



CALL TO ORDER:

Councilman Randy Phelan called the meeting to order at 1:15 pm.

ROLL CALL:

Present: Councilwoman Monica Mayer, Councilman Fred Fox, Councilman Randy Phelan. *Quorum established.*

I. APPROVAL OF AGENDA

Motion: Councilman Fred Fox moved to approve the agenda. Councilwoman Monica Mayer seconded the motion. Vote: 3-0-0. Motion carried.

II. APPROVAL OF MINUTES

• **October 10, 2017**

Motion: Councilman Fred Fox moved to approve October 10th, 2017 Natural Resources Committee minutes subject to minor corrections. Councilwoman Monica Mayer seconded the motion. Vote: 3-0-0. Motion carried.

• **November 14, 2017**

Motion: Councilman Fred Fox moved to approve November 14th, 2017 Natural Resources Committee minutes subject to minor corrections. Councilwoman Monica Mayer seconded the motion. Vote: 3-0-0. Motion carried.

• **January 9, 2018**

Motion: Councilman Fred Fox moved to approve January 9th, 2018 Natural Resources Committee minutes subject to minor corrections. Councilwoman Monica Mayer seconded the motion. Vote: 3-0-0. Motion carried.

• **January 24, 2018**

Motion: Councilman Fred Fox moved to approve January 24th, 2018 Natural Resources Committee minutes subject to minor corrections. Councilwoman Monica Mayer seconded the motion. Vote: 3-0-0. Motion carried.

• **February 1, 2018 (Special Meeting)**

Motion: Councilman Fred Fox moved to approve February 1st, 2018 Natural Resources Committee minutes subject to minor corrections. Councilwoman Monica Mayer seconded the motion. Vote: 3-0-0. Motion carried.

III. NRC CHAIRMAN – Councilman Randy Phelan

A. Update

\$63 price of oil as of today. Federal Partners March 13-14th in Denver. Rig friendly & Gap Mid-Stream week after Denver March 21st-22nd. Next Oil & Gas Committee Meeting set for April 4th @ 10:00AM.



IV. BIA & BLM Updates

A. Kayla Danks, *BIA Superintendent*

1) Update – *Elizabeth Berntz, Jeff Hunt*

Asked all operators to submit all ROW applications, 20 applications. 3,008 last year. All CA's are being submitted to the FB Agency, and are being adjudicated. Jeff Hunt works for EEMD. Waiting on about 156 for completion, allottee and Tribal (Trust only). Councilman Randy Phelan asked for all Tribal wells that are waiting to be completed. Have back log and need to get them done and people paid in a timely manner. Service Center needs to step it up. The Regional Director also needs to assist to get these done. Councilwoman Monica Mayer asked for a log of the process. Jeff said on issue is 380 spacing. 1,280 norm spacing total that have been submitted.

B. Bureau of Land Management (BLM) - *Loren Wickstrom*

1) Update

Month of January they received 46 APD's. Approved 46 in the month of January. Total pending 223, with the BIA receiving some of these we are hoping to knock some of these down. Should have them done in about 140 days. Mr. Wickstrom is hoping to have the 223 cleared up within 4-6 months. Carson Hood Jr. asked with the pending APD's, will it be a problem for the operators. Operators stated in the meeting the biggest hold up is the office. Mr. Wickstrom works closely with the operators. Jan 29th is the most current updated list. Major event Metro Shale had an accident, fire. One of the workers were injured. Took pictures and visited the site, hope to have a report within the next week. Catherine gave Mr. Wickstrom a report of other issues. Mr. Wickstrom doesn't have a current report on this yet. 3179 proposed rule (Methane Waste and Reduction Rule) is a mess right now, delays. BLM is exploring implementation options. Another one is Emissions vs. BLM. Also summery notices are sent to BIA, we have received several copies in Dickinson. Any Docket that is going to be in a hearing, will be getting you more information on these cases. BLM drainage programs, 14 rigs working on the Reservation currently, focus on the drainage. Had about 100 drainage issues this year. Slawson is proposing 3 locations, Osprey, Periscope and Atlantis. Working on ameba right now. These are located 10 miles west of New Town. Eric Sundberg from Slawson joined Loren Wickstrom. Fee-Fee bed locations shown on the map. Loren states when he finishes his ameba document then he will be prepared to sign these APD's, I will let the Three Affiliated Tribes know I signed the APD's. The tribe will be able to have the opportunity to request the state directory review. Same process you follow when you appeal and request state directory review of the Torpedo location. Travis Hallam addressed Slawsons disregard with our guidelines. Wilbur Wilkson spoke about the CA's, 19 were taken. 183 are in process and not getting paid. Wilbur Wilkson states that BLM stated they would be approving the APD's and haven't. Showed a document on a BIA lease, Gross Proceed Contract. Royalties and everything is paid at the well head 100% of the Natural Gas royalties is due and payable soon as its trailed, weather its flared or not the oil companies must pay. To collect these royalties from these oil companies we filed Burr vs. XTO our data was three years old, 53 million that the oil companies owed us. All the oil companies appealed it. We went to the Three Affiliated Tribes Supreme Court, we were successful. The judges held and the Tribe has jurisdiction, the next step was determination of the damages that were due to the allottees for unpaid royalties. We asked Mr. Wickstrom to come up with a number, ours is three years old at 52 million



