1. Welcome (Phil Lyman)
   All Present

2. Meeting Minutes of January 13, 2018 meeting (Phil Lyman)

   Motion to approve January 13, 2018 minutes by Commissioner May, seconded by Commissioner Horrocks. Unanimously approved 7-0.

3. Public Comment (Phil Lyman)

   Pam Juliano introduced Randy Parker. Randy Parker, Rural Development Director for Utah USDA, he invited everyone to meet and familiarize themselves with USDA and its programs that provide support the rural communities.

4. Finance Director Report and approval of Expenses (Seth Oveson)
   The following invoices were presented for approval.

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Invoice #</th>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ETJ Law Inc</td>
<td>1301</td>
<td>$2,250.00</td>
<td>Legal I-70 Extension</td>
</tr>
<tr>
<td>ETJ Law In</td>
<td>1300</td>
<td>$812.50</td>
<td>Legal Pipeline Project</td>
</tr>
<tr>
<td>Company Name</td>
<td>Invoice No.</td>
<td>Amount</td>
<td>Description</td>
</tr>
<tr>
<td>----------------------</td>
<td>------------</td>
<td>---------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>ETJ Law Inc</td>
<td>1295</td>
<td>$750.00</td>
<td>Legal I-70 Extension</td>
</tr>
<tr>
<td>ETJ Law Inc</td>
<td>1294</td>
<td>$4,875.00</td>
<td>Legal Pipeline Project</td>
</tr>
<tr>
<td>ETJ Law Inc</td>
<td>1293</td>
<td>$18,670.00</td>
<td>Legal – not project specific</td>
</tr>
<tr>
<td>ETJ Law Inc</td>
<td>1299</td>
<td>$18,875.00</td>
<td>Legal – not project specific</td>
</tr>
<tr>
<td>Jones &amp; DeMille Eng</td>
<td>0117620</td>
<td>$1,111.20</td>
<td>Transportation Corridor mgmt.</td>
</tr>
<tr>
<td>Jones &amp; DeMille Eng</td>
<td>0117619</td>
<td>$2,555.30</td>
<td>Pipeline project</td>
</tr>
<tr>
<td>Jones &amp; DeMille Eng</td>
<td>0117618</td>
<td>$1,821.10</td>
<td>Leland Bench Utilities</td>
</tr>
<tr>
<td>Jones &amp; DeMille Eng</td>
<td>0117617</td>
<td>$18,699.74</td>
<td>Category 8 Planning</td>
</tr>
<tr>
<td>Jones &amp; DeMille Eng</td>
<td>0117482</td>
<td>$54,825.77</td>
<td>Upgrader Utility Project</td>
</tr>
<tr>
<td>Jones &amp; DeMille Eng</td>
<td>0117484</td>
<td>$23,028.51</td>
<td>Category 8 Planning</td>
</tr>
<tr>
<td>Jones &amp; DeMille Eng</td>
<td>0117485</td>
<td>$2,983.00</td>
<td>Pipeline Project</td>
</tr>
<tr>
<td>Jones &amp; DeMille Eng</td>
<td>0117486</td>
<td>$6,667.50</td>
<td>Sevier County documentation &amp; planning</td>
</tr>
<tr>
<td>CIVCO Engineering Inc</td>
<td>2018104</td>
<td>$90,266.34</td>
<td>I-70 Transportation Corridor Engineering</td>
</tr>
<tr>
<td>San Juan Record</td>
<td>153541</td>
<td>$21.00</td>
<td>Coalition meeting schedule notice</td>
</tr>
<tr>
<td>KNJ Consulting</td>
<td>1802</td>
<td>$2076.07</td>
<td>Pipeline Consultant</td>
</tr>
<tr>
<td>Mike McKee</td>
<td>Jan 2018</td>
<td>$309.21</td>
<td>Travel Reimbursement – Director</td>
</tr>
<tr>
<td>ETJ Law Inc</td>
<td>1331</td>
<td>$8,812.50</td>
<td>Legal – not project specific</td>
</tr>
<tr>
<td>ETJ Law Inc</td>
<td>1330</td>
<td>$4,125.00</td>
<td>Legal Pipeline project</td>
</tr>
<tr>
<td>ETJ Law Inc</td>
<td>1329</td>
<td>$21,576.96</td>
<td>Legal Rail-Uinta</td>
</tr>
<tr>
<td>Marc T. Eckels</td>
<td>SCIC 2-6-2018</td>
<td>$7,692.84</td>
<td>Pipeline Consultant</td>
</tr>
</tbody>
</table>
Motion to approve by Commissioner Lytle, seconded by Commissioner Horrocks. 
Unanimously approved 7-0.

5. Introduction of Municipal Advisor (Eric Johnson / Zions)
Marcus Keller and Alex Buxton introduced themselves. Coming up to speed on Coalition 
projects. Zions team will attend meetings as invited. Zions team is excited to work with 
the Coalition and support as needed.

6. Public Hearing on CIB Rail funding application - $30Million (Eric Johnson)
Jae Potter clarified this application for funding is a $30Million total, which includes the 
$10Million previously approved for application in the January 2018 meeting. This 
amends, and not rescinds, the previous CIB application.
Motion to enter Public Hearing by Commissioner Horrocks, seconded by Commissioner 
Sitterud. Unanimously approved 7-0.
No Public Comment
Motion to exit Public Hearing by Commissioner Lytle, seconded by Commissioner 
Potter. Unanimously approved 7-0.

7. Resolution on CIB rail funding application for $30Million (Eric Johnson)
Motion to approve by Commissioner Potter, seconded by Commissioner Burdick. 
Unanimously approved 7-0.

