

MHA Energy Oil & Gas/TAT Natural Resources Meeting
Special Meeting-Kelly Inn-Bismarck, ND

October 7, 2014

Meeting # 02

CALL TO ORDER:

The Oil & Gas/Natural Resources Committee meeting was called to order at 1:33 pm by Committee Chairman, Fred Fox.

ROLL CALL:

Present: Committee Chairman, Fred Fox, Committee member, Kenneth Hall, Committee member, Randy Phelan (via teleconference enroute to meeting), a quorum is established with three members present.

OPENING PRAYER: Councilman Ken Hall

01. QEP- McKenzie Bay Recreation Project (Closed Session)

QEP- McKenzie Bay –East- (Closed Session)

QEP- Independence Point (Closed Session)

02. ONEOK

Anton Pad CDP

T. 150 N, R. 93 W, S.4

Rufus Pad CDP

- Requesting two (2) natural gas pipeline easements
- Easements are for two (2) CDP's adjacent to one another that would cross Tribal Trust land in N2NW4, Sec. 4, T. 150N, R. 93 W (Allotment T437A-A) as well as other adjacent non-Tribal lands.
- Right-of-Way is acquired from all other parties
- Environmental/Cultural/Archaeological onsite has been held (waiting for FONSI):
- MHA Energy, TAT Fish & Wildlife Division, BIA participated in onsite.
- THPO could not attend onsite, but was consulted.
- Tribal Right-of-Way application has been prepared and sent to MHA Energy, TAT Fish & Wildlife Division and Natural Resources Committee prior to October 01, 2014 meeting.

Motion made by Councilman Randy Phelan conditional upon a third party to supervise construction phases for both short well connects, diameter of pipe used and map of shut-off.

Motion seconded by Councilman Ken Hall

Vote: 3 Ayes Motion Carried

ONEOK

- Variance Request for Resolution 12-139-VJB
- Proposed natural gas pipeline easement for the Tribes 151-94-3H
- 151-94-3H well & 151-94-4H well both non-Tribal surface Fee, Shell Creek Area
- Frankie Lee, Natural Resources (Pipeline Authority) recommended approval

Motion made by Councilman Fred Fox conditional upon a third party to monitor construction

Motion seconded by Ken Hall

Vote: 3 Ayes Motion Carried

03. PETRO GULF

- Offer to lease the unleased minerals within T. 151, R. 94W, S.25 & 36
- MT 5450, 2.18 acres, (S.25 Lot 1) and MT 5451, 48.79 acres, (S.36 Lots 1, 2, & 3)
- Offer to lease both mineral tracts at \$17,000/acre with a 26% royalty rate
- Mineral lease needs resolution and approval by full TBC

Motion made by Councilman Randy Phelan to forward offer to bid on unleased Tribal mineral acreage at \$17,000 /per acre and 26% royalty rate and conditional upon move offer to \$20,000

Motion seconded by Councilman Ken Hall

Vote 3 Ayes motion carried

04. MARATHON OIL

Five (5) presentations

- 1) Maggie Pad- T. 150N, R. 93W, S. 4 (NW4)

-½ fee, ½ Tribal land

-8.83 acres of this pad is in the NW4, owned by the Tribe as T437A-A, the remaining 6 acres is owned in fee and is in the NE4, Shell Creek area.

Claryca Mandan, Natural Resources Director, suggests pending approval upon reviewed by NRC Department and MHA Energy Department.

Motion made by Councilman Ken Hall for pending approval conditional upon reviewed by NRC Department and MHA Energy Department.

Motion seconded by Councilman Randy Phelan

Vote: 3 Ayes motion carried (pending approval)

- 2) Treasure Pad- T. 147N, R. 94W, S. 14 (NWNW)

-within the 1/2 mile setback from the Little Missouri River, Lost Bridge area

-on-site completed, bond approved

- *On Hold till October 30th meeting

- 3) TAT 34-22 H Expansion- T. 151N, R. 94W, S. 22 (S2)

Six (6) wells added to location west of Blue Buttes

-Noble USA 34-22-H

-Murphy USA 34-22 TFH-2B

-Begola USA 34-22-TFH

-Hanamota USA 44-22 TFH-2B

-Forsman USA 44-22 H

-Lockwood USA 44-22 TFH

-Tribe has 100% interest in T1009A, five (5) acres of 11 acres is Tribal Trust six (6) is allottee.

-Claryca Mandan, Natural Resources Director suggests developing conditions of approval.

Motion made by Councilman Randy Phelan conditional upon developing conditions of approval

Motion seconded by Councilman Ken Hall

Vote: 3 Ayes Motion Carried

4) Alonza USA 14-14 TFH Pad T. 151N, R. 94W, S.22 (NE4)

-Four (4) well pads

-Alonza USA 14-14 TFH

-Bacon USA 11-23 H

-Froshaug USA 11-23-TFH-2B

-Mandan USA 11-23 H

-Tribal interest 100% in T2195, 8.0 acres/\$3000 per acre

-Access road and utilities R-O-W, (Oil & Gas, water, electrical).

