

- I. **Call to order** at 10:00 a.m. by Chairman Waller
- II. **Opening prayer** by Councilmember Harlan, **reading of deceased Osages** by Second Chairman Red Eagle
- III. **Roll call**
  - Councilmember Forman—present, via Zoom
  - Councilmember Gray—present
  - Councilmember Harlan—present, via Zoom
  - Councilmember Redcorn—present
  - Second Chairman Red Eagle—present
  - Councilmember Revard—present, via Zoom
  - Chairman Waller—present, via Zoom**Declaration of Quorum**

**Guests:** Candy Thomas, University of Tulsa staff: Mohan Kelkar, Doug Humphreys, Neil Rng, UVT staff: Sara Andrews, Rex Anderson

**Discussion:** **Chairman Waller** asked for a moment of silence for the one year passing of OMC Chairman Andrew Yates, October 6, 1960—February 16, 2021. He added the losses the Nation has had over the past year have been monumental.
- IV. **Superintendent's Report**—Robin Phillips reported the following: Aggregates: APAC produced 40,281.62 tons and paid \$43,987.53 in royalty; Candy Creek Crusher, LLC produced 17,955.73 tons and paid \$15,495.78 in royalty; Burbank Materials produced 10,853.97 tons and paid \$11,722.29 in royalty; Schmidt Brothers produced 448 cubic yards and paid \$336.00 in royalty; Producing Wells: 14,852 less 3,230 for SWD Wells; Approved Permits: 1 Workover Permit; 6 Plugging Permits; 2 Emergency Plugging Permits; 2 Emergency Workover Permits; 1 Drilling Permits; 0 New Drilling Completions Reported. InnoTrust Summary Transactions for January 1-31, 2022: Oil and gas rental \$4,001.06; Oil and gas bonus \$9,400; Sand and gravel \$71,541.60; Rental \$528.09; Late payment charge \$1,059.02; Saltwater easement rental \$5,655; Water use \$31,318.25; Oil and gas royalty \$4,079,968.47; Overnight interest \$193.64.

**Discussion:** **Councilmember Gray** thanked Superintendent Phillips for adding aggregate information to her report. She said if she needed more information in the future, she'd send correspondence through Chairman Waller.
- V. **Audit Report**—OMC Chief of Staff Lacey Reynolds reported *Osage oil and gas calculated receipts—December 2022 Production*: Gross Barrels 364,963; Royalty Barrels 53,818; Gross Barrels v. Royalty Barrels 14.75%; Daily Barrels Produced 11,773; Average Price Per Barrel \$79.21; Collections for January 2022: Total Oil Royalty \$3,885,451; Total Gas Royalty \$194,209; Tank Bottom Royalty \$308; Total Royalty \$4,079, 968; March Payment will be \$5,665 per full headright. The highest posted price on February 15, 2022 was \$92 per barrel. **Chairman Waller** said this HPP was the highest it had been in years. June payment will reflect this. **Council Forman** requested the audit report be sent to all council. **Chairman Waller** thanked Council Forman for her patience, as other items had come up while Ms. Reynolds was working on the audit.
- VI. **New Business**
  - a. **Resolution:** OMC attend the AAPG-CCUSMotion by **Councilmember Redcorn** Second by **Councilmember Gray**

Motion **PASSED**      YES: 7      NO: 0      ABSTAIN: 0      ABSENT: 0  
Councilmember Forman—y      Councilmember Gray—y  
Councilmember Harlan—y      Councilmember Redcorn—y  
Second Chairman Red Eagle—y      Councilmember Revard—y  
Chairman Waller—y

**Discussion:** Councilmember Redcorn announced AAPG was having a Carbon Capture and Utilization conference on March 29-31, 2022 in Houston. He asked to attend. Council Forman supports Council Redcorn going to the conference. It's so important right now. She asked him to amend the motion to include any of OMC to attend. Councils Redcorn and Gray agreed and amended the motion.

- b. Biannual Meeting**—Council Gray requested to move the biannual meeting agenda and discussion to Executive Session. The date of the biannual meeting will be March 21, 2022.