8. Presentation on Green River Natural Gas (Mike Mckee/McCandless)
Mike McCandless was introduced by Mike Mckee. Mr. McCandless is the utility 
consultant to Green River. Green River City worked with Questar from 2004-2010. 
Since 2010 the City has been working on natural gas on its own. Sunrise is the 
engineering firm for this project. Phase 1 study is done. Phase 2 study is underway to 
get rights of way. The project distance is 16 miles to get gas to city and then a 
distribution system in city. EPA and CIB helped fund the study. EPA may be able to 
fund half of $7.5Million project. The city is interested in managing the natural gas 
distribution. The Coalition may be interested in the natural gas pipeline to the city. 
Looking at funding options. EPA process should be done by April.
9. Resolution to support Green River Natural Gas (Mike McKee)

Motion to approve by Commissioner Horrocks, seconded by Commissioner May. Unanimously approved 7-0.

10. Presentation by Utah Thorium (Eric Johnson/Edouard Saget)

Edouard Saget indicated that Utah Thorium is a combination of scientists and entrepreneurs working on a Molten Salt Reactor (Thorium).

Dr. Sheldon Hansen (Scientist): A molten salt reactor cannot melt down like traditional nuclear reactors. Fukushima Japan (nuclear facility) is very interested in Dr. Hansen’s inventions. Molten salt reactors have no carbon emissions. Plasma gasification for coal industry. CO2 is a by-product of a molten salt reactor/power plant.

Commissioner May: Thorium energy has great potential for low cost power and in smaller generation units. Technology first developed in 1940’s. Medical isotope potential. Thorium is fairly plentiful.

Mike McKee: The other Thorium company is also Utah based.

11. Resolution creating Thorium subcommittee (Mike McKee)

Sub-committee consisting of Executive Director Mike McKee, Commissioner Ken May, Commissioner Phil Lyman and Commissioner Lynn Sitterud. 

Motion to approve by Commissioner Lyman, seconded by Commissioner Sitterud. Unanimously approved 7-0.

12. Resolution approving RFQ on Rail pre-feasibility level engineering alignment and cost estimate (Mike McKee)

HDR study from 2016/2017 outlined next steps. This RFQ is to pursue these next steps / options. The RFQ will be published in rail publications to connect with appropriate candidates in the Rail industry. The RFQ will also be provided to others that we know.

Motion to approve by Commissioner Horrocks, seconded by Commissioner Burdick. Unanimously approved 7-0.
13. Resolution approving RFQ on waxy crude consultant (Mike McKee)

Marc Eckels has done a great job working with the Coalition on the oil pipeline. This RFQ is for a waxy crude consultant with experience with the Ute Tribe and technical data regarding waxy crude.

Motion to approve by Commissioner Horrocks, seconded by Commissioner Burdick. Unanimously approved 7-0.

14. Executive Director Report (Mike McKee)

Oil Pipeline: Met with Chevron. Chevron has removed heaters from the pipeline and has no interest in reactivating the heated pipeline.

Lube Oil Refinery: Met with Uintah Advantage. Uintah Advantage assigned rights of way to Coalition, and signed Master Agreement. Uintah Advantage’s business model is to pay WTI prices on up to 40,000 Bopd. The goal is to be in production by first quarter 2021.

Resolution to approve LOI with Uintah Advantage.

Motion to approve by Commissioner Horrocks, seconded by Commissioner Burdick. Unanimously approved 7-0.

Other Utilities: Found 1,500 acre feet of water. Potential revenue project for the Coalition.

SR-88 to I-70: Troy Ostler, CIVCO Engineering, met with BLM and stakeholders in Moab and San Juan & Grand Counties. Alignment to be finalized. Legislature approving and $3.5 Million over two years to complete EIS is in process. This also puts this project on the State Roads priority list.

Broadband: Broadband in Daggett is a go and moving forward. Funding is approved. Will start this summer. Contract duration will need to be extended to get it all done.

Trails: Awaiting signatures from the CIB. Per Brian Barton, Jones and DeMille is creating a regional trails plan for all of the counties in the Coalition.
Update on Thorium Energy: The subcommittee will work more closely w/Alpha Tech.

Resolution to approve NDA with Alpha Tech.

Motion to approve by Commissioner Lytle, seconded by Commissioner May. Unanimously approved 7-0.

Other: Mike Thanked the CIB for everything.

15. Monthly Infrastructure Report/Study Update (Jones & DeMille)

Getting Zion’s Bank up to speed on projects & existing financial tools. Ridge Road moving forward. Sevier County coming to a conclusion. Winding down petroleum pipeline. Dashboard sheet available to all commissioners. Teeing up next steps for projects. The Coalition board has access to the data via passwords provided by JDE.

16. Miscellaneous

The Coalition’s March 9th meeting will also be held in Salt Lake City at this same location (CIB Building), 1385 S. State Street, Salt Lake City, UT 84115.

17. Closed (executive) Session pursuant to §52-4-205 (Eric Johnson)

(potential real estate acquisition, trade secret related to procurement, personnel competency)

Motion to enter closed session by Commissioner May, seconded by Commissioner Lytle. Unanimously approved 7-0.

Motion to leave closed session by Commissioner Lytle, seconded by Commissioner Horrocks. Unanimously approved 7-0.

18. Motion to adjourn (Phil Lyman)

Motion to adjourn by Commissioner Horrocks. Meeting closed by acclamation.
Motion to approve meeting minutes by Commissioner _________________, seconded by Commissioner ________________.