then. Under NTL4A that's what Mr. Wickstrom operates under, there is no provision for a waiver, you can't retroactively approve an oil companies request to get a waiver and not pay royalties on Natural Gas. This new regulation 43CFR3179 that's effective 1117 but all the waiver requests that are pending before him are controlled by NTL4A because that was effective all the way up to 12-31-16. I don't appreciate Mr. Wickstrom coming in here insulting this committee to their face and me as an allottee. This is money that is due and owed to the allottees, you can't change this; this is the contract every allottee signed, every oil company agreed to. Nowhere in this document does it provide for a waiver of paying natural gas royalties. This is a Gross Proceeds Contract 25CFR212, this money is due and owing. In any attempt to grant a retroactive waiver to any oil company is wrong, and he doesn't have the authority to retro actively approve anything. When you look at NTL4A it says they got to request a waiver in advance, there were none. This issue has been pending for years. When we contacted BLM on this before the tribal court made its first decision and there was no request for waivers. Our court has asked us to work with Mr. Wickstrom to come up with a number. In my opinion this man has no authority to grant any kind of waiver, prepare any kind of recommendation to the state director. What he is saying is he is going to approve theses APD's, it's not his game, he has a duty to the public, and coming here and telling you to your face, that because of his trust responsibility, I'm telling you I'm going to approve these APD's and you can appeal it like you did on the last one. That is not right! Loren states, "We are working on pending notices". Torpedo Pad was approved and it is under 1,000 ft. Councilwoman Monica Mayer would like to forward Slawson to full council. Committee stressed how important it is to protect our waters, our land and people.

FTR: Councilman Randy Phelan asked Security to remove Eric Sundberg from the Chambers.

Loren has made recommendations to the state office the state director appealed my decision went to IBLA, IBLA granted a stay. Slawson then took the case to Judge Hoveland in District court and the stay was overruled. I was hopeful that the Torpedo case would answer that question. Are tribal resolutions enforceable to Fee-Fee lands within the exterior boundaries of the reservation? The decisions Mr. Wickstrom has been making are from the advice of his solicitors and not making these decisions personally. It's a decision that's going up to the highest level of the BLM. Councilman Randy Phelan motions to deny.

Motion: Councilman Fred Fox moves to deny any other locations for Slawson wells, and forward to next Tribal Business Council Meeting. Councilwoman Monica Mayer seconded the motion. Vote: 3-0-0. Motion carried.

Discussion: Councilman Randy Phelan recommends get Mr. Wickstrom the minutes for the record. Caleb Dogeagle states using the language from the Montana case, the setback variances are in place to protect the health, safety of our people. A position paper will be sent to DC.

V. **MHA Energy Division**- Carson Hood Jr., Director
A. Update



Have 14 applications sitting before us, and will try to move along as quickly as possible. The department has moved forward with issuing fines, unlit flares, and emission well pads. For the record we would let you create an emission policy. Yesterday we had flex steel come in provided a class on installation on their pipe.

