

# **MINUTES**

## **STATE MINERAL AND ENERGY BOARD**

### **LEASE SALE AND BOARD MEETING**

**JUNE 13, 2018**

JOHN BEL EDWARDS  
GOVERNOR



THOMAS F. HARRIS  
SECRETARY

**State of Louisiana**  
DEPARTMENT OF NATURAL RESOURCES  
OFFICE OF MINERAL RESOURCES  
STATE MINERAL AND ENERGY BOARD

**Opening of Bids**

**June 13, 2018**

A public meeting for the purpose of opening sealed bids was held on Wednesday, June 13, 2018, beginning at 8:30 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

**Jamie Manuel** – Assistant Secretary of the Office of Mineral Resources

**Stacey Talley** - Business Analytics Specialist of the Office of Mineral Resources

**Rachel Newman** – Director, Mineral Income Division

**James Devitt** – Deputy General Counsel, Department of Natural Resources

**Emile Fontenot** – Director, Petroleum Lands

Mr. Manuel presided over the meeting. He then read the letter of notification certifying the legal sufficiency of the advertisement of Tract Nos. 44889 through 44936 which were published for lease by the Board at today's sale.

Mr. Manuel stated that there were no letters of protest received for today's Lease Sale.

Mr. Manuel stated that Tract Nos. 44889 and 44890 are withdrawn from today's Lease Sale.

The following bids were then opened and read aloud to the assembled public by  
Mr. Emile Fontenot.

**INLAND TRACTS**

Tract 44891

Bidder	:	BLANCHARD & ASSOCIATES
	:	LAND SERVICES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$24,722.50
Annual Rental	:	\$24,722.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44894  
(Portion Bid: 49 acres)

Bidder	:	TENSAS PROPERTIES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$7,350.00
Annual Rental	:	\$3,675.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44895

Bidder	:	TENSAS PROPERTIES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$4,500.00
Annual Rental	:	\$2,250.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44898

Bidder	:	TENSAS PROPERTIES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$3,000.00
Annual Rental	:	\$1,500.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44903

Bidder	:	TORRENT GULF COAST LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$37,224.00
Annual Rental	:	\$18,612.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44904

Bidder	:	BANFF ENERGY, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$36,750.00
Annual Rental	:	\$18,375.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44905

Bidder	:	BANFF ENERGY, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$41,475.00
Annual Rental	:	\$20,737.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44907

Bidder	:	BANFF ENERGY, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$36,750.00
Annual Rental	:	\$18,375.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44908

Bidder	:	BANFF ENERGY, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$61,425.00
Annual Rental	:	\$30,712.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44909

Bidder	:	BANFF ENERGY, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$42,000.00
Annual Rental	:	\$21,000.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44910

Bidder	:	BANFF ENERGY, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$28,875.00
Annual Rental	:	\$14,437.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44911

Bidder	:	BANFF ENERGY, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$50,925.00
Annual Rental	:	\$25,462.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44912

Bidder	:	BANFF ENERGY, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$38,850.00
Annual Rental	:	\$19,425.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44913

Bidder	:	BANFF ENERGY, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$34,125.00
Annual Rental	:	\$17,062.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44915

Bidder	:	BANFF ENERGY, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$16,275.00
Annual Rental	:	\$8,137.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44917

Bidder	:	BANFF ENERGY, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$14,700.00
Annual Rental	:	\$7,350.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44920

Bidder	:	BANFF ENERGY, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$41,475.00
Annual Rental	:	\$20,737.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44924 (1)  
(Portion Bid: 194 acres)

Bidder	:	TP PANTHER DOME, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$98,008.80
Annual Rental	:	\$49,004.40
Royalties	:	21.5% on oil and gas
	:	21.5% on other minerals
Additional Consideration:	:	None

Tract 44924 (2)  
(Portion Bid: 164 acres)

Bidder	:	TP PANTHER DOME, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$50,184.00
Annual Rental	:	\$25,092.00
Royalties	:	21.5% on oil and gas
	:	21.5% on other minerals
Additional Consideration:	:	None

Tract 44926  
(Portion Bid: 213 acres)

Bidder	:	UPSTREAM EXPLORATION LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$47,925.00
Annual Rental	:	\$23,962.50
Royalties	:	21.5% on oil and gas
	:	21.5% on other minerals
Additional Consideration:	:	None

Tract 44928  
(Portion Bid: 112 acres)

Bidder	:	UPSTREAM EXPLORATION LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$25,200.00
Annual Rental	:	\$12,600.00
Royalties	:	21.5% on oil and gas
	:	21.5% on other minerals
Additional Consideration:	:	None