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

<table>
<thead>
<tr>
<th>County</th>
<th>Role</th>
<th>Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbon</td>
<td>Board Member</td>
<td>Yea</td>
</tr>
<tr>
<td>Daggett</td>
<td>Board Member</td>
<td>Yea</td>
</tr>
<tr>
<td>Duchesne</td>
<td>Board Member</td>
<td>Yea</td>
</tr>
<tr>
<td>Emery</td>
<td>Board Member</td>
<td>Yea</td>
</tr>
<tr>
<td>San Juan</td>
<td>Board Member</td>
<td>Yea</td>
</tr>
<tr>
<td>Sevier</td>
<td>Board Member</td>
<td>Yea</td>
</tr>
<tr>
<td>Uintah</td>
<td>Board Member</td>
<td>Yea</td>
</tr>
</tbody>
</table>

______________________________
Co-Chair Phil Lyman

______________________________
Co-Chair Jae Potter

ATTEST:

______________________________
Eric Johnson

(COALITION SEAL)
Motion to approve expenses by Commissioner ________________, seconded by Commissioner ________________.

SEE NEXT PAGE FOR SIGNATURES
## SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

<table>
<thead>
<tr>
<th>County</th>
<th>Role</th>
<th>Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbon</td>
<td>Board Member</td>
<td>Yea</td>
</tr>
<tr>
<td>Daggett</td>
<td>Board Member</td>
<td>Yea</td>
</tr>
<tr>
<td>Duchesne</td>
<td>Board Member</td>
<td>Yea</td>
</tr>
<tr>
<td>Emery</td>
<td>Board Member</td>
<td>Yea</td>
</tr>
<tr>
<td>San Juan</td>
<td>Board Member</td>
<td>Yea</td>
</tr>
<tr>
<td>Sevier</td>
<td>Board Member</td>
<td>Yea</td>
</tr>
<tr>
<td>Uintah</td>
<td>Board Member</td>
<td>Yea</td>
</tr>
</tbody>
</table>

---

Co-Chair Phil Lyman

---

Co-Chair Jae Potter

ATTEST:

---

Eric Johnson
RESOLUTION NO. 2018-03A

SEVEN COUNTY INFRASTRUCTURE COALITION

March 9, 2018

RESOLUTION RATIFYING APPLICATION TO THE UTAH PERMANENT COMMUNITY IMPACT FUND BOARD FOR $7,976,000 GRANT FUNDING FOR PHASE ONE OF ELECTRIC UTILITIES TO SERVE THE LELAND BENCH IN THE UINTA BASIN, AND RELATED MATTERS.

WHEREAS, to meet time constraints, on February 1, 2018, staff for the Coalition made application to the Community Impact Board in the amount of $7,976,000 for phase one of electric utilities to serve the Leland Bench area of the Uinta Basin; and

WHEREAS, after a public hearing regarding the above application, the Governing Board of the Coalition desires to ratify the application to the Utah Permanent Community Impact Fund Board to fund phase one of the electric utilities to serve the Leland Bench area of the Uinta Basin:

NOW THEREFORE, it is hereby resolved by the Governing Board of the Seven County Infrastructure Coalition as follows:

IT IS HEREBY RESOLVED by the Governing Board of the Seven County Infrastructure Coalition to approve and ratify making application to the Utah Permanent Community Impact Fund Board for a grant in the amount of $7,976,000 for phase one for electric utilities to serve the Leland Bench area of the Uinta Basin, and related matters.
Motion to approve by ______________, seconded by ______________

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

Carbon Board Member Yea ___ No ___
Daggett Board Member Yea ___ No ___
Duchesne Board Member Yea ___ No ___
Emery Board Member Yea ___ No ___
San Juan Board Member Yea ___ No ___
Sevier Board Member Yea ___ No ___
Uintah Board Member Yea ___ No ___

______________________________
Co-Chair Phil Lyman

______________________________
Co-Chair Jae Potter

ATTEST:

______________________________
Eric Johnson
RESOLUTION NO. 2018-03B
SEVEN COUNTY INFRASTRUCTURE COALITION

March 9, 2018

RESOLUTION SELECTING A WAXY CRUDE CONSULTANT, AND RELATED MATTERS.

WHEREAS, the Coalition has studied the potential for an oil pipeline and other transportation opportunities into and out of the Uinta Basin; and

WHEREAS, the production of waxy crude in the Uinta Basin has grown significantly over the last 20 years and improved transportation would impact the market access and price paid for such waxy crude; and

WHEREAS, Uinta Basin waxy crude oil has a high pour point and other characteristics making it more difficult to transport than light crude oil; and

WHEREAS, the Ute Indian Reservation and Tribe have significant holdings and interest in Uinta Basin waxy crude oil; and

WHEREAS, the Governing Board of the Coalition approved a Request for Qualification for a Waxy Crude Consultant, which was distributed to the Coalition’s email distribution list and which was published in the Deseret News:

NOW THEREFORE, it is hereby resolved by the Governing Board of the Seven County Infrastructure Coalition as follows:

IT IS HEREBY RESOLVED by the Governing Board of the Seven County Infrastructure Coalition to select Marc Eckels to be its consultant with expertise with Uinta Basin waxy crude oil and experience with the Ute Indian Tribe, and related matters.
Motion to approve by ______________, seconded by ________________

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

<table>
<thead>
<tr>
<th>County</th>
<th>Role</th>
<th>Yea</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbon</td>
<td>Board Member</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Daggett</td>
<td>Board Member</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Duchesne</td>
<td>Board Member</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emery</td>
<td>Board Member</td>
<td></td>
<td></td>
</tr>
<tr>
<td>San Juan</td>
<td>Board Member</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sevier</td>
<td>Board Member</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uintah</td>
<td>Board Member</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

______________________________
Co-Chair Phil Lyman

______________________________
Co-Chair Jae Potter

(COALITION SEAL)

ATTEST:

______________________________
Eric Johnson
Sage Energy Partners Proposal
Seven County Infrastructure Coalition
Request for Qualifications (RFQ)
For Waxy Crude Consultant

1.0 INTRODUCTION
Sage Energy Partners, LLC (“Sage Energy”), is pleased to present our qualifications and express our interest in working with the Seven County Infrastructure Coalition (“Seven County Coalition”) on addressing the transportation issues associated with the Uinta Basin Waxy Crude (“Waxy Crude”). Sage Energy has been working with the Ute Indian Tribe for the past 5 years to address the energy infrastructure needs for the Uinta Basin (water, oil and gas).

