CONTRACT NO: __________
TAAMS DOC. NO: __________

EAPEMENT FOR SALTWATER DISPOSAL WELL
Osage Reservation, Oklahoma

The regulation at 25 C.F.R. § 226.23, provides that:

The Superintendent, with the consent of the Osage [Minerals] Council, may grant commercial and non-commercial easements for wells off the leased premises to be used for purposes associated with oil and gas production. Rental payable to the Osage [Nation] for such easements shall be an amount agreed to by Grantee and the Osage [Minerals] Council subject to the approval of the Superintendent. Grantee shall be responsible for all damages resulting from the use of such wells and settlement thereof shall be made as provided in § 226.21.

Accordingly, for and in consideration of the sum of Three Hundred Dollars ($300) paid to the Osage Agency - BIA, Dept. C155, P.O. Box 474888, Des Moines, IA 50947-4888, for the benefit of the Osage Nation, and for the further consideration of Three Hundred Dollars ($300) to be paid on or before each anniversary of the Effective Date thereof, the Osage Minerals Council does hereby grant ____________, hereinafter designated as the Grantee, including any subsequent successors and assigns, an Easement in order to dispose of oil field brines produced from Grantee’s oil wells located in the ____________, into Well No. __________, located in Osage County, Oklahoma. This Easement is associated with Oil and Gas Lease No. ____________.

As required by 25 C.F.R. § 226.23, the stated consideration for this Easement is an amount agreed to by the Osage Minerals Council and the Grantee, and the Osage Minerals Council has determined that said consideration is in all respects reasonable and appropriate. The Effective Date of this Easement is ____________, 20__.

Under this Easement, the Grantee has the right to ingress and egress to and from said disposal well with the right to install and maintain such equipment as is necessary or convenient for proper operation of the well for the duration of this Easement. This Easement will be effective for three years from the Effective Date and will be considered renewed annually thereafter, unless a Party requests, in writing, thirty (30) days before the Effective Date, that said Easement not be renewed. The rights of the surface landowner are as defined in the approved Osage Oil Mining Lease form and 25 C.F.R. Part 226.

If the annual rental payment is not paid prior to the Effective Date, a penalty of $50 will be assessed. Failure to remit both the annual payment and the penalty fee within thirty (30) days following the anniversary date will result in immediate termination of the Easement. If the Grantee requests the renewal of a terminated Easement, the annual fee of $300 plus a renewal penalty of $200 will be required within 90 days of the termination date. Failure to pay the annual fee plus a $200 renewal penalty within the 90-day period will require negotiation of a new Easement with the Osage Minerals
Council. In the event that a new Easement is negotiated after the 90-day period an additional reinstatement penalty will be assessed at the rate of $25 per month, beginning with the Effective Date of the original Easement.

At the conclusion of this Easement, whether by termination, expiration, or otherwise, the Grantee will plug said well pursuant to 25 C.F.R. Part 226, and remove all associated equipment within ninety (90) days of such conclusion.

This Easement is subject to the regulations now or hereafter prescribed by the Secretary of the Interior relative to Osage oil or gas leases, as found in 25 C.F.R. Part 226, all of which are made a part of this Easement.

The disposal well shall be conditioned and operated in accordance with the instructions of the Superintendent.

All rights conferred herein are subordinate to any oil and/or gas lease which may be hereinafter granted by the Osage Minerals Council, and approved by the Superintendent, on the property covered by this Easement.

Assignment of this Easement or any interest therein may be made with the written consent of the Osage Minerals Council, and the approval of the Superintendent.

This Easement shall not be used for commercial purposes without the approval of the Osage Minerals Council and the Superintendent.

The Grantee shall furnish a bond in the minimal penal sum of $5,000 with responsible surety to the satisfaction of the Superintendent, conditioned on compliance with the terms of the Easement and applicable regulations.

This Easement shall be subject to termination if any of the terms or conditions contained therein is violated.

