



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

*A Resolution entitled, "Approval of Setback Variance Requested by Marathon Oil Company for the Pennington USA 31 and Ardis USA Project."*

- WHEREAS,** This Mandan, Hidatsa, and Arikara Nation (the "MHA Nation" or "Tribes"), 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 Business 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,** On August 9, 2012, the Tribal Business Council passed Resolution No. 12-087-VJB entitled "The Missouri River, Badlands, and Sacred Sites Protection Act," which requires a one-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,** On December 18, 2012, 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 Energy Division 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 February 9, 2017, the Tribal Business Council passed Resolution No. 17-038 FWF, entitled “Amending the Missouri River, Badlands, and Sacred Sites Protection Act, Concerning Variances,” (Second Amendment) by amending the first Resolved paragraph, section 1.) of Resolution 12-139-VJB, as follows:

“The Tribal Business Council may, in its discretion, grant a variance from the half mile setback provision upon the recommendation of the Tribal Energy Office. The Tribal Energy Office may recommend a variance 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. In no event shall a setback of less than 1000 feet be allowed” (“1,000 foot Lake setback restriction”); and

**WHEREAS,** Applications for setback variances within the exterior boundaries of the Fort Berthold Indian Reservation are subject to other requirements of Tribal law, including Resolution No. 15-045-LKH (Establishing a Procedure for the Approval of Leases, Rights-of-Way, Setback Variances, and Permissions to Survey on Tribal Land), Resolution No. 17-117-FWF (Approval of Fee Structure), and Resolution No. 18-212-FWF (Amending Fee Structure); and

**WHEREAS,** On February 1, 2019, Marathon Oil Company (“Marathon”) submitted to the MHA Energy Division a setback variance request for the Pennington USA 31 and Ardis USA Project, as set forth in Exhibit A, and more specifically as follows:

**PENNINGTON USA 31 AND ARDIS USA WELL PADS:** Drilling and completing up to six (6) wells (two (2) existing wells; four (4) new wells) within one-half (½) mile of Lake Sakakawea.

**FEE LOCATION:** Lot 1, Lot 2, S½ NE¼ of Section 4, Township 151 North, Range 93 West, 5th P.M., Mountrail County, North Dakota.

**ACRES OF DISTURBANCE:** Well pads fenced-in 12.00 acres and access road and multiuse corridor 3.00 acres.

**DRILLING SPACING UNIT:**  
1,280 acre DSU: All of Sections 4 & 9, Township 151 North, Range 93 West.

**DISTANCE FROM WELL PADS:** Two Thousand Three Hundred Thirteen feet (2,313’) and Two Thousand Four Hundred Sixty-Four feet (2,464’), respectively, to the 1854 High Water Line; and



**WHEREAS,** On February 1, 2019, Marathon met with the MHA Energy Division to review and consider all other alternatives for the construction and siting of the Pennington USA 31 and Ardis USA Project; and

**WHEREAS,** The MHA Energy Division reviewed, processed, and fully vetted Marathon's request for a setback variance for the Pennington USA 31 and Ardis USA project, and has determined that Marathon 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 April 17, 2019, at a duly held meeting of the Energy Committee ("EC"), the MHA Energy Division recommended approval of Marathon's setback variance request for the Pennington USA 31 and Ardis USA Project, the EC approved said request, and forwarded it to the Tribal Business Council for final action.

**NOW THEREFORE BE IT RESOLVED,** The Tribal Business Council hereby approves Marathon's setback variance request for the Pennington USA 31 and Ardis USA project, as set forth in Exhibit A, and more specifically as follows:

**PENNINGTON USA 31 AND ARDIS USA WELL PADS:** Drilling and completing up to six (6) wells (two (2) existing wells; four (4) new wells) within one-half (½) mile of Lake Sakakawea.

**FEE LOCATION:** Lot 1, Lot 2, S½ NE¼ of Section 4, Township 151 North, Range 93 West, 5th P.M., Mountrail County, North Dakota.

**ACRES OF DISTURBANCE:** Well pads fenced-in 12.00 acres and access road and multiuse corridor 3.00 acres.

**DRILLING SPACING UNIT:**

1,280 acre DSU: All of Sections 4 & 9, Township 151 North, Range 93 West.

**DISTANCE FROM WELL PADS:** Two Thousand Three Hundred Thirteen feet (2,313') and Two Thousand Four Hundred Sixty-Four feet (2,464'), respectively, to the 1854 High Water Line.

**BE IT FURTHER RESOLVED,** Pursuant to Resolution No. 18-212-FWF, approval of the setback variance request described herein is subject to a processing fee in the amount of \$3,000.00.

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

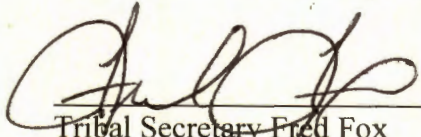


**CERTIFICATION**

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 Regular Meeting thereof duly called, noticed, convened and held on the 9<sup>th</sup> day of May, 2019, that the foregoing Resolution was duly adopted at such meeting by the affirmative vote of 6 members, 0 members opposed, 0 members abstained, 1 members not voting, and that said Resolution has not been rescinded or amended in any way.

Chairman [ X ] Voting. [ ] Not Voting.

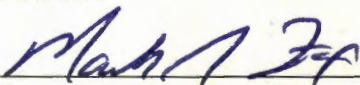
Dated this 9<sup>th</sup> day of May, 2019.



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Tribal Secretary Fred Fox  
Tribal Business Council  
Three Affiliated Tribes

**ATTEST:**



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Tribal Chairman Mark Fox  
Tribal Business Council  
Three Affiliated Tribes