We believe a working relationship between the Seven County Coalition and the Tribe is critical for evaluating, designing, permitting, and constructing of a viable transportation option as the Ute Reservation encompasses 80% of the Uinta Basin. As a Native American owned energy infrastructure company, Sage Energy will utilize our relationship with the various tribal entities in an effort to create economic value for all of the stakeholders in northeastern Utah while minimizing the environmental impact associated with additional production. Sage Energy will seek to structure a deal that may utilize the Tribe’s “Call on Crude Production” and the Seven County Coalition’s $50 million in Community Impact Bonds (“CIB”) to provide the initial financing for a Waxy Crude Transportation solution.

Following are the component responses by Sage Energy to the RFQ published by the Seven County Coalition on February 13, 2018.

2.0 CONSULTANT LEAD QUALIFICATIONS AND PERTINENT EXPERIENCE
Sage Energy was formed in April 2013 (DE, UT and CO) to bring capital and expertise to the Ute Tribe in an effort to safely develop Waxy Crude resource and address the associated transportation issues. Co-founders of Sage Energy both have over 20 years of experience in the oil and gas industry focused on exploration and production, midstream, refining and terminalling. In addition, Sage Energy understands Tribal cultures and how to leverage sovereign Tribal rights for the development of energy infrastructure projects.

Cleve Pike – Co-Founder, Tribal Member, Majority Owner and CEO
1. Member of the Ute Indian Tribe - Valuable relationships with the Ute Tribal Business Committee and related Tribal energy departments (Energy and Minerals, UTERO, BIA).
2. Ute Energy, LLC - Co-founder of the company in 2005, which used the same preferential sovereign Tribal rights that Sage Energy is considering for Waxy Crude; Ute Energy sold in a private sale to Crescent Point Energy (NYSE: CPG) November 2012 for $861 million in lieu of a Initial Public Offering. The 400 miles of natural gas pipeline system, valued over $200 million, were retained by the Ute Tribe.

Steve Crower – Co-Founder, CFO
1. TechnipFMC (NYSE: FTI) - Operations and financial roles at a global leader in developing and executing oil and gas projects using the latest technologies; reported directly to the CEO and EVP’s running the world-wide energy business (revenue $13 billion, 44,000 employees, $13.8 billion market capitalization).
2. Network International - Worked with a team to raise $54 million to finance, develop and grow an on-line auction site for oilfield equipment, the company is now a division of Liquidity Services (Nasdaq: LQDT).
4. Cowen & Company (Nasdaq: COWN) New York, NY - Energy Investment Banker focused on refining and terminalling M&A serving as the sell side advisor on several significant refinery transactions.
5. SDR Capital Markets Denver, CO - Currently Director of Energy (SEC Licenses 7, 24, 63 and 79) publishing research on the Uinta Basin M&A activity and differentials for Waxy Crude.
6. University of Colorado, Denver, CO - Adjunct Professor for “Global Refining and Terminalling”. published refining market analysis in financial and technical journals.
7. Rice University, Houston, TX - MBA concentrating in Finance.
8. University of Michigan, Ann Arbor, MI - BS in Civil Engineering.
3.0 CONSULTANT TEAM MEMBER QUALIFICATIONS AND PERTINENT EXPERIENCE

In December 2015, the Ute Tribal Business Committee requested Sage Energy to advise on a path to reduce the price differentials and increase the production of Waxy Crude. Since that time, Sage Energy has presented proprietary analysis and financial models to the Tribal Business Committee and the State of Utah regarding waxy crude transportation solutions and the associated potential financial results once the solution is constructed. Sage Energy has established relationships with world-class engineering, construction, energy advisors and investment banks that will work as a team to meet the needs of the Seven County Coalition.

3.1 Stantec Corporation (https://www.stantec.com) – Multi-billion world-wide multi-disciplined engineering company. Stantec’s oil and gas division provides feasibility studies, detailed design documents and construction management for energy infrastructure projects. The Salt Lake City office has supported numerous energy infrastructure projects in Utah and the western United States. Due to Stantec’s depth, all engineering and design services will be provided in-house.

Key Project Personnel

1. John Gillespie, P.E., Project Manager - 30 years of project management experience including the feasibility, permitting, design and construction of several significant energy infrastructure projects.

2. Mike Healy, Manager of U.S Pipeline Projects - Technical lead with 32 years of oil and gas experience including the construction of pipelines in cold climates and mountainous and sensitive terrain.


Relevant Project Experience

1. Suncor Hot Bitumen Pipeline - Design and construction of a hot bitumen pipeline using insulation and electric heat traced sections located in Alberta, Canada.

2. Syncrude Aurora Pipeline - Design of a 30-inch dil-bit pipeline with aerial crossings requiring insulation and electrical heat trace located in Alberta, Canada.

3. TransCanada Northern Courier Pipeline - Feasibility, FEED report, cost estimate, project design and construction observations for a 60-mile, 24-inch hot bitumen (300’ F) pipeline located in Alberta, Canada.

