

# Replies to OSA Discussion Questions

WOW—And here I was worried that this subject was becoming boring.

Statements & Questions from 174.51.138.193

1. *These are people who don't appear to understand that the Supreme Power of the Chief exists only as it concerns the Executive Branch of the ON government nor do they seem to understand what an independent agency is either. If they did, they would have left the Minerals Council alone to conduct business in peace and leave their bank accounts alone as well.*

The Chief had the “Supreme Power” in early 2010 to prevent the Minerals Council from using MC funds for a trip to Washington/BIA concerning the 2010 elections didn't he? Likewise, the Chief currently has the “Supreme Power” should he want to use it, to negate any lease agreement the Minerals Council may make. He doesn't need a valid reason. He could “invent” a reason and that could bog down the process indefinitely, just like it did in 2010. As it is now, he could, if he so chooses, write a check on the S 510 account, which is not under the Trust, for any purpose that ONLY HE may deem valid, and it could be weeks before the MC would even know about it. That was demonstrated when the Treasurer, however innocent and well intended it was, moved \$300,000 from one bank to another without the advise or consent of the MC. It took about 2 weeks for the Minerals Council to even find out that the money had been moved, and then they only found out because a Congressperson either told them or asked them if they knew about it. Had that been done with some diabolical purpose in mind, there wouldn't be much the MC could have done about it unless they could prove fraud. ONCR 11-12 will eliminate even the possibility of that, by putting the MC in full control of all accounts. That's 8 people making the decision, not one person.

2. *if you try and separate the new government (that has Mineral Estate ownership rights) from the Minerals Council altogether without some sort of representation, you're asking for legal trouble and plenty of it.*

I believe, if I understand you correctly, that you are absolutely right. But no one that I am aware of is trying to “separate the Minerals Council **ALTOGETHER**”. All ONCR 11-12 and ONCR 11-14 do is remove the “one man control” now existing and put the Minerals Estate business into the hands of an 8 person Minerals Council, elected by only Shareholders. Remember, that “one man” could someday even be a non-Shareholder. A non-Shareholder ran for Chief in the last election. Since that individual was in line to inherit, I wasn't concerned about it. But, over the next 20 or 30 years, anything could happen. A non-Shareholder Chief with designs on the Minerals Estate, coupled with a sympathetic Congress, could be devastating to the Shareholders. **THAT'S WHY WE MUST FIX IT NOW.**

3. *...ONCR 11-12 and ONCR 11-14...they will have a very positive effect on every Osage and further, every person living in Osage County, Bartlesville, Skiatook, Ponca City, and Cleveland." Are you planning to compact the Mineral Estate away from the BIA and grow the new government even more with these amendments? This isn't what the headright owners want and it tracks back all the way to the forums that were held across the country at the very beginning when the number one item at the top of the list was to leave the Mineral Estate alone.*

To move the Minerals Estate away from the BIA is a completely ludicrous notion. I can't imagine that anyone might even think such a thing. My statement is simply referring to the positive economic impact the coming "Oil Boom" will have on the entire area. I firmly believe that removing the Executive Department, with their "one man control," completely away from the lease negotiating and approval arena, will make the Osage Minerals Estate much more attractive to the major oil companies. A couple have already ventured back, in spite of the potential problems. If we remove the problem (pass the amendments,) I think we may see many more, and very soon. If we leave the MC literally hand cuffed to the Chief's desk, don't expect to see the rest flocking back anytime soon.