Tract 44930  
(Portion Bid: 820 acres)

Bidder	:	UPSTREAM EXPLORATION LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$184,500.00
Annual Rental	:	\$92,250.00
Royalties	:	21.5% on oil and gas
	:	21.5% on other minerals
Additional Consideration:	:	None

**STATE AGENCY TRACTS**

Tract 44931  
(Portion Bid: 201 acres)

Bidder	:	TENSAS PROPERTIES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$30,150.00
Annual Rental	:	\$15,075.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44932  
(Portion Bid: 257 acres)

Bidder	:	TENSAS PROPERTIES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$38,550.00
Annual Rental	:	\$19,275.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44933

Bidder	:	THEOPHILUS OIL, GAS & LAND SERVICES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$500.01
Annual Rental	:	\$250.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration:	:	None

Tract 44934  
(Portion Bid: 33 acres)

Bidder	:	UPSTREAM EXPLORATION LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$7,425.00
Annual Rental	:	\$3,712.50
Royalties	:	21.5% on oil and gas
	:	21.5% on other minerals
Additional Consideration:	:	None



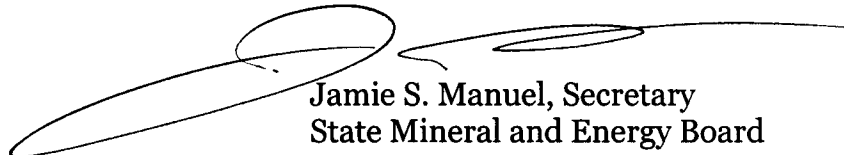
Tract 44936

Bidder	:	UPSTREAM EXPLORATION LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$15,525.00
Annual Rental	:	\$7,762.50
Royalties	:	21.5% on oil and gas
	:	21.5% on other minerals
Additional Consideration:	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 8:42 a.m.

Respectfully Submitted,



Jamie S. Manuel, Secretary  
State Mineral and Energy Board

JOHN BEL EDWARDS  
GOVERNOR



THOMAS F. HARRIS  
SECRETARY

**State of Louisiana**  
DEPARTMENT OF NATURAL RESOURCES  
OFFICE OF MINERAL RESOURCES  
STATE MINERAL AND ENERGY BOARD

**REGULAR MEETING**  
**June 13, 2018**

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, June 13, 2018**, beginning at 9:30 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

**I. CALL TO ORDER**

Ms. Carol R. LeBlanc, Vice-Chair, called the meeting to order.

**II. ROLL CALL**

She then requested Mr. Jamie Manuel, Assistant Secretary of the Office of Mineral Resources, call the roll for the purpose of establishing a quorum.

**Carol R. LeBlanc, Vice-Chair**  
**Thomas F. Harris, DNR Secretary**  
**Emile B. Cordaro**  
**Robert D. Watkins**  
**J. Todd Hollenshead**  
**Thomas L. Arnold, Jr.**  
**Theodore M. "Ted" Haik, Jr.**

The following members of the Board were recorded as absent:

**W. Paul Segura, Jr., Chairman**  
**Rochelle A. Michaud-Dugas**  
**Johnny B. Bradberry**

Mr. Manuel announced that seven (7) members of the Board were present and that a quorum was established.

Also recorded as present were:

**Stacey Talley** – Business Analytics Specialist, Office of Mineral Resources  
**Ryan Seidemann** - Assistant Attorney General  
**Christopher Lento** - Assistant Attorney General  
**Rachel Newman** - Director, Mineral Income Division  
**Taletha Shorter** – Audit Manager, Mineral Income Division  
**Byron Miller** –Geology Supervisor, Geology, Engineering & Land Division  
**Jason Talbot** – Geology Supervisor, Geology, Engineering & Land Division  
**Charles Bradbury** – Engineering Supervisor, Geology, Engineering & Land Division  
**Emile Fontenot** – Petroleum Lands Director, Geology, Engineering & Land Division  
**Blake Canfield** – Executive Counsel, Department of Natural Resources  
**James Devitt** - Deputy General Counsel, Department of Natural Resources

### **III. PLEDGE OF ALLEGIANCE**

The Vice-Chair led the Board in reciting the Pledge of Allegiance to the Flag of the United States of America.

### **IV. APPROVAL OF THE MAY 9, 2018 MINUTES**

The Vice-Chair stated that the first order of business was the approval of the May 9, 2018 Minutes. A motion was made by Mr. Hollenshead to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Watkins and unanimously adopted by the Board. (No public comment was made at this time.)