- c. Resolution:** Councilwoman Gray represent OMC to participate on the Tribal Energy Board

Motion by Councilmember Gray      Second by Councilmember Redcorn  
Motion **PASSED**      YES: 5      NO: 1      ABSTAIN: 1      ABSENT: 0  
Councilmember Gray—y      Councilmember Harlan—y  
Councilmember Redcorn—y      Second Chairman Red Eagle—y  
Councilmember Revard—abstain      Chairman Waller—y  
Councilmember Forman—n

**Discussion:** Councilmember Gray shared that she received a request to participate in an Economic Development Association grant awarded to the Jicarilla Apache Nation; the grant project is structured to benefit all primary oil and gas energy tribes nationwide. The organization is scheduling a Zoom meeting to talk about the program and its goals. They also want to form an intertribal, not for profit, organization consisting of energy tribes that will educate tribes, government, and the private sector regarding policies, programs, and funding. It will also empower tribes to speak with one voice, understand tribal energy opportunities, and realize their full energy development potential. What Council Gray likes about the group is the opportunity it presents to OMC to receive technical services. Interested tribes can increase their capacity in tribally-owned energy projects, as well as recognize potential to take over energy assets on tribal lands that is currently leased to developers. There's also an element of education and capacity building. They also want to provide native youth with educational scholarships, when they're interested in the energy field. This group will be beneficial to OMC, because it promotes economic development and foundational business structures. Chairman Waller asked Councilmember Gray to provide Chief of Staff Lacey Reynolds with all of the information about the board [because technical difficulties didn't allow her to share the PowerPoint presentation during the meeting.]

- d. Resolution:** Purchase ESRI user licenses for all staff to upload information to osageminerals.org for \$100 per license, using funds from the C-395 budget

Motion by Councilmember Forman      Second by Chairman Waller  
Motion **PASSED**      YES: 6      NO: 1      ABSTAIN: 0      ABSENT: 0  
Councilmember Harlan—n      Councilmember Redcorn—y  
Second Chairman Red Eagle—y      Councilmember Revard—y  
Chairman Waller—y      Councilmember Forman—y  
Councilmember Gray—y



**Discussion:** **Council Forman** informed everyone she had an upcoming meeting with the data consultant for osageminerals.org. The website is now designed to allow data entry. There are 70K records from the U.S. government. The consultant is enhancing osageminerals.org to be user friendly, but the records need to be uploaded into the system. If user licenses are purchased, OMC staff can upload the government records. **Council Redcorn** asked if the natural gas consultant was able to get information from osageminerals.org. **Council Forman** said she wasn't sure if he had, but he was invited to the upcoming meeting the following day. **Council Redcorn** requested for the gas consultant to provide a summary of information he's obtained from osageminerals.org, and if the website was useful for him. **Council Forman** said the gas consultant was working on combining information from several sources to have all information in one spreadsheet. She said the goal is to pull all the information from several sites into one site—osageminerals.org. The grant will help with that effort: incorporating the information in one place. After information is in one place, OMC will control it. She said through the biannual meeting, redacted well records were received. **Council Redcorn** said more discussion about what the website contains is needed. Presently, it seems like it's geared for producers. He added he had ideas to focus on improving NIOGEMS and geared more toward OMC. It is important for producers to have their information, but OMC also needs access to their information instead of going through BIA. **Chairman Waller** would like the requested gas information added to the timeline and was looking forward to the meeting the following day. **Council Gray** asked if all of the \$99K grant funding went to the consultants or if any money was left. If any funds remained, that could be used to buy the user licenses for staff. Moreover, she asked whether the user license cost was an annual or monthly payment. **Council Forman** said the grant was funded for \$98K or \$99K. All of the money went to the data consultant to do very detailed work on OMC's system. It allowed him to hire someone, if he needed help. There is no extra money outside of that; it's all identified in the grant, of which OMC has a copy. She said the user license fee was annually. **Lacee Reynolds** suggested purchasing one user license for all of staff to share. **Council Redcorn** asked if producers could come to the office to research data. **Council Forman** said it was for staff only. **Council Harlan** said the vote was premature until more information was received, so she voted no.