Questions from 99.100.60.117

4. *Ray please explain how these initiatives on the Ballot will help Osage Co.? And the can of worms that will open up if any of the Mineral Estate is taxed will certainly create a huge law suit of which we really need to stay away from the fat cows that would love to see this happen.*

My view on the impact to the economy is very simple. For every dollar that comes into the county, to whomever, a good part of that dollar is dispersed into the overall economy. Everybody wins! As for taxing the Minerals Estate, can you imagine the can of worms resulting if Congress ever tried to actually do that? I hope you don't think that it hasn't been discussed in recent years because it has. And by a few who could really do some damage. Can you imagine what a non -Shareholder Chief who may have designs on the Minerals Estate, backed by a sympathetic Congress, could do with taxes? Talk about scary!! Believe it or not, a few actually want to see that happen. They just haven't figured out a way to make it politically attractive, or entirely legal. Passing ONCR 10-19 would make such a notion absolutely illegal, and quash the threat forever. Please read 10-19 one more time, and I think you would agree.

5. Questions and Statements from  
166.182.3.130 **From:** Cynthia

*ONCR 10-19. Osage Nation will not tax the minerals estate. Would the Secretary allow the Osage Nation to tax this trust asset?*

The S 510 account and the Oil & Gas Summit accounts are not trust assets.

*Osage Nation will not tax minerals royalties. This can't happen because the Bigeagle vs U.S. nipped that in the bud years ago. Should we even be voting on this?*

But they could tax sales and transportation of production. This would be an added burden on our producers. Do you want that? Approving the amendment would simply affirm Bigeagle vs U.S. What's wrong with that? I'd bet that half of the currently sitting Congress can't tell us anything about Bigeagle vs U.S. How much would a Congress 10 or 20 years down the road know about it? If it's clearly stated in the Constitution, they would be expected to know. Failure to approve ONCR 10-19 only invites another trip to the court house.

*Should non-shareholders really be allowed to vote on shareholder business?*

Absolutely not! But that just "ain't the way it is" now. Passing these amendments will remove any possibility that non-Shareholders will ever again vote on Minerals' business. Isn't that what you want?

*Did you see the full page ad in the Osage News on page 28 telling us to vote yes? The ad was paid with shareholder money.*

I saw an ad, but it I don't remember it being a full page ad. Very well done tho, wasn't it? Congratulations. We need this! I'll go back and look for that "full page ad."

6. 67.61.81.82 Jenny Miller

*In fact Standing Bear's 11-12, 11-13 and 11-14 would make the Constitution more dangerous than it already is as will Red Corn's 10-19.*

Only in your mind. I guess it would depend on one's personal agenda.

*So to think that the Mineral Council has control over whether drilling takes place would be incorrect and once again flies in the face of the scare tactics being used to garner "yes" votes for these amendments.*

The Minerals Council has full control over approving any lease to drill agreement. Without one, designed in a way that meets the approval of the MC, no drilling can take place. That's why the MC needs to get it right the first time So far, they're doing pretty good. Gross production just keeps going up.

*All the Mineral Council with the BIA's approval does is negotiate the best lease deal for the Shareholders.*

Now you got it.

*There are laws protecting the Oil companies and a company like Halcon Resources would give the Osage "Nation" one good spanking in the courtroom if necessary and they likely will if the "Nation" government doesn't uphold their agreements.-----Take the Wind Farm fiasco....What did that end up costing in attorney fees, court costs, etc?*

If the MC has any problem with Halcon, you seem to be the only one who knows about it. As far as the wind farms go, do you see any from your front porch? Well, neither do those folks over on the west side. I think that the MC, in the beginning, had very poor legal representation here. They tried to do this on the cheap. They wound up losing the first round in court and had to pay less than \$10,000 in court costs, but they learned a valuable lesson. They hired new lawyers for this issue, and guess what---many months later, I still don't see even 1 commercial wind mill in the county, even though we lost round 1 in court. So far, the wind mill lawyers are still sitting in their corner on their little stool, slobbering into their spit bucket. I'm not sure the problem has completely gone away, but I still don't see any wind mills. Is it possible that the wind farm people just don't want to tangle with these new lawyers? We might have won by a TKO. I'll bet they just might show up some day, hat in hand, wanting to negotiate something. I hope they tell them "talk to my lawyer."