The Vice-Chair then stated that the next order of business was the presentation of the following Staff Reports:

*\* Resolutions are in chronological order at the end of the minutes*

### **V. STAFF REPORTS**

- a) Lease Review Report
- b) Nomination and Tract Report  
(Resolution Nos. 18-06-001 thru 18-06-002)
- c) Audit Report  
(Resolution Nos. 18-06-003)
- d) Legal and Title Controversy Report  
(Resolution Nos. 18-06-004 thru 18-06-007)
- e) Docket Review Report  
(Resolution Nos. 18-06-008 thru 18-06-018)

**a) LEASE REVIEW REPORT**  
**June 13, 2018**

**I. GEOLOGICAL AND ENGINEERING STAFF REVIEW**

According to the SONRIS database, there were 1,190 active State Leases containing approximately 527,000 acres. Since the last Lease Review Board meeting, the Geological and Engineering Division reviewed 113 leases covering approximately 26,000 acres for lease maintenance and development issues.

**II. BOARD REVIEW**

There were no leases brought before the Board.

**III. FORCE MAJEURE**

Updated 05/31/2018

Company Name	Lease Numbers (Review Date)
Leases Off Production Due to Non-Storm Related Force Majeure Events	
Day Dreams Resources, LLC	19930 (7/11/2018)
Rabb Contracting Company LLC	19851 (7/11/2018)

**b) NOMINATION AND TRACT REPORT**  
**June 13, 2018**

The Board heard the report of Mr. Emile Fontenot on Wednesday June 13, 2018 relative to nominations received in the Office of Mineral Resources for the August 8, 2018 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Harris**, duly seconded by **Mr. Watkins**, the Board granted authority to the staff to advertise all such tracts as have been reviewed by the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report. (Resolution 18-06-002)

A request by OMR Staff to withdraw Tracts 44889 and 448900 from the June 13, 2018 lease sale due to erroneous advertising as a result of the State acreage being inaccurately depicted on the Office of State Lands SONRIS GIS Interactive Map Website. On the recommendation from Staff and on the motion of **Mr. Arnold**, duly seconded by **Mr. Hollenshead**, the board voted unanimously to withdraw said tracts from the June 13, 2018 lease sale and grant Staff the authority to advertise said tracts at a later date. (Resolution 18-06-001)

**c) AUDIT REPORT**  
**June 13, 2018**

The first matter considered by the Board was a request to place Cox Operating, LLC and any affiliated parties or parties associated with the leases pertaining to the audit on demand.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Secretary Harris, the Committee voted unanimously to approve the demand request.

The second matter on the audit report was the election of the June 2018 gas royalty to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

No action required.

**d) LEGAL & TITLE REPORT**  
**June 13, 2018**

The first matter considered by the State Mineral and Energy Board (Board) was a request from LLOX, L.L.C. and LLOLA, L.L.C. (LLOX et al), to the Board to extend the current Escrow Agreement until the January 2019 Board Meeting regarding funds derived from production on state disputed acreage that would be due under State Lease No. 21345 within the 9400 BIG T RC SUA in the Manila Village Field located in Jefferson Parish, Louisiana.

Staff reported that LLOX is the operator of the unit and LLOLA is the leasehold owner of State Lease No. 21345. LLOX et al was previously granted authority to escrow royalties on January 17, 2017, which was subsequently extended until the July 11, 2018 Board Meeting.

Staff recommended that the Board extend this Escrow Agreement to the August 8, 2018 Board Meeting.

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, and by unanimous vote of the Board, the State Mineral and Energy Board accepted Staff's recommendation and extended the Escrow Agreement for this matter to the August 8, 2018 Board Meeting. There were no comments from the public. (Resolution No. 18-06-004)

The second matter considered by the Board was a request by Wapiti Operating, LLC (Wapiti) for approval of a proposed Enhanced Recovery Pilot Project (dump flood pilot project) for the 28A Sand affecting State Lease Nos. 17376, 17378 and 21764 in the Bay Batiste Field located in Plaquemines Parish, Louisiana.

Staff reported that Wapiti was requesting a letter of no objection to proceed with a pilot injection dump flood project. A dump flood well had been drilled by Wapiti and all that was necessary to proceed with production was the Board's concurrence.

Staff recommended that the Board issue a letter of no objection to proceed with the Enhanced Recovery Pilot Project (dumpflood pilot project) as indicated above.

