energy Division, attached as Exhibit B, pertain to the following:

NAME: Treasure USA Six (6) Well Pad and Multiuse Corridor, including Fiber Optics, Utilities, Flowlines, Access Road, Snow Removal, Routine Maintenance. The six wells include:

1. Anita USA 31-14H
2. Carolyn USA 21-14H
3. Elva USA 21-14H
4. Judith USA 31-14TFH
5. Shell USA 21-14H
6. Treasure USA 41-TFH

LOCATION: NW of Section 14, Township 147 North, Range 94 West of the 5th P.M., Dunn County, North Dakota.

ACRES OF DISTURBANCE: Well Pad is Twelve (12) acres fenced-in, the Multiuse Corridor is 201.81 feet in distance, encompassing 5.478 acres of disturbance.

DRILLING/SPACING UNIT: Section 14, 15, 22 and 23 of T147N-R94W.



DISTANCE FROM WELLPAD: Seven Hundred Forty Three Feet (743') from the High Water Mark of Lake Sakakawea; and

WHEREAS, On November 6, 2013, November 14, 2013, May 15, 2014, and most recently August 25, 2015, during the environmental and right-of-way on-sites, Marathon met with the MHA Nation Energy Division to review and consider all other alternatives for the construction and siting of the Treasure USA Wellpad; and

WHEREAS, The MHA Nation Energy Division reviewed, processed and fully vetted Marathon's request for a setback variance for Treasure USA Wellpad and has determined that Marathon has made a clear showing that granting the variance would not cause an adverse environmental effect upon the Missouri River or the Little Missouri River; and

WHEREAS, On June 13, 2016, at a duly held meeting of the Natural Resources Committee, the MHA Nation Energy Division recommended for approval Marathon's setback variance request for Treasure USA, and the Natural Resources Committee approved Marathon's setback variance request for Treasure USA.

NOW THEREFORE BE IT RESOLVED, that the Tribal Business Council hereby approves the following ROW application, attached as Exhibit A, and ROW consent, subject to Marathon Oil Company's agreement to the execution of the MHA Right-of-Way Application and the MHA Pipeline Terms and Conditions and payment of ROW fees pursuant to Resolution No. 14-089-VJB:

- Marathon Oil Company's Treasure Well Pad, being a production pad hosting Six (6) Wells, and a Multiuse Corridor, which includes an Access Road, Fiber Optics, Flowlines, Utilities, Snow Removal, and Routine Maintenance, across certain Tribal Lands in Allotment T2122, being the NW of Section 14, T147N-R94W, 5th P.M., Dunn County North Dakota.

BE IT FURTHER RESOLVED, that the Tribal Business Council hereby approves the setback variance, attached as Exhibit B, submitted by Marathon for Treasure USA Wellpad, as follows:

NAME: Treasure USA Six (6) Well Pad and Multiuse Corridor, including Fiber Optics, Utilities, Flowlines, Access Road, Snow Removal, Routine Maintenance. The six wells include:

1. Anita USA 31-14H
2. Carolyn USA 21-14H
3. Elva USA 21-14H
4. Judith USA 31-14TFH



5. Shell USA 21-14H
6. Treasure USA 41-TFH

LOCATION: NW of Section 14, Township 147 North, Range 94 West of the 5th P.M., Dunn County, North Dakota

ACRES OF DISTURBANCE: Well Pad is Twelve (12) acres fenced-in, the Multiuse Corridor is 201.81 feet in distance, encompassing 5.478 acres of disturbance.

DRILLING/SPACING UNIT: Section 14, 15, 22 and 23 of T147N-R94W

DISTANCE FROM WELLPAD: Seven Hundred Forty Three Feet (743') from the High Water Mark of Lake Sakakawea.

BE IT FINALLY RESOLVED, that the Chairman is hereby to take such further actions as are necessary to carry out the terms and intent of this Resolution.

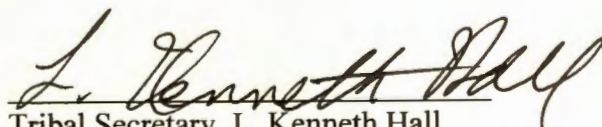
CERTIFICATION

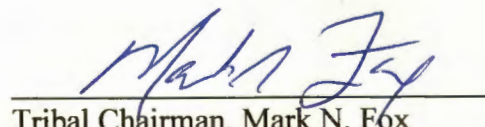
I, the undersigned, as Secretary of the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Indian Reservation hereby certify that the Tribal Business Council is composed of seven (7) members of whom five (5) constitute a quorum, 7 were present at a Special Meeting thereof duly called, noticed, convened and held on the 13th day of July, 2016, that the foregoing Resolution was duly adopted at such meeting by the affirmative vote of 5 members, 0 _ members opposed, 0 members abstained, 2 members not voting, and that said Resolution has not been rescinded or amended in any way.

Chairman [X] Voting. [] Not Voting.

Dated this 13th day of July, 2016.

ATTEST:


Tribal Secretary, L. Kenneth Hall
Tribal Business Council


Tribal Chairman, Mark N. Fox
Tribal Business Council