**VII.****Motion:** Enter Executive SessionMotion by **Councilmember Gray**Motion **PASSED** YES: 5

NO: 2

Councilmember Redcorn—n

Councilmember Revard—y

Councilmember Forman—n

Councilmember Harlan—y

**Time:** 10:49 a.m.Second by **Second Chairman Red Eagle**

ABSTAIN: 0

ABSENT: 0

Second Chairman Red Eagle—y

Chairman Waller—y

Councilmember Gray—y

**Discussion:** **Council Redcorn** asked what the need for the topics that were on the agenda for Executive Session. He thought they should be discussed during the open meeting. He added OMC should be cautious when adding topics to Executive Session to make sure no favoritism is shown to any individual or organization. He wants to make sure of a clean, competitive environment for OMC. **Chairman Waller** said the University of Tulsa is working on a confidential project regarding a review of environmental remediation of greenhouse gases from unplugged wells; the study is not yet published for the public. They are only sharing with OMC, so they can request their participation. **Council Forman** said wanted to clarify that she'd requested the geologist be at the past two meetings for an update of the well plugging program, and that subject was not necessary for Executive. She had no problem with having that discussion in open meeting. **Council Gray** requested Executive Session for a discussion about an email received on February

14 from Candy Thomas regarding well plugging. **Chairman Waller** said the road closure will be discussed and the email from Ms. Thomas will be added to Executive. **Council Revard** asked the origin of Executive Session topics be on the agenda, who requested, and why it's in Executive, so that shareholders know what's going on.

**VIII.**

**Motion:** Exit Executive Session

**Time:** 1:06 p.m.

Motion by **Councilmember Gray**

Second by **Second Chairman Red Eagle**

Motion **PASSED** YES: 7

NO: 0

ABSTAIN: 0

ABSENT: 0

Second Chairman Red Eagle—y

Councilmember Revard—y

Chairman Waller—y

Councilmember Forman—y

Councilmember Gray—y

Councilmember Harlan—y

Councilmember Redcorn—y

**Discussion:** **Chairman Waller** announced it was decided in Executive the geologist will be working with the University of Tulsa on their project. A road closure requirement was discussed, and no action will be taken on it.

**IX.****Old Business**

- a. Well Plugging**—Bill Lynn, Geologist, presented an update on the progress of well plugging and orphan wells. To date, 51 wells have been plugged; 11 wells were plugged since the last meeting. There are three pending plugging permits. As of November 7, 2021, the program has spent \$2,387,575.35—an amount he received from accounting. \$685,875.65 of the funding is left. In 2022, he projected 22 more wells will likely be plugged to use the remaining money. He has done a presentation showing a map of locations of plugged well on the Osage Reservation. Some of the plugged wells he mentioned were Leonard, Mary Pipes, and locations near Turley. **Second Chairman Red Eagle** inquired how long it takes to receive an approved plugging permit from the BIA. **Mr. Lynn** said the fastest he received a permit was nine days, which he just got. Others have taken four to five weeks. It depends on who is processing the permit and how many are pending. The Osage Agency had a person retire, so the work is being done and is faster in Muskogee at the Eastern Oklahoma Regional Office. **Council Redcorn** reminded everyone OMC passed a resolution that well plugging activity goes through Chairman Waller to Candy Thomas. He requested Lacey Reynolds share the resolution, since OMC agreed that was the best way to move forward with the program. **Mr. Lynn** said funds will be gone before the end of 2022, contingent upon how much the cost of emergency plugging is. Some wells take more money to plug than others. Emergency wells are continually being discovered. **Council Redcorn** thanked Mr. Lynn for his work on the program and shared that OMC did not receive renewed/additional funding. **Council Forman** inquired whether there were any emergency wells on Osage Nation Ranch. **Mr. Lynn** affirmed and said several had already been plugged at ON Ranch. The St. John and Leonard wells have been cemented and were included in the 51 that were plugged. Since plugging, EPA engineers wouldn't inspect. Now a new EPA employee, Caleb Kennedy was hired and will inspect the wells. **Council Forman** thanked Mr. Lynn for the report and asked why there were only three pending permits when there are 22 wells that need to be plugged. **Mr. Lynn** explained that approved plugging permits valid for 30 days. **Council Revard** shared he thought a blanket approval vetted by the BIA—a Categorical Exclusion—to plug emergency wells would be a good idea for OMC to have. **Chairman Waller** agreed. He added that Mr. Lynn prioritizes well to be plugged according to environmental concern.