4. Perenco Heavy Oil Pipeline - Conceptual design for a 120-mile diluted bitumen system with a 20-inch heavy oil pipeline located in the Peruvian rainforest.

5. Williams Natural Gas Pipeline Permit – EA and biological consultation study for 23 federally listed species for 412-mile, 16” pipeline located in Utah, Colorado and New Mexico.

6. Questar Pipeline Permit – NEPA, EIS and ESA for construction of 327 miles of gas pipeline located in northeastern Utah.

3.2 Energy Advisors - Focused research with regard to waxy crude marketing and refining to evaluate Uinta Basin energy infrastructure investments from a regional and North American perspectives.


3.3 Investment Banking Advisors – Assist with the structuring of an agreement between the Seven County Coalition, the Ute Tribe and it’s operating partners. The agreement must have the ability to include additional capital partners considering investing in the chosen energy infrastructure option.

Sage Energy Partners Proposal  
RFQ For Waxy Crude Consultant

4.0 APPROACH TO IDENTIFY FEASIBILITY PROJECTS AND OBTAIN PERMITS

Sage Energy was formed on two basic principles: first, partner and work with the highest quality oil and gas companies in the world; second respect and preserve the culture of the Native American Tribes in the environmentally safe development of their natural resources. Any analysis of Waxy Crude requires good working relationships between the various Tribal entities. Therefore, Sage Energy will seek a Waxy Crude transportation solution that will partner the Ute Indian Tribe with the Seven County Coalition stakeholders.

4.1 Engineering

The Sage Energy Team will evaluate the following Waxy Crude transportation options: 1) heated pipeline to Salt Lake City, UT, 2) heated pipeline to Price, UT, 3) Rail into Uinta Basin, 4) Waxy Crude upgrader facility in the Uinta Basin. The following tasks will be accomplished:

1. **Kick Off Meeting** - Sage Energy Team will meet with the Seven County Coalition and various Tribal Entities to identify project parameters and expectations.

2. **Data Collection** - Research and collect published documents on transportation options for Waxy Crude.

3. **Evaluation of Transportation Options** - Evaluate the feasibility of each option. The evaluation will consider feasibility, environmental constraints, capital costs, construction methodologies, and environmental impacts. In addition, there will be an evaluation of the competitive reaction from Salt Lake City refiners.

4. **Evaluation of Permits** - Identify required permits for recommended option and evaluate the complexity, costs and time to obtain.

5. **Feasibility Study Report** – A report on the findings for the Waxy Crude transportation options will be issued with and a recommended path forward that will be used for the Seven County Coalition stakeholders and potential investors.

4.2 Native American Tribal Rights

Sage Energy will work with the following four Tribal groups and agencies.

1. **Tribal Business Committee (BC)** - Six elected members that make up the governing body of the Ute Tribe. The BC desires to move from passive to active management of the Tribes resources to improve the socio-economic well-being for current and future Tribal members.

2. **Ute Energy and Minerals (Energy and Minerals)** – Focused on enhancing and protecting the minerals and surface estates of the Ute Indian Tribe. Promote the increased oil and gas exploration and production on the Reservation by supporting energy infrastructure projects that lessen the impact to the environment.

3. **Ute Tribe Employment Rights Office (UTERO)** – UTERO was developed to ensure Indians and Indian-owned businesses participate in economic development of the resources of the Ute Reservation. The Tribe implements this ordinance under its inherent sovereign powers as a federal recognized Tribe, The Ute Tribal Constitution and powers delegated by the U.S. Congress.

4. **Bureau of Indian Affairs (BIA)** – Responsible for the administration and management of 55 million acres of land held in trust by the Native Americans in the United States.

5.0 Cost Estimate

The Sage Energy Team estimates the cost to advise the Seven County Coalition as a Waxy Crude consultant at $520,000 which will address the multi-faceted approach outlined in this proposal. A breakdown of these costs are available upon request.
Sage Energy Partners Proposal
RFQ For Waxy Crude Consultant

APPENDIX 1 - RATE SHEET

Sage Energy understands its fiduciary duty to the Seven County Coalition and its stakeholders to identify a Waxy Crude solution and structure a deal between the Ute Tribe and the Seven County Coalition. The Feasibility Study and associated agreements between the Seven County Coalition, the Ute Tribe and their stakeholders will allow investment banks to go to the financial markets to seek the required debt and equity financing. Sage Energy will seek world-class construction and operating partners and advise them on how to be successful when working in Indian Country.

The duration of a mandate of this nature is difficult to determine. Therefore, we have not included a timeframe to complete as dealing with Tribal and Governmental Agencies can take time.

Hourly breakdown on the $520,000 cost estimate follows:

<table>
<thead>
<tr>
<th>Roles Responsibilities and Billing Rates</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sage Energy Partners – Project Lead and Tribal Relationships</td>
<td></td>
</tr>
<tr>
<td>CEO – Tribal Relations (Roosevelt, UT)</td>
<td>Cleve Pike</td>
</tr>
<tr>
<td>CFO – Project Management and Financial Controls (Denver, CO)</td>
<td>Steve Crower</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Stantec Engineering – Feasibility Study</td>
<td></td>
</tr>
<tr>
<td>Project Management Lead (Seattle, WA)</td>
<td>John Gillespie</td>
</tr>
<tr>
<td>Technical Lead (Dallas, TX)</td>
<td>Mike Healy</td>
</tr>
<tr>
<td>Permitting Lead (Salt Lake City, UT)</td>
<td>Mark Gerber</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Energy Advisors – E&amp;P, Refining and Crude Markets</td>
<td></td>
</tr>
<tr>
<td>Stratas Energy Advisors - Refining Analysis, Crude Oil Market Analysis (Houston, TX)</td>
<td>Greg Haas</td>
</tr>
<tr>
<td>PLS - Exploration and Production Valuation Databases (Houston, TX)</td>
<td>Chris George</td>
</tr>
<tr>
<td>Investment Banking – M&amp;A Advisory, Data Services</td>
<td></td>
</tr>
<tr>
<td>SDR Ventures – Financial Database Subscriptions / M&amp;A Advisory Services (Denver, CO)</td>
<td>Various</td>
</tr>
<tr>
<td>Goldman Sachs - Deal due diligence / Term Sheet Advisory Services (New York, NY)</td>
<td>Various</td>
</tr>
</tbody>
</table>
February 26, 2018  
Via Email

