



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

A Resolution entitled, "Authorizing Tribal Section 17 Corporation to Market and Sell Excess Fort Berthold Rural Development Water"

- 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 Tribes 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,** The Three Affiliated Tribes' federally chartered Corporation organized under Section 17 of the Indian Reorganization Act operates under its corporate name "The Three Affiliated Tribes of the Fort Berthold Reservation" (the "Corporation"); and
- WHEREAS,** Pursuant to the Corporate Charter, the Corporation has the legal authority to "purchase, take by gift, bequest or otherwise, own, hold, manage, operate and dispose of property of every description, real or personal ..."; and
- WHEREAS,** The Corporation is authorized to "engage in any business that will further the economic well-being of the members of the Tribe or to undertake any activity of any nature whatever, no inconsistent with law or any provision of [the] Charter"; and
- WHEREAS,** The Corporation under this authority is authorized to purchase and sell excess Fort Berthold Rural Development water to oil and gas operators and for other lawful purposes; and
- WEHREAS,** The Tribal Business Council finds it in the best interest of the Tribes and its members to engage in the sale of water to oil and gas operators operating within the exterior boundaries of the Fort Berthold Reservation;
- WHEREAS,** Said business endeavor will benefit the Tribes by generating needed revenue to the Tribes' treasury and has the potential to generate additional tribal tax revenue and add tribal jobs to the Reservation economy; and



WHEREAS, The Fort Berthold Rural Water can provide any excess water to the Tribes' Corporation for resale to the oil and gas industry and other commercial and municipal customers, consistent with the requirements of the Tribes' 638 contract with the Bureau of Reclamation; and

WHEREAS, The Tribal Business Council finds it in the best interest of the Tribes to have the Tax Commission operate the business under the direction of the Corporation until such time as the Corporation establishes a budget and staff for operations, with the assistance of the Tax Commission.

NOW THEREFORE BE IT RESOLVED, The Tribal Business Council hereby authorizes and directs the diversion and sale by Fort Berthold Rural Water, at its existing rates, of excess water from its facilities to the Corporation; and

BE IT FURTHER RESOLVED, That the Corporation is authorized to market and sell such water to the oil and gas industry, and for municipal, commercial and other lawful purposes; and

BE IT FURTHER RESOLVED, That the Tribal Tax Commission shall operate the business under the supervision of the Corporation until such time as the Corporation establishes its own budget for operations, with the assistance of the Tax Commission; and

BE IT FURTHER RESOLVED, That the Tribal Tax Commission shall develop and present to the Tribal Business Council for approval a fair and equitable tax on water used or sold for commercial and industrial purposes; and

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



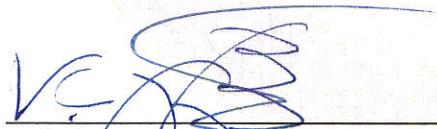
CERTIFICATION

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, 5 were present at a Regular Meeting thereof duly called, noticed, convened and held on the 14th day of May, 2012, 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.

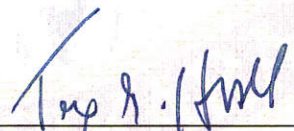
Chairman [] Voting. [] Not Voting.

Dated this 14th day of May, 2012.

ATTEST:



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



Tribal Chairman, Tex Hall
Tribal Business Council
Three Affiliated Tribes