Motion made by Councilman Randy Phelan

Motion seconded by Councilman Ken Hall

Vote: 3 Ayes Motion Carried

5) Eagle USA Expansion T. 148N, R. 94W, S.32 (SWSE)

-Five (5) well expansion

-Sage USA 21-5 TFH

-Tanya USA 31-5 TFH

-Bryant USA 31-5H

-Burd USA 41-5 TFH

-Tanya USA 31-5 TFH

-Expansion of 1.37 acres to existing 8.45 acres/\$3000 per acre

Fenced in for a total of 9.82 acres

Motion made by Councilman Randy Phelan conditional upon reviewed by MHA Energy

Motion seconded by Councilman Ken Hall

Vote: 3 Ayes Motion Carried

05. HALCON

-New well pad, only well pad within ½ mile setback

-North side of Four Bears area 1 mile west of Wind turbine site

FONSI stage, need to do an on-site

-McKenzie electric laying line south of BIA 14, Tribes consent

-Add McKenzie electric first on Agenda for October 15th Natural Resources meeting ***(Tabled until October 30th meeting)***

06. KODIAK

T. 147N, R. 93W, S. 2 & 11

-Moccasin Creek 14-11A-2-1 H

- Four (4) new multi-well pad, Right-of-Way (R-O-W), access road off of BIA 17, need concurrence letter from MHA Energy

Motion made by Councilman Randy Phelan conditional upon further review and walk-thru, no documentation provided.

Motion Seconded by Councilman Ken Hall

Vote: 3 Ayes Motion Carried

-Moccasin Creek 2-3-2-13 H

T. 147N, R. 93W, S. 3

- Five (5) new multi-well pad, Right-of-Way (R-O-W), access road
- 100% Tribal, need concurrence letter from MHA Energy

Motion made by Councilman Randy Phelan conditional upon further review

Motion seconded by Councilman Ken Hall

Vote: 3 Ayes Motion Carried

07. MISSOURI RIVER RESOURCES

T. 151N, R. 94 W, S. 33 (W2)

- Seeking approval of a pipeline setback variance to Blue Buttes
- needs R-O-W application
- Steel pipe being used- 20" & 16"

08. CRESTWOOD

- WH Pacific offers monitoring services for the Tribe
- Documentation needs to be right format and on correct applications
- *ON HOLD till October 30th meeting***

09. WPX ENERGY WILLISTON, LLC

T. 150N, R. 91W, S.6 (W2NW4)

- North Segment Wells
- 7 well pads for approval, R-O-W approvals
- Variance setback issue, waiting on two (2) signatures from Tribal Historical Preservation Office (THPO) and TAT Fish & Wildlife Division

Motion made by Councilman Fred Fox conditional upon concurrence with variance setback issue.

Motion seconded by Randy Phelan

Vote: 3 Ayes Motion Carried

- Stink Gun- drilling spacing unit name, 1,920 acres
- Production pad- Stink Gun well, \$3000 per acre

Motion made by Councilman Fred Fox to approve production pad Stink Gun well at \$3000 per acre.

Motion seconded by Councilman Randy Phelan

Vote: 3 Ayes Motion Carried

Ruby Parshall

T. 151N, R. 94W, S. 31 (SW4SE4)

- Tribal allotment T990A-D
- Proposed well bores, well site, well pad
- Access road
- Pipelines and above ground appurtenances
- Utility fiber optics, utility R-O-W

Motion made by Councilman Fred Fox to approve upon all documents need to be presented on new R-O-W form and at \$3000 per acre.

Motion seconded by Councilman Randy Phelan

Vote: 3 Ayes Motion Carried

Mandaree Warrior 14-11

T. 149N, R.94W, S. 14 (S2)

- Tribal allotment T695A
- Six (6) proposed wells/well bores/well pad expansion
- Request to bury utility line, approximately 1 mile

Motion made by Councilman Randy Phelan conditional upon bury utility line from pad to pad and add language.

Motion seconded by Councilman Ken Hall

Vote: 3 Ayes Motion Carried

Joseph Eagle 2-19 & 19-18

T. 149N, R. 93W, S. 19 (755A-D)

- Allotments 755A-D & 685A
- Well pad and well bore
- Utility line buried

T. 149N, R. 93W, S. 20 (685A)

Motion made by Councilman Ken Hall conditional upon all documents need to be presented on new R-O-W form and bury utility lines with a service line agreement.

Motion seconded by Councilman Randy Phelan

Vote: 3 Ayes Motion Carried

North John Elk 28-27

T. 150N, R. 93W, S. 28 (S2)

-Allotment 1875

-Utility only-power lines, approve above ground

Motion made by Councilman Randy Phelan conditional upon phase 2 or phase 3 defined in ROW.

Motion seconded by Councilman Ken Hall

Vote: 3 Ayes Motion Carried

ADJOURNMENT:

Motion to adjourn the meeting made by Councilman Randy Phelan and seconded by Councilman Ken Hall.

Vote: 3 Ayes Motion carried