Mike McKee, Executive Director  
Seven County Infrastructure Coalition  
10849 N 7750E  
Tridell, UT 84076

Re: Response to Request for Qualifications for Waxy Crude Consultant

Dear Mr. McKee,

As you know, I was retained as a technical consultant to the Duchesne County Commission in January 2015, when the effort to find a route to alternative markets for Uinta Basin waxy crude oil was commenced by Duchesne County and Carbon County. The initial effort was directed at moving the crude by pipeline from the Uinta Basin to a railhead in Carbon County, from which it could be sent to Salt Lake City refineries or to refineries or blending facilities in alternate markets.

I made a transition to working for the Seven County Infrastructure Coalition on this project when it was moved to the SCIC by the two counties. I have enjoyed my involvement in this process and working with the people who have come together to pursue the objective. I am a firm believer in the need for a solution to the “stranded oil” issue that has long resulted in a discounted price for Uinta Basin waxy crude to the detriment of the producing counties, the Ute Indian Tribe, SITLA, the State of Utah, the federal government, the CIB, private mineral owners, and of course the oil producers themselves.

I am a geologist, trained at Dartmouth College, from which I graduated in 1973. I started working almost exclusively in the Uinta Basin in 1983, conducting exploratory drilling programs, completing wells, operating oil and gas wells and marketing produced oil and gas. In 2000, I conceived and shot the first exploratory 3D seismic survey in the Uinta Basin on Ute Tribal lands as Chief Operating Officer and a Director of Wind River Resources. We went on to make significant discoveries and to build pipelines, a compressor station and other infrastructure for this project. Although I left my position at Wind River in 2013, I continue to own an interest in the company and perform consulting work for it.

I am an expert on Uinta Basin oil and gas exploration, production and operations. In 1986, I moved from Denver to Roosevelt, where I lived with my family for
twenty years. I operated wells on federal, tribal, state and fee (private) leases and drilled wells in the Altamont-Bluebell field, the Pariette Bench area, the Flat Rock field and the Rock Spring Unit. I am in my second term as a director of the Utah Geological Survey and currently serve as the chairman of its board. I have good relationships with the oil companies operating in the Basin.

During my years working and living in the Basin, I developed good working relationships with the landowners whose lands we leased and with the regulatory authorities responsible for overseeing those activities. This includes the US Bureau of Land Management in the Vernal District and in the State Office, the Ute Indian Tribe, the Bureau of Indian Affairs at Ft. Duchesne, SITLA, and the Utah Division of Oil, Gas & Mining, among others. I will leave it to you to decide if those relationships have been useful to the effort at hand.

The transportation of Uinta Basin waxy crude oil to the most favorable markets is a technically and economically complex subject. The five SLC refineries have for many years applied a significant discount to the value of this oil compared to the US onshore benchmark price for West Texas Intermediate crude. That discount damages the royalty recipients and the taxing authorities by reducing their revenue from the sale of this oil. Beyond that issue is the capacity of the SLC refineries to refine the oil. Their capacity was exceeded during 2014, when some oil was trucked over US 191 to Carbon County and delivered by rail to buyers in Oklahoma and the Gulf Coast areas. Recent discussions with the largest producers in the Basin indicate an interest in increasing production over the next several years, so the capacity limitations in SLC will act to constrain that development.

There are two problems to be solved: the first is to eliminate or significantly reduce the discount, and the second is to provide outlets for the crude that will allow production increases. The initial effort was directed at getting a pipeline built from the Basin to the Price area. Now the oil producers have expressed an interest in seeing a railroad built into the Basin because it would reduce the handling issues of oil transportation, and would allow inbound freight in the form of frac sand, oil field tubular goods (steel), cement, chemicals, etc. Such a railway could also provide export opportunities for other industries in the Basin, including agriculture.

At this point, the focus of the SCIC effort is shifting from the pipeline to a rail line, although it is not yet clear that there will not be a future need for a pipeline. I was intimately involved in the pipeline studies, including managing HDR Engineering’s “Uinta Basin Pipeline Study (September 2017)” on behalf of the SCIC. There was always a crude-by-rail component associated with that effort. As the SCIC transitions to an emphasis on crude-by-rail originating in the Uinta Basin, I am confident that I have useful contributions to make to the SCIC’s project, including familiarity with the routes likely to be investigated.
I would very much like to continue to work for the SCIC on this effort. I have been in the oil and gas business for more than forty years and have a breadth of knowledge that is rare in this day of specialization. I am one of the few people left who can pick a place to drill a well, permit the operation, drill the well, complete the well, build the required facilities for production, manage production operations and negotiate contracts for the sale of oil and gas.

I am a student of the history of the oil and gas business and have spent a great deal of time and effort writing a history of the industry in Utah. I keep abreast of daily developments in the oil and gas business in the Uinta Basin, in Utah, in the US, and throughout the world. In the course of my work for the SCIC I have consistently shared items that might be of interest to the others on the team at no cost to the SCIC.