The Superintendent has reviewed the subject property and determined that the following compliance effort under the National Environmental Policy Act (“NEPA”) is appropriate. Check as applicable:

_______ The approval of this Easement and subsequent operations WILL NOT result in additional ground disturbing activities sufficient to rise above the level acceptable for a Categorical Exclusion. Accordingly, the Superintendent has determined that the following Categorical Exclusions are applicable, and no extraordinary circumstances exist that would require greater NEPA review: 516 DM 10.5.1 Approvals or grants of conveyances and other transfers of interests in land where no change in land use is planned.

_______ The approval of this Easement and subsequent operations WILL result in additional ground disturbing activities sufficient to rise above the level acceptable for a Categorical Exclusion, or there are extraordinary circumstances that require greater NEPA review. Accordingly, the Superintendent has determined that additional NEPA compliance efforts are necessary before such ground disturbing activities commence.
EXECUTION AND ACCEPTANCE BY GRANTEE

The undersigned, being the Grantee, hereby accepts all conditions and provisions of the Easement as outlined above and will carry out all of its requirements fully.

Dated this ___ day of ________________, 20__.

__________________________________________
GRANTEE

ACKNOWLEDGMENT OF INDIVIDUAL:

State of ________________, County of ________________, ss:

Before me, a Notary Public, in and for said County and State, on this ___ day of ________________, 20__, personally appeared ________________________, to me known to be the identical person ___________ who executed the within and foregoing lease, and acknowledged to me that ______________________ executed the same as ___________ free and voluntary act and deed for the uses and purposes therein set forth.

__________________________________________
Notary Public

My commission expires: ______________________

ACKNOWLEDGMENT OF CORPORATION:

State of ________________, County of ________________, ss:

On this ___ day of ________________, 20__, before me a Notary Public within and for the State and County aforesaid, personally appeared ________________________, and ______________________, to me personally known, who being by me duly sworn, did each say that ______________________ is the President and ______________________ is the Secretary of ______________________, a Corporation, and that the seal affixed to the foregoing and annexed instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said ______________________, duly acknowledged that they each had in their said official capacities executed the foregoing instrument as the act and deed of said company for the consideration and purposes therein mentioned and set forth.

Witness my hand and seal on this ___ day of ________________, 20__.

__________________________________________
Notary Public

My commission expires: ______________________
**EXECUTION AND ACCEPTANCE BY CHAIRMAN**

The undersigned Chairman of the Osage Minerals Council, as authorized by Osage Minerals Council Resolution ________, hereby accepts all conditions and provisions of the Easement as outlined above and will carry out all of its requirements fully.

Dated this ______ day of __________, 20______

________________________________________
CHAIRMAN, Osage Minerals Council

**ACKNOWLEDGMENT OF CHAIRPERSON**

STATE OF OKLAHOMA, COUNTY OF OSAGE, SS:

Before me, a Notary Public, in and for said County and State, on this ______ day of __________, 20________ personally appeared _____________________________, to me known to be the Chairperson, of the Osage Minerals Council, and the identical person who executed the within and foregoing lease, and acknowledged to me that he/she executed the same as his/her voluntary act and deed on behalf of the Osage Nation and in accordance with the authority given him/her by the Osage Minerals Council.

________________________________________
Notary Public

My commission expires: ________________

**CONTRACT NO.: G06-23390**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
OSAGE AGENCY
P.O. BOX 1539
PAWHUSKA, OKLAHOMA 74056

DATE: ________________

THE FOREGOING EASEMENT IS HEREBY APPROVED PURSUANT TO AUTHORITY SET FORTH IN 25 C.F.R. § 226.23.

Under the authority delegated by 200 DM 1, 209 DM 8, 230 DM 1,3 IAM 4.1 and Muskogee Area Addendum 9901 to 3 IAM 4 issued June 22, 1999.

________________________________________
Superintendent, Osage Agency