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NARP invests in energy development on American Indian reservations

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Encourages tribes to be proactive

By Brenda Austin, Today correspondent

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SALT LAKE CITY – Creating an environment where tribes can be proactive in energy investments on their own land is what the private equity development fund Native American Resource Partners does best.

NARP's management team has a successful track record in developing energy opportunities in Indian country. With their know-how and the backing of their capital provider, Quantum Energy Partners of Houston, NARP partners with tribes on ventures in which both own interests and earn profits.

"We feel that tribal nations are part of the solution to this country's energy needs, both renewable and conventional sources," said NARP President and CEO John Jurrius. "Tribes should not be passively providing their resources; they should be actively participating in their development. Our company provides a capital solution for tribes enabling the tribes to be able to co-partner in the development of their lands versus passively allowing others to develop those resources."

The Assiniboine and Sioux Tribes of the Fort Peck Indian Reservation in northeast Montana and NARP have cooperatively created Fork Peck Energy Company, LLC. The newly established energy company and NARP will work together over the next several years to develop the reservation's hydrocarbon-based resources.

Two other northern Montana tribes, the Chippewa Cree Tribe of the Rocky Boy's Indian Reservation and the Fort Belknap Indian Reservation, home to the Gros Ventre and the Assiniboine, have signed memorandums of understanding with NARP to explore energy resources and opportunities available on their reservations.

"We feel that by assisting tribes in becoming commercial partners we are helping them fulfill their journey to self-determination while generating good investments for ourselves.

– John Jurrius, President and CEO of NARP

"We are looking at developing everything from conventional oil and gas to what we call mid-stream business, which is gas-gathering, transportation and processing," Jurrius said. "On the renewable side, our focus is wind. With renewable energy you could have anything from biomass to solar and hydro. We are at various stages of MOUs with each of the tribes. We will jointly pursue energy projects, with the first step of that process being identification of resources and mining investment opportunities."

NARP has made an initial capital commitment of \$100 million with the Assiniboine and Sioux tribes of the Fort Peck Indian Reservation and, according to Jurrius, are willing to make a similar allocation to the Chippewa Cree Tribe. "The MOU we signed with Fort Belknap is a preliminary MOU to begin an evaluation to assess their resource base, allowing both NARP and the tribe the opportunity to evaluate the prospect of establishing a co-partnered tribal energy company.

"Montana is an energy friendly state, very interested in the balance between conventional energy and green power development," Jurrius said. "We find them very supportive of their tribal nation partners and they work very hard to assist the tribes in bringing their resources to bear and building their own commercial enterprises. Montana has tribal nations with large land bases and a wide variety of resource opportunities."

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Long overdue

Sad to see him go

...

He said the tribes contribute to the projects in several ways, one of those being with their human resources. "When you are working on a project you want to work with local knowledge. By way of the tribes' land and mineral ownership they have significant resources. These companies we are establishing are managed day-to-day by the tribes and representatives from NARP. So the tribes are actively involved in the companies.

"The nature of the energy business is capital intensive; after you drill your first well you don't stop there; you are always reinvesting your profits. That is what has been hard for the public to grasp. It's not like you make an investment and then you are done. As soon as you drill a well and start producing you are depleting that resource, which means you are depleting your asset. So you have to continue to reinvest to grow the business. Most payouts on our investments are three to five years depending on the type of investment. NARP usually puts up 100 percent of the equity that is required for the projects."

The tribes and NARP each receive 50 percent ownership interest in the energy companies they create. Quantum Energy Partners, because they put up the capital, receive preferential return on its investment. When Quantum has met its return thresholds, the tribes and NARP begin to participate. Instead of tribes being passive owners of royalties and leasing land to others, they are now participating in the commercial development of their land.

"The tribes have an option to acquire into the company at a later date based on the original investment in the company versus the market value of the company at the time of the election to acquire," Jurrius said. "They get a look-back option once the company has been de-risked. In other words, if the investment is a good investment they don't pay the market value price, they buy based on the original investment cost, making it a lucrative option for the tribes.

"We feel that by assisting tribes in becoming commercial partners, we are helping them fulfill their journey to self-determination while generating good investments for ourselves. At the same time, we feel that incentives drive behavior. So by aligning our interests, our problems are their problems, and their problems are ours, so we make similar decisions. Rather than just lease land and offer development in Indian country, we feel it is better to set up a co-owned company where we bring capital and expertise, and the tribe brings resources. This relationship provides both the opportunity for the tribe to participate in the commercial development of their resources without risk, while maintaining traditional royalties and the mentorship so they can build the capacity and expertise to ultimately develop their own resources in the future without partners."

- Not going to matter
- Don't care

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Tuesday, Jul 14 at 6:42 PM Ute Tribal Member wrote ...

Good job Jurrius keep on doing good work especially for those who APPRECIATE your work ETHIC & dedication. It is great to know that there GREAT TRIBAL LEADERS out there that want better for their people. Unlike our "ELECTED" BC who clearly NOT anything great & DO NOT want good things for their people. THANK YOU JURRIUS FOR ALL THE GOOD THINGS YOU HAVE HELPED US ACHIEVE we couldnt have done it without you...and it clearly shows now.

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Wednesday, Jul 8 at 5:28 PM KinzJ wrote ...

Isn't that the truth!! The Ute Indian Tribe fasley accused John Jurrius when they sued him!! Secret is -- they had NO CASE against him, that is why they settled with John Jurrius out of court!! How sad, he is innocent an brilliant, an the Ute Indian Tribe could've been multi-billionaires like their sister Tribe the Southern Ute Tribe in Colorado. Congrats to these new Tribes that partnered with John Jurrius!! He will work very hard on you behalf....you an your people will be blessed!!

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Tuesday, Jun 23 at 10:33 AM RitzWrote wrote ...

It's a crying shame what the Business Committee of the ute tribe and their handful of people did to the UT Financial

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Advisor JG. Look what we could have had we had vision's of being prosperous and naver having to do without, now were back in the same old boat we used to be when this presant tribal council in place today were in council they are destroying our reservation and resource's. I am devistated! our people are now waiting in line to get emergency assistance again!
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