I have attached my full resume, which includes a list of my publications on Uinta Basin oil and gas. I would be happy to provide annotated references upon request.

My hourly rate for this work will be $200/hour, plus mileage and pre-approved expenses. I will not charge mileage for short trips (i.e. from my house in Park City to meetings in SLC), nor will I charge for incidental copying or any other office charges or meals. As in the previous engagement, I will not charge for brief incidental phone calls or emails.

I have appreciated working with you and the others involved in the SCIC oil transport effort. It is my hope that we can continue this work together and solve a decades old problem for the Uinta Basin.

Sincerely,

Marc T. Eckels

Cc – Eric Johnson
Attachment - Resume
RESOLUTION ESTABLISHING A STANDING SELECTION COMMITTEE, AND RELATED MATTERS.

WHEREAS, the Coalition publishes requests for qualifications and requests for proposals on various matters, consistent with its policies and procedures and the Utah Code; and

WHEREAS, the number of responses to the Coalition’s RFQs and RFPs can be significant; and

WHEREAS, to minimize the time burden on Coalition Board members the Board desires to establish a standing procedure for a selection committee to identify the three most promising responses to be presented for final consideration to the full Coalition Board for consideration; and

WHEREAS, the establishment of a procedure for a standing selection committee does not preclude the entire Coalition Board for considering all responses on any particular RFQ or RFP in the event full Board consideration of all responses is desired:

NOW THEREFORE, it is hereby resolved by the Governing Board of the Seven County Infrastructure Coalition as follows:

IT IS HEREBY RESOLVED by the Governing Board of the Seven County Infrastructure Coalition to appoint a standing selection committee to consider all responses to RFQs and RFPs in the event more than three responses are received by the Coalition. The standing selection committee shall consist of one of the two co-chairs, the executive director, and a technical advisor to be selected by the co-chair and executive director, such as the Coalition engineer for technical matters like a rail study, or a consultant, like the waxy crude consultant. The co-chair and executive director, at their discretion, may select another board member to be part of a selection committee, instead of a technical consultant, especially on matters that are of particular interest or importance to a member county. In addition, the co-chair and/or executive director may appoint a designee in their place on the selection committee, and related matters.
Motion to approve by ______________, seconded by ________________

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

<table>
<thead>
<tr>
<th>County</th>
<th>Board Member</th>
<th>Yea</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbon</td>
<td>Board Member</td>
<td>Yea</td>
<td>No</td>
</tr>
<tr>
<td>Daggett</td>
<td>Board Member</td>
<td>Yea</td>
<td>No</td>
</tr>
<tr>
<td>Duchesne</td>
<td>Board Member</td>
<td>Yea</td>
<td>No</td>
</tr>
<tr>
<td>Emery</td>
<td>Board Member</td>
<td>Yea</td>
<td>No</td>
</tr>
<tr>
<td>San Juan</td>
<td>Board Member</td>
<td>Yea</td>
<td>No</td>
</tr>
<tr>
<td>Sevier</td>
<td>Board Member</td>
<td>Yea</td>
<td>No</td>
</tr>
<tr>
<td>Uintah</td>
<td>Board Member</td>
<td>Yea</td>
<td>No</td>
</tr>
</tbody>
</table>

______________________________
Co-Chair Phil Lyman

______________________________
Co-Chair Jae Potter

(COALITION SEAL)

ATTEST:

______________________________
Eric Johnson
### March, 2018

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Cooperative Regional Planning</th>
<th>Increased Economic Opportunity &amp; Public Services</th>
<th>Sustainable Implementation</th>
<th>Next Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uinta Basin Railway</td>
<td>9.0</td>
<td>6.9</td>
<td>12.0</td>
<td>Update concept design, update financial feasibility, continue interstate relationship with Moffat County</td>
</tr>
<tr>
<td>Eastern Utah Regional Connection</td>
<td>10.0</td>
<td>5.6</td>
<td>14.0</td>
<td>Complete Plan of Development, initiate NEPA process, procure funding for Phase 2 of NEPA and implementation</td>
</tr>
<tr>
<td>Ridge Road Reconstruction</td>
<td>8.0</td>
<td>-1.2</td>
<td>9.0</td>
<td>Update concept costs and financing, coordination with Carbon County representatives, pursue funding options, construction</td>
</tr>
<tr>
<td>Duchesne to Carbon Oil Pipeline</td>
<td>10.0</td>
<td>9.5</td>
<td>6.0</td>
<td>Project partner development, finalize project executive summary, monitor market trends and project feasibility</td>
</tr>
<tr>
<td>Leland Bench Utilities</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>Master plan for utilities, financial feasibility analysis, rate agreements, funding procurement, construction</td>
</tr>
<tr>
<td>Pariette Road Extension</td>
<td>7.0</td>
<td>-0.8</td>
<td>4.0</td>
<td>Update feasibility, review local and regional needs, determine whether or not to proceed</td>
</tr>
<tr>
<td>High Pressure Natural Gas Line (Carbon to Emery)</td>
<td>7.0</td>
<td>0.0</td>
<td>2.0</td>
<td>Updated Needs Analysis by RMP, financial feasibility analysis</td>
</tr>
<tr>
<td>Natural Gas Pipeline to GR</td>
<td>9.0</td>
<td>1.7</td>
<td>10.0</td>
<td>Financial feasibility update, P3 discussions</td>
</tr>
<tr>
<td>Daggett &amp; Uintah Recreational Trail System</td>
<td>7.0</td>
<td>0.0</td>
<td>6.0</td>
<td>Planning</td>
</tr>
<tr>
<td>Moab to Arizona Rail Line</td>
<td>5.0</td>
<td>0.0</td>
<td>0.0</td>
<td>Update concept costs and financial options, review regional freight and passenger partnerships</td>
</tr>
</tbody>
</table>
COALITION PROGRESS SUMMARY
March 2018 Board Meeting

Date: March 7, 2018
From: Brian Barton, PE; Michael Hawley, PE; Daniel Hawley

Below is a summary of Coalition projects and progress made over the past month along with focus areas moving forward through November with each project. Significant progress was made on exciting projects.