Upon motion of Mr. Arnold, seconded by Mr. Haik, and by unanimous vote of the Board, the State Mineral and Energy Board accepted Staff's recommendation and approved the request by Wapiti Operating, LLC of the proposed Enhanced Recovery Pilot Project as stated above. There were no comments from the public. (Resolution No. 18-06-005)

The third matter considered by the Board was a request by Castex Energy, Inc. (Castex) to the Board to extend State Lease Nos. 21611, 21612 and 21613 for an additional six (6) months to allow Castex to drill a voluntary unit well for the FLB VUA situated in Four League Bay Field located in Terrebonne Parish, Louisiana.

Staff reported that these leases have an expiration date of September 9, 2018. Castex's intentions were to drill a unit well for the FLB VUA which would encompass the totality of the above listed leases. The FLB VUA was previously approved by Board Resolution No. 18-005-011 dated May 9, 2018.

Staff recommended that the Board extend the leases with the following terms:

- State Lease No. 21611 extended for a period of six (6) months from September 9, 2018 to March 9, 2019 for a cash consideration of \$6,735.93 and a royalty increase from 25% to 25.5%;
- State Lease No. 21612 extended for a period of six (6) months from September 9, 2018 to March 9, 2019 for a cash consideration of \$43,676.00 and a royalty increase from 25% to 25.5%; and
- State Lease No. 21613 extended for a period of six (6) months from September 9, 2018 to March 9, 2019 for a cash consideration of \$30,458.83 and a royalty increase from 25% to 25.5%.
- Staff continued that the cash consideration stated for each lease shall be tendered on or before June 20, 2018 and the increased royalty of 25.5% shall become effective immediately upon approval by the Board of the extensions.

Upon motion of Mr. Arnold, seconded by Mr. Harris, and by unanimous vote of the Board, the State Mineral and Energy Board accepted Staff's recommendations and approved the request by Castex to extend State Lease Nos. 21611, 21612 and 21613 for an additional six (6) months to allow Castex to drill a voluntary unit well for the FLB VUA situated in Four League Bay Field located in Terrebonne Parish, Louisiana, in accordance with the above listed terms for each lease. There were no comments from the public. (Resolution No. 18-06-006)

The fourth matter considered by the Board was a discussion of the new requirements for the formation of an Escrow Agreement and a request by Staff for Board approval of the same.

Staff reported that the proposed Escrow Authorization Resolution will supersede and replace Resolution No. 15-06-016 dated June 10, 2015 entitled "Policy Resolution Escrow Authority" and/or all other Escrow Agreements and Resolutions pertaining to the formation of Escrow Agreement requirements preceding it.

Staff recommended that the Board approve the proposed Escrow Authorization Resolution.

Upon motion of Mr. Haik, seconded by Mr. Watkins, and by unanimous vote of the Board, the State Mineral and Energy Board accepted Staff's recommendation and approved the request by Staff for Board approval of the proposed Escrow Authorization



Resolution that will supersede and replace Resolution No. 15-06-016. There were no comments from the public. (Resolution No. 18-06-007)

The fifth matter considered by the Board was a discussion by OMR's Assistant Secretary for a plan of action for completion of the proposed new lease form.

This matter was for discussion only and there was no action necessary. There were no comments from the public.

**e) DOCKET REVIEW REPORT  
June 13, 2018**

The Board heard the report from Emile Fontenot on Wednesday, June 13, 2018, relative to the following:

- Category A: State Agency Leases  
Docket Item A
- Category B: State Lease Transfers  
Docket Item Nos. 1 through 9.
- Category C: Department of Wildlife & Fisheries State Agency Lease  
There were no items for this category
- Category D: Advertised Proposals  
Docket Item No. 1

Based upon the staff's recommendation, on motion of Mr. Arnold, duly seconded by Mr. Hollenshead, the Board voted unanimously to accept the following recommendations:

- Category A: State Agency Leases  
Approve Docket Item A (Resolution No. 18-06-008)
- Category B: State Lease Transfers  
Approve Docket Item Nos. 1 through 9 (Resolution Nos. 18-06-009 through 18-06-017)
- Category D: Advertised Proposals  
Approve Docket Item No. 18-15 (Resolution No. 18-06-018)

**VI. EXECUTIVE SESSION**  
(Resolution Nos. 18-06-019 thru 18-06-026)

The Vice-Chair stated that the next order of business was discussions in Executive Session to consider matters before the Board which were confidential in nature. Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, the Board Members went into Executive Session at 10:36 a.m.