- b. Osage Oil and Gas Summit**—Council Gray announced that she begin planning the summit and met with Christy Red Eagle, Council Redcorn, Shane Matson, and OMC staff to. She shared a list of possible speakers, subject matter, and schedule. For the next meeting OMC agenda, Council Gray requested nominations for *Producer of the Year*. The summit will take place April 13-15, 2022. A sponsorship for \$10K was secured from the Osage Casino. **Council Forman** inquired if there were any confirmed speakers, and if so, how many. **Council Gray** said she didn't know and would have to contact Shane Matson to find out. **Council Forman** asked if any vendors had committed. **Council Gray** explained she was only working on the content of the summit itself. **Council Redcorn** shared he thought Council Gray's meetings was a kickoff, and she was on the agenda to see if OMC agreed with the content thus far. **Council Forman** said it was important to remember to save seed money, adding she \$17K was left in the budget from the 2019 summit when she planned it. **Council Gray** said she has been planning on a budget, and no boondoggle items would be in the budget this year, e.g. free hotel rooms and graphics. She's being very conscientious of the budget and spending. **Council Redcorn** said he'd like to have Osage moderators for the luncheon, which has been done for past summits. He suggested Council Gray as the moderator for the first segment.
- c. Election**—**Chairman Waller** announced that Ms. Ponca was unavailable to attend the meeting. **Ms. Reynolds** said the office will be set up within the week, including phone and computer. OMC sent a letter to the BIA Superintendent requesting the annuity roll for the election. The office will officially open on March 1, 2022. The filing period is March 1-15, 2022. **Council Forman** shared she spoke with Ms. Ponca inquiring about the location of the election office within the OMC offices. Ms. Ponca told her, in the past, election offices have been located inside the OMC office.
- d. Resolution:** Strike election rule from two decimals, using all five decimals
- |  |                                       |
|--|---------------------------------------|
| Motion by <b>Councilmember Forman</b>                  | Second by <b>Councilmember Revard</b> |
| Motion <b>PASSED</b> YES: 3                      NO: 2 | ABSTAIN: 2              ABSENT: 0     |
| Councilmember Revard—y                                 | Chairman Waller—abstain               |
| Councilmember Forman—y                                 | Councilmember Gray—n                  |
| Councilmember Harlan—n                                 | Councilmember Redcorn—abstain         |
| Second Chairman Red Eagle—y                            |                                       |

**Discussion:** **Council Forman** emphasized the importance of the election rules and wanted everyone to be aware, section 1.3 general-eligibility. The last two sentences say, "Each voter shall be entitled to cast one ballot, and each ballot shall have exactly the same value as the voter's headright interest shown on the last March quarterly annuity roll. Any fraction of a headright, however, shall be valued as to the first two decimals only, unless such interest is less than 1/100<sup>th</sup> of a share, then it shall have its full value." She contacted the BIA and asked how many decimals were used to calculate payment; she was told five decimals are used for payment. She made the motion to strike the two decimals and use five decimals for voting. **Chairman Waller** said that rule is outdated and was used when counting was done manually. Now, there is a barcode that can count any amount, including the five decimal places. **Council Revard** shared that he isn't too familiar with election rules and has heard there are two versions. He inquired which version is used by each OMC and wanted both versions posted on OMC's Board BookIt [Govenda]. **Chairman Waller** countered there is only one authorized version of the election rules, and it was codified by the federal government. He will make sure all of OMC has a copy of the rules. He added he was unaware of two versions. He directed Ms. Reynolds send the election rules to OMC.

**X. Motion:** Approve MinutesMotion by **Councilmember Harlan**Motion **PASSED** YES: 5

NO: 2

Chairman Waller—y

Councilmember Gray—y

Councilmember Redcorn—y

Councilmember Revard—n

Second by **Councilmember Gray**

ABSTAIN: 0 ABSENT: 0

Councilmember Forman—n

Councilmember Harlan—y

Second Chairman Red Eagle—y

**Discussion:** **Councilmember Forman** asked to be recognized because she has changes to the minutes. The minutes need corrections because they contain unnecessary items, things need to be added, and they are not well written. She does not support the minutes. **Councilmember Revard** said he would not vote for the current minutes, because the approved minutes from the last meeting still needed to be corrected, as they contained errors and omissions. **Councilmember Redcorn** said he was still sticking to his earlier comment from the last meeting. He's witnessed minutes always being disapproved by one or two on each Council for reasons from typing every word (too long) to the only thing on them was the vote count (too short). Since he's been voted on OMC, serving three terms, the current minutes lately are the best minutes he's seen and thinks it's a good product. They are not too detailed but a good summary with votes reflected.

