



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

A Resolution entitled: “Approval to lease 532.20 Acres of Lands located in McLean County to Spotted Hawk, LLC, for Oil and Gas Development on the Fort Berthold Reservation

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 of the Three Affiliated Tribe generally 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, 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, pursuant to Article VI, Section 5(1) of the Constitution, the Tribal Business Council has the power to adopt resolutions regulating the procedures of the Tribal Business Council and other tribal agencies and tribal officials on the Reservation; and

WHEREAS, Article VI, Section 5(i) of the Constitution specifically authorizes and empowers the Tribal Business Council of the Tribe to make assignments and leases of Tribal lands and otherwise to manage tribal lands, interests in Tribal lands, and property upon such lands, in conformity with Article IX of the Constitution; and

WHEREAS, Article IX of the Constitution specifically authorizes and empowers the Tribal Business Council to manage and lease or otherwise deal with tribal lands and resources in accordance with law; and

WHEREAS, the Fort Berthold Reservation comprises approximately 1,000,000 acres and has within it potentially significant oil and gas resources as the Reservation lies within the generally accepted geologic formation known as the Williston Basin, a geologic formation that has been developed since the early 1950’s; and

WHEREAS, the Three Affiliated Tribes received a proposal from Spotted Hawk, LLC, to lease 532.20 tribal fee mineral acres within the Fort Berthold Reservation, for oil and gas development on the Fort Berthold Reservation, for the consideration of \$300.00 per acre bonus, twenty two and one half (22.50) percent royalty and \$2.50 per acre rental for a five (5) year lease,

NOW THEREFORE BE IT RESOLVED, That the Tribal Business Council of the Three Affiliated Tribes hereby affirms and ratifies its approval of the lease of 532.20



acres of tribal for oil and gas development to Spotted Hawk, LLC, for the consideration of \$300 per acre bonus, 22.50% royalty and \$2.50 per acre rental for a five year lease.

BE IT FURTHER RESOLVED, That the Tribal Business Council of the Three Affiliated Tribes hereby affirms and ratifies its approval of the lease for oil and gas development of said tribal mineral acreage located within the following:

That part of the Missouri Riverbed within Sections 25 and 26 of T.150 N-R91W Located in McLean County in North Dakota; and

FURTHER, BE IT RESOLVED, That the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Reservation hereby authorizes the Tribal Chairman to execute an oil and gas lease or leases, as may be necessary, on behalf of the Tribe for the development of oil and gas on the properties described and under the terms specified.

FURTHER BE IT RESOLVED, That the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Reservation, in accordance with the Constitution and Bylaws of the Three Affiliated Tribes, hereby declares that this Resolution shall expressly supersede and waive the leasing procedure set forth by regulatory provision and policy, including among others, the advertisement and bidding process.

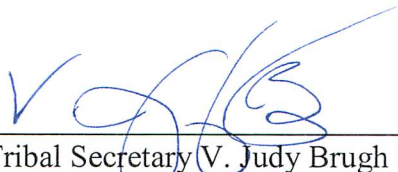
CERTIFICATION

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, 5 were present at a Regular Meeting thereof duly called, noticed, convened and held on the 10th day of July, 2009, that the foregoing Resolution was duly adopted at such meeting by the affirmative vote of 5 members, 0 members opposed, 0 members abstained, 0 members not voting, and that said Resolution has not been rescinded or amended in any way.

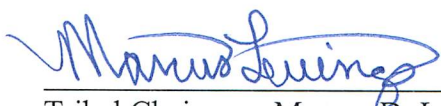
Chairman [] Voting. [] Not Voting.

Dated this 10th day of July, 2009.

ATTEST:



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



Tribal Chairman, Marcus D. Levings
Tribal Business Council
Three Affiliated Tribes