Upon motion of Mr. Arnold, seconded by Mr. Harris, the Board reconvened in open session at 11:37 a.m. for consideration of the following matters discussed in Executive Session:

- a. A status update regarding settlement of outstanding audit issues with ChevronTexaco, Texaco E&P Inc. and Unocal

This matter was only a discussion, and no action by the Board was taken. No comments were made by the public.

- b. A discussion regarding negotiations to settle outstanding audit issues with Swift Energy Operation, LLC

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, the Board voted unanimously to grant authority to the Attorney General's office and the Department of Natural Resources to continue negotiations to settle this matter as discussed in Executive Session. No comments were made by the public. (Resolution No. 18-06-019)

- c. A status update regarding negotiations for the Bistineau Gas Storage contract

This matter was only a discussion, and no action by the Board was taken. No comments were made by the public.

- d. A discussion of the matters entitled: Sonat Exploration, et al v. State of Louisiana, Docket No. 40,523 and Sonat Exploration, et al v. State of Louisiana, Docket No. 40,524, filed in the Third Judicial District Court, Lincoln Parish, Louisiana

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, the Board voted unanimously to grant authority to the Attorney General's office and Staff to negotiate settlement of this matter as discussed in Executive Session. No comments were made by the public. (Resolution No. 18-06-020)

- e. A discussion regarding Covey Park Energy's proposal to negotiate and resolve outstanding State/private claim disputes in the Haynesville Shale unit, HA RB SUFF, in Sec. 21, T15N, R11W, Caddo/Bossier Parishes

Upon motion of Mr. Arnold, seconded by Mr. Watkins, the Board voted unanimously to grant authority to the Attorney General's office and the Department of Natural Resources to negotiate settlement as discussed in Executive Session. No comments were made by the public. (Resolution No. 18-06-021)

- f. A discussion of dispute on Bayou Bodcau in Section 26, T22N, R11W, Bossier Parish, Louisiana

Upon motion of Mr. Arnold, seconded by Mr. Watkins, the Board voted unanimously to grant authority to the Attorney General's office to make final demand to claim our water bottom and file suit if necessary as discussed in Executive Session. No comments were made by the public. (Resolution No. 18-06-022)

- g. A discussion of a dispute by private landowners regarding acreage contained within the 9400 BIG T RC SUA in the Manila Village Field located in Jefferson Parish, Louisiana

This matter was only a discussion, and no action by the Board was taken. No comments were made by the public.

- h. A discussion of the matter entitled: BHP Billiton Petroleum Properties (N.A.), L.P., et al. vs. Hosier Properties, L.L.C., et al, Suit No. 587839, First Judicial District Court, Caddo Parish, Louisiana

Upon motion of Mr. Harris, seconded by Mr. Arnold, the Board voted unanimously to grant authority to the Attorney General's office to negotiate settlement as discussed in Executive Session. No comments were made by the public. (Resolution No. 18-06-023)

- i. A discussion of the matter entitled: Chevron USA, Inc., et al vs. State of Louisiana, et al, Docket No. 51-097, Division A, 25<sup>th</sup> Judicial District Court, Plaquemines Parish, Louisiana

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, the Board voted unanimously to grant authority to the Attorney General's office and the Department of Natural Resources to negotiate settlement as discussed in Executive Session. No comments were made by the public. (Resolution No. 18-06-024)

- j. A discussion of the matter entitled: Chesapeake Operating Inc. & Chesapeake Louisiana, LP v. State Mineral and Energy Board of Louisiana, et al., Docket No. 35483, 39<sup>th</sup> Judicial District Court, Red River Parish, Louisiana

This matter was not discussed, and no action by the Board was taken. No comments were made by the public.

k. A discussion of the Lapeyrouse Field title dispute with Apache Minerals

Upon motion of Mr. Arnold, seconded by Mr. Harris, the Board voted unanimously to grant authority to the Attorney General's office and the Department of Natural Resources to negotiate settlement as discussed in Executive Session. No comments were made by the public. (Resolution No. 18-06-025)

l. A request from Staff for the Board to grant authority to negotiate an Operating Agreement with GEP Haynesville, LLC/Vine Oil & Gas, LP, pertaining to water bottoms situated in Sections 22 and 15, Township 12 North, Range 11 West, Red River-Bull Bayou Field, DeSoto and Red River Parishes, Louisiana

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, the Board voted unanimously to grant authority to the Attorney General's office and the Department of Natural Resources to negotiate the terms of an operating agreement as discussed in Executive Session. No comments were made by the public. (Resolution No. 18-06-026)

m. Technical Briefing on Bids

The Board was briefed on the bids received at today's lease sale.