**XI. Resolution:** Assign Bill Lynn to manage cleanup and [debris] removal at the pipe yardMotion by **Councilmember Harlan**Motion **PASSED** YES: 5

NO: 0

Councilmember Forman—y

Councilmember Harlan—y

Second Chairman Red Eagle—y

Chairman Waller—y

Second by **Second Chairman Red Eagle**

ABSTAIN: 2 ABSENT: 0

Councilmember Gray—y

Councilmember Redcorn—abstain

Councilmember Revard—abstain

**Discussion:** **Second Chairman Red Eagle** said he and David Bird visited the pipe yard the previous day and discovered a safety hazard; a light pole behind the front office looks like it could fall. Mr. Bird suggested calling the City of Pawhuska to remove the pole and replace it outside the yard, since there is currently no electric at the pipe yard. He also noted cleanup of the yard, by Builders Unlimited, began the day of the meeting. **Second Chair Red Eagle** made the motion to have David Bird oversee the pole removal and cleanup of the pipe yard. **Council Harlan** called a point of order stating the individual was approved by resolution at the previous meeting. **Ms. Reynolds** shared David Bird was voted only to oversee pipe sales using procurement guidelines, not to oversee yard cleanup. Otherwise, a resolution is needed, so he can be paid, unless he's a volunteer. **Second Chair** rescinded the motion. **Council Harlan** then made the motion to assign Mr. Bird to manage the cleanup of the pipe yard; seconded by Second Chair Red Eagle. **Council Redcorn** reminded OMC of the procurement law in place and to make sure OMC is using the competitive process for material disposal. He added if someone is assigned for the cleanup task, he wanted to make sure the Chief of Staff was okay with it. **Ms. Reynolds** said it would be easier for the current member of staff, Mr. Lynn, to oversee the cleanup and stay with Mr. Bird only overseeing the pipe transport. **Council Redcorn** inquired if Mr. Bird could be paid with well plugging funds. **Ms. Reynolds** said it was not a well plugging activity, so a different fund would have to be used to pay Mr. Bird. **Council Redcorn** then reiterated any material disposal had to be done through procurement, using a bid process to be fair. He wanted to make sure Mr. Bird understood the process. Even moving dirt has to use the procurement process. He said the choice for the project would be between Mr. Bird and Mr. Lynn. **Council Gray** said, at this time, Mr. Bird was only assigned to evaluate pipe, move it, and nothing else. She asked if Mr. Lynn could



oversee removal of the electric pole, since he is already a paid employee. **Council Forman** said the discussion raised more questions for her. The cleanup sounds like it could be hazardous and dangerous. The procurement process needs to be used to ensure [the contractor has] liability insurance in case of accidents. **Second Chairman Red Eagle** said Builders Unlimited won the bid for cleanup. He's certain they have bonding and liability. "If you were here in Pawhuska, you would see that there's a lot of things that need to be done...It really helps for people to be here in Pawhuska, sometimes. Because we're all here, and we know what's going on...If you're not here in Pawhuska, it's very, very difficult to see what's going on. If you're on the phone, if you're on zoom, if you're in Broken Arrow or Tulsa, wherever, it's very hard to understand what's really going on here. We know because we're here." **Council Harlan and Second Chairman Red Eagle** amended the motion to designate Bill Lynn to manage cleanup. Prior to voting, **Second Chair Red Eagle** explained that he'd spoken with Mr. Lynn, and he is extremely busy with his current job duties: several grants, well plugging, and the St. John unit. That's why he suggested Mr. Bird. He is at the OMC every day and hears what Mr. Lynn has to say.

**XII.****Motion:** Adjourn**Time:** 2:08 p.m.Motion by **Councilmember Gray**Second by **Councilmember Redcorn**Motion **PASSED** YES: 7

NO: 0

ABSTAIN: 0

ABSENT: 0

Councilmember Gray—y

Councilmember Harlan—y

Councilmember Redcorn—y

Second Chairman Red Eagle—y

Councilmember Revard—y

Chairman Waller—y

Councilmember Forman—y

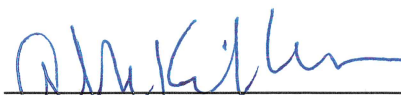
**Discussion:** **Council Revard** inquired if anyone knew how many, if any nominations were received for the lease sale. The deadline was the day prior to the meeting at 5:00 p.m. **Chairman Waller** said he'd have to call.

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*The above minutes were approved by the Fourth Osage Minerals Council on March 4, 2022.*



Everett Waller, Chairman



Executive Administrative Assistant