SEVIER COUNTY PLANNING | 1701-188
Work on this project has completed and no additional work is anticipated at this time.

PETROLEUM PIPELINE | 1610-304
Work related to this project has slowed down as alternative petroleum transportation options are explored. Weekly strategy meetings may be held with the project team to review schedule and any new information. This team consists of Marc Eckels, TMI, Harris Group and Jones & DeMille Engineering.

EASTERN UTAH REGIONAL CONNECTION (Program Management) | 1606-265
There have been coordination meetings regarding the project and review with the Uintah Transportation Special Service District. Two meetings have been held with the Civco Engineering team, including EPG and WSP/PB. We have assisted in compiling the project purpose and need.

LELAND BENCH UTILITIES | 1711-271
The past few weeks on this project have been spent looking into funding options. The overall project will consist of Power, Gas, and Water utilities being delivered throughout the Leland Bench Area. An application was prepared and submitted to the CIB in February to route power transmission utilities to part of the area. Another phase in the project is necessary to finish routing power transmission throughout the remainder of the Leland Bench area.

Ongoing discussions with utility providers including Moon Lake Electric, and the Ute Tribe are needed to determine the best alignment for the power line and who would be provided the power to the area.

The Gas and Water utility projects will be treated as additional phases for this overall project. Concept planning is underway to review scope, schedule, and cost for each utility type. We have made great progress on the water pipeline alignment that will avoid federal land.

We have worked to develop various maps for the different utilities and spoken with interested energy development partners who could become additional customers for the utilities.

This project will continue to be a primary focus over the next month.

Upcoming Tasks—
- No anticipated tasks
- Closed out

Estimated Budget NA

Upcoming Tasks—
- Attend project team meetings
- Provide input and guidance regarding purpose and need statements

Estimated Budget <$1,000

Upcoming Tasks—
- Project coordination meetings.
- Transmission power design coordination
- Discussions with Tribe and other providers.
- Follow-up on Application to the CIB for Phase I of the Power Transmission Utilities
- Conceptual power, water, natural gas delivery designs

Estimated Budget $20,000
There are various phases associated with the ongoing services project for the Coalition. Below is a summary of the primary phases underway for the past month as well as efforts anticipated over the next few weeks:

- **Technical and Board Tools:**
  This project consists of several phases and includes work for initial project review through the scoring matrix. We have been putting much of our efforts into updating the Coalition website to reflect new projects being reviewed by the Coalition such as the Uinta Basin Rail and Ridge Road. Discussions on these projects are preliminary and more information is needed to perform an in-depth review of the projects.
  
  Ongoing website updates are in progress to provide more detailed information to the board and also educate the public on projects and Coalition direction. Main focuses in this area include the Uinta Basin Rail, Leland Bench Utilities, and Ridge Road.

- **Ridge Road:**
  A Financial analysis has been performed for Ridge Road based on the traffic count information gathered. Additional assumptions and information is in process to determine revenue projection feasibility and if there is a strong path forward for this critical corridor in Carbon County. Meetings with Carbon County officials are planned this month.

- **Uinta Basin Rail:**
  An application for the Uinta Basin Rail feasibility study has been prepared over the past month for the CIB. Additional funding opportunities are being pursued. We plan to work with financial and market analysts to determine feasibility and to continue to set the stage for an amazing project. Project partners and opportunities are being identified.

  Don Hamilton with Star Point Enterprises has shared information and is currently working on identifying potential users for the rail line and what kind of production numbers could be expected. Crescent Point, Newfield, and Axia are the three major producers and others such as Finley, and Ultra are smaller.

  *This project is a priority focus.*

- **Molten Salt Reactor Generation**
  Our team will continue working to evaluate the best options for this technology within the Coalition boundary. Opportunities are significant in our rural region.

- **Daggett & Uintah Trails Plan Program Management:**
  Ongoing technical coordination is anticipated with the project delivery team of Civco and Sunrise.

- **CIB Coordination:**
  We are working to find ways to deliver information to CIB board members to keep them up to speed more efficiently. The two project applications will be reviewed, discussed, and presented to the CIB in coming months.

- **General Technical and Strategic Support for Executive Director:**
  We continue to provide general support for Director McKee for presentations, outreach, funding partner development, technical needs, mapping, etc. Many meetings have been held with key producers, funding agencies, property owners, and other entities to accelerate the success of the Coalition’s projects.

---

**Upcoming Tasks—**

- Ongoing Coalition Board tools update - $4,000
- Update website project flow chart and individual project sites. - $2,000
- Update conceptual potential revenue assumptions for Leland Bench Utilities, Craig Rail, Ridge Road - $6,500
- Review Hydrogen Production Plant in matrix - $1,000
- Continued coordination with Cody Deeter regarding revenue potential for Ridge Road and Leland Bench Utilities - $3,500
- Coordination with Pam, Moffat County, and CIB regarding rail funding opportunities - $2,500
- Financial feasibility reviews for oil pipeline and Ridge Road for potential revenue - $2,500
- Ongoing general coordination with CIB staff - $500
- Coordination with Don Hamilton - $2,500

**Estimated Budget $25,000**
We appreciate the opportunity to work with the Seven County Infrastructure Coalition as it works to improve economies and infrastructure throughout its boundaries and beyond. Please feel free to contact us with any questions.