## VII. AWARDING OF LEASES

The Vice-Chair stated that the next order of business was the awarding of the leases and called on Mr. Jason Talbot to present Staff's recommendations to the Board.

Upon motion by Mr. Harris, seconded by Mr. Arnold, the Board unanimously voted to accept Staff's recommendations as follows:

1. Reject the bid received on Tract No. 44891 for insufficient consideration and re-advertise it with minimums
2. Award a lease on a portion of Tract No. 44894 to Tensas Properties, LLC
3. Award a lease on Tract No. 44895 to Tensas Properties, LLC
4. Award a lease on Tract No. 44898 to Tensas Properties, LLC
5. Award a lease on Tract No. 44903 to Torrent Gulf Coast LLC
6. Award a lease on Tract No. 44904 to Banff Energy, L.L.C.

7. Award a lease on Tract No. 44905 to Banff Energy, L.L.C.
8. Award a lease on Tract No. 44907 to Banff Energy, L.L.C.
9. Award a lease on Tract No. 44908 to Banff Energy, L.L.C.
10. Award a lease on Tract No. 44909 to Banff Energy, L.L.C.
11. Award a lease on Tract No. 44910 to Banff Energy, L.L.C.
12. Award a lease on Tract No. 44911 to Banff Energy, L.L.C.
13. Award a lease on Tract No. 44912 to Banff Energy, L.L.C.
14. Award a lease on Tract No. 44913 to Banff Energy, L.L.C.
15. Award a lease on Tract No. 44915 to Banff Energy, L.L.C.
16. Award a lease on Tract No. 44917 to Banff Energy, L.L.C.
17. Award a lease on Tract No. 44920 to Banff Energy, L.L.C.
18. Award a lease on a portion of Tract No. 44924 to TP Panther Dome, LLC
19. Award a lease on a portion of Tract No. 44924 to TP Panther Dome, LLC
20. Award a lease on a portion of Tract No. 44926 to Upstream Exploration LLC
21. Award a lease on a portion of Tract No. 44928 to Upstream Exploration LLC
22. Award a lease on a portion of Tract No. 44930 to Upstream Exploration LLC
23. Award a lease on a portion of Tract No. 44931 to Tensas Properties, LLC
24. Award a lease on a portion of Tract No. 44932 to Tensas Properties, LLC
25. Award a lease on Tract No. 44933 to Theophilus Oil, Gas & Land Services, LLC
26. Award a lease on a portion of Tract No. 44934 to Upstream Exploration LLC

27. Award a lease on Tract No. 44936 to Upstream Exploration LLC

Leases awarded were conditioned on tract descriptions being accurate, overlapped prior leases being subtracted from acreage bid on, acreage amount being verified and agreed between bidder and state and portion bids verified as being located within advertised boundary of tracts. (No public comment was made at this time.)

This concluded the awarding of the leases.

**VIII. NEW BUSINESS**

The Vice-Chair then announced that the next order of business would be the discussion of new business.

A discussion was initiated by Mr. Haik regarding the Mineral Law Committee's decision to research the issue of Louisiana classifying royalties under mineral leases as rent. It was decided that follow-up with the Committee as to their progress would be made.

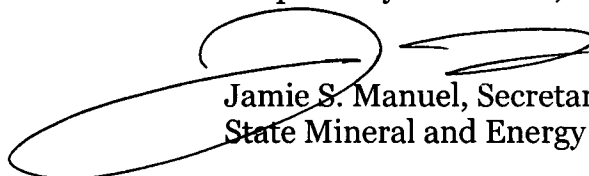
**IX. ANNOUNCEMENTS**

Mr. Manuel stated that there were twenty-six (26) leases awarded totaling \$993,666.81 for the June 13, 2018 Lease Sale bringing the fiscal year total to \$4,608,254.88.

**X. ADJOURNMENT**

The Vice-Chair then stated there being no further business to come before the Board, upon motion of Mr. Arnold, seconded by Mr. Watkins, the meeting was adjourned at 11:54 a.m.