B. Natural Resource Federal Programs Update – *Prairie Rose Chapin*

Al Nygard, CEO provided a summary of all the funding for the departments and the specific funding sources of other departments within the Natural Resource Division. The total funding within the division is \$7.8 million with \$2.8 million being from federal funding. For FY18 we have received 14.72% of our total federal dollars, we are 42% into the year. This is due to the federal government's inability to come to agreement on their budget to move forward. TAT has only drawn down \$350,000 this year so far. We will have to cover those dollars from the general fund until those federal dollars come in. The federal contract, the only one is in process for us to adjust the scope, legal is working on it.

C. TAAMS Update – *Catherine Everett*

Mrs. Everett informed the committee that TAAMS should be certified soon.

D. Pipeline Safety Task Force – *Travis Hallam*

Travis Hallam relayed concern from a recent task force meeting over the fine and fees structure. Mr. Hallam made recommendations to set the annual fees for flow lines at \$5000; & midstream gathering lines \$10,000. Also requested a \$60,000 supplement. Councilman Randy Phelan suggests doing \$10,000 fees across the board.

Motion: Councilman Fred Fox moved to forward fees for mid-stream and flow lines to the next Tribal Business Council Meeting. Councilwoman Monica Mayer seconded the motion. Vote: 3-0-0. Motion carried.

VI. OTHER BUSINESS

A. Trust to Fee Notification – *Tom Wells, Clarine Plenty Chief-Linseth*

Item deferred.

B. Mark Van Norman

Item deferred.

C. Buffalo Ranch Temporary Water Line Using SUA Discussion – *Travis Prewitt, Marathon*

The Committee was informed that Joe Merseck will be replacing Travis Prewitt in Marathons representation. Completing 3 pads needing approval. We are in a time crunch to get these temp water lines laid down. We will be paying for the lines laid down already. Jones road resolution doesn't have the other two easements & needs amendment. Joe Merseck is asking for land owner's consent. Motions covered in VII ROW APPROVALS.

D. Steve Gunderson Update (CLOSED SESSION)

E. East Station Road Scale – *Catherine Everett, Carolyn Spotted Horse* (CLOSED SESSION)

F. Steve Kelly (CLOSED SESSION)

VII. ROW APPROVALS (CLOSED SESSION)



A. Operators

- 1) **Marathon**
 - a. Jones Road Trespass Amendment
 - b. Foolish Bear
- 2) **Rimrock**
 - a. Two Shields Butte 13-21 Pad
- 3) **Enerplus**
 - a. African Animals Central
 - b. Fish South Project
- 4) **Bruin**
 - a. Pyramid Pad
- 5) **OneOk**
 - a. Kattvold USA CTB Setback Variance
- 6) **WPX**
 - a. Ruby 31-30H
 - b. Delores Sand
 - c. Joseph Eagle 19-18
 - d. Nancy Dancing Bull
- 7) **Targa**
 - a. Cranes Surface Site
- 8) **Crestwood**
 - a. Birds Bill Connector
 - b. Mandaree Loop Line
 - c. Station 4-7 Loop Line

FTR: The Tribe will make half a million dollars today.

- d. North John Elk
- e. Blue Buttes Re-route
- f. Monitoring Wells
- g. XTO

VIII. ADJOURNMENT

Motion: Councilman Fred Fox moved to adjourn the meeting. Councilwoman Monica Mayer seconded the motion. Meeting adjourned at 4:43 pm.



CERTIFICATION

I, the undersigned, as Committee Chairperson of The Three Affiliated Tribes of the Fort Berthold Indian Reservation, hereby certify that the Natural Resources Committee Oil & Gas is composed of three (3) members and of whom three (3) constitutes a quorum 3 were present at the meeting thereof duly called, notice, convened and held on the 28th day of February, 2018 ; that the foregoing minutes were duly adopted at such meeting by the affirmative vote of 3 members; 0 members opposed; 0 members abstained; 0 members not voting.

Dated this 4th day of April, 2018.

ATTEST:

Executive Secretary, Fred W. Fox
Tribal Business Council,
Three Affiliated Tribes

Committee Chairman, Randy Phelan
Tribal Business Council
Three Affiliated Tribes



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