Respectfully Submitted,



Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Withdraw Tracts 44889 and  
44890 from the June 13, 2018  
Lease Sale

**Resolution #18-06-001**  
**(NOMINATION AND TRACT REPORT)**

**WHEREAS**, the Staff presented a recommendation to withdraw Tract Nos. 44889 and 44890 from the June 13, 2018 Lease Sale and be granted authority for said tracts to be advertised at a later date;

**ON MOTION** of *Mr. Arnold*, seconded by *Mr. Hollenshead*, the following recommendation was offered and unanimously adopted by the Board after discussion and careful consideration:

That the State Mineral and Energy Board grant final approval to withdraw all such tracts for the June 13, 2018 Mineral Lease Sale and be granted authority to be advertised at a later date;

**NOW, BE IT THEREFORE RESOLVED**, that the State Mineral and Energy Board does hereby approve and authorize the withdrawal of said Tracts from the June 13, 2018 Lease Sale, and to otherwise approve the Nomination and Tract Committee Report.

**CERTIFICATE**

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 13th day of June 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.

  
**Jamie S. Manuel, Secretary**  
**LOUISIANA STATE MINERAL AND ENERGY BOARD**



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Authority to advertise  
Tracts for August 8,  
2018 Lease Sale

**Resolution #18-06-002**  
**(NOMINATION AND TRACT REPORT)**

**WHEREAS**, Mr. Emile Fontenot reported that four (4) tracts were nominated for the August 8, 2018 Mineral Lease Sale, and requested that same be advertised pending staff review;

**ON MOTION** of *Mr. Harris*, seconded by *Mr. Watkins*, the following recommendation was offered and unanimously adopted by the Board after discussion and careful consideration:

That the State Mineral and Energy Board grant approval to advertise all such tracts for the August 8, 2018 Mineral Lease Sale;

**NOW, BE IT THEREFORE RESOLVED**, that the State Mineral and Energy Board does hereby approve and authorize the advertising of all such tracts reviewed by the staff of the Office of Mineral Resources, as well as any tracts that were previously advertised and rolled over, and to otherwise approve the Nomination and Tract Report.

**CERTIFICATE**

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 13th day of June 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary

LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #18-06-003  
(AUDIT COMMITTEE)**

**WHEREAS**, the State Mineral and Energy Board caused an audit to be performed of Cox Operating, LLC respecting the royalty payments under State Lease No. 195, 1349, 2220, 2221, 4039, 4147, 6618, 12503, 12789, 13306, 15941, 16158, 16713, 17702, and A0124 in the Chandeleur Sound Block 71, Eloi Bay, Half Moon Lake and Quarantine Bay fields; and

**WHEREAS**, there are differences between Cox Operating, LLC and the Board regarding the amount of royalty due and interest and penalty charges due by Cox Operating, LLC; and

**WHEREAS**, the staff of the Office of Mineral Resources has been unable to resolve and settle the outstanding penalty due with Cox Operating, LLC,

**ON MOTION** of Mr. Arnold, seconded by Secretary Harris, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

**NOW, BE IT THEREFORE RESOLVED** that the State Mineral and Energy Board does hereby grant the following:

Jeff Landry, Attorney General of the State of Louisiana is hereby authorized to place formal demand upon Cox Operating, LLC and any affiliated parties or parties associated with the leases pertaining to the audit, and further is authorized to take all appropriate action, including the filing of suit on behalf of the Board against Cox Operating, LLC and other current lessees for collection of all penalty, and all other remedies prescribed by law.

**CERTIFICATE**

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 13<sup>th</sup> day of June, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral Board and is now in full force and effect.

  
**Jamie S. Manuel, Secretary  
State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #18-06-004

(LEGAL & TITLE CONTROVERSY REPORT)

LLOX, L.L.C. & LLOLA,  
L.L.C. - Escrow  
Agreement Extension -  
9400 BIG T RC SUA,  
SL #21345

**WHEREAS**, by Resolution #15-06-016 dated June 10, 2015, the State Mineral and Energy Board (Board) continued the practice of permitting Lessees to request authority to escrow royalties on title disputed lands under lease by the State; and

**WHEREAS**, by Resolution #17-02-009 dated February 8, 2017, LLOX, L.L.C. (LLOX) was granted authority to escrow funds derived from production on disputed acreage lying within the 9400 BIG T RC SUA located in Manila Village Field, Jefferson Parish, Louisiana, and LLOX was granted authority to escrow royalties until the August 9, 2017 Board Meeting; and

**WHEREAS**, by Resolution #17-06-020 dated January 10, 2018, LLOX was further granted authority to escrow funds from the first date of production, August 7, 2016; said funds derived from production on disputed acreage lying within the 9400 BIG T RC SUA located in Manila Village Field, Jefferson Parish, Louisiana, until January 10, 2018; and

**WHEREAS**, by Resolution #18-01-010 dated January 10, 2018, retroactively effective to August 7, 2016, OMR Legal was granted the authority to escrow funds to LLOLA, L.L.C. (LLOLA) derived from production on disputed acreage that would be due under State Lease No. 21345 within the 9400 BIG T RC SUA located in Manila Village Field, Jefferson Parish, Louisiana, until the July 11, 2018 State Mineral and Energy Board Meeting; and

**WHEREAS**, LLOX and LLOLA request that the Board extend the current Escrow Agreement until the January 2019 Board Meeting regarding funds derived from production on state disputed acreage that would be due under State Lease No. 21345 within the 9400 BIG T RC SUA in the Manila Village Field located in Jefferson Parish, Louisiana; and

**WHEREAS**, in response to this request, OMR Staff offered the following recommendation for consideration by the Board:

That the Board extend the authority to escrow funds derived from production on disputed acreage that would be due under State Lease No. 21345 within the 9400 BIG T RC SUA located in Manila Village Field, Jefferson Parish, Louisiana, until the August 8, 2018 State Mineral and Energy Board Meeting.

**ON MOTION** of Mr. Arnold, seconded by Mr. Hollenshead, after discussion and careful consideration, the following Resolution was offered and unanimously adopted by the Board:

**NOW THEREFORE, BE IT RESOLVED** that the Board hereby approves the request by LLOX, L.L.C. and LLOLA, L.L.C. to grant an extension to the authority to escrow funds in accordance with Board protocol, derived from production on disputed acreage that would be due under State Lease No. 21345 within the 9400 BIG T RC SUA located in Manila Village Field, Jefferson Parish, Louisiana to the August 8, 2018 State Mineral and Energy Board Meeting.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 13<sup>th</sup> day of June, 2018, of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
**STATE MINERAL AND ENERGY BOARD**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #18-06-005

(LEGAL & TITLE CONTROVERSY REPORT)

Wapiti Operating, LLC request  
for approval of proposed  
Enhanced Recovery Pilot  
Project – 28A Sand, State Lease  
Nos 17376, 17378 and 21764

**WHEREAS**, a request was made by Wapiti Operating, LLC (Wapiti) to the State Mineral and Energy Board (Board) for approval of a proposed Enhanced Recovery Pilot Project (dump flood pilot project) for the 28A Sand affecting State Lease Nos. 17376, 17378 and 21764 in the Bay Batiste Field located in Plaquemines Parish, Louisiana; and

**WHEREAS**, Wapiti has drilled a dump flood well and requires approval from the Office of Conservation to proceed with production of a pilot injection dump flood project affecting the above referenced State Leases; and

**WHEREAS**, OMR Staff, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

**ON MOTION** of Mr. Arnold, seconded by Mr. Haik, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

**NOW THEREFORE, BE IT RESOLVED** that the Board issue a letter of no objection to Wapiti Operating, LLC for a proposed Enhanced Recovery Pilot Project (dump flood pilot project) for the 28A Sand affecting State Lease Nos. 17376, 17378 and 21764 in the Bay Batiste Field located in Plaquemines Parish, Louisiana.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of June, 2018, of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
**STATE MINERAL AND ENERGY BOARD**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #18-06-006

(LEGAL & TITLE CONTROVERSY REPORT)

Castex Energy, Inc – Request for six month extension of SL Nos 21611, 21612 and 21613
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**WHEREAS**, a request by Castex Energy, Inc. (Castex) to the State Mineral and Energy Board (Board) to extend State Lease Nos. 21611, 21612 and 21613 for an additional six (6) months to allow Castex to drill a voluntary unit well for the FLB VUA situated in Four League Bay Field located in Terrebonne Parish, Louisiana; and

**WHEREAS**, the FLB VUA was previously approved by Board Resolution No. 18-005-011 dated May 9, 2018; however, State Lease Nos. 21611, 21612 and 21613 have an expiration date of September 9, 2018; and

**WHEREAS FURTHER**, Castex intends to drill a unit well for the FLB VUA which will encompass the totality of the above listed leases; and

**WHEREAS**, OMR Staff, upon thorough review and consideration, recommended that the Board offer the requested extensions pursuant to the following terms:

- State Lease No. 21611 extended for a period of six (6) months from September 9, 2018 to March 9, 2019 for a cash consideration of \$6,735.93 and a royalty increase from 25% to 25.5%;
- State Lease No. 21612 extended for a period of six (6) months from September 9, 2018 to March 9, 2019 for a cash consideration of \$43,676.00 and a royalty increase from 25% to 25.5%; and
- State Lease No. 21613 extended for a period of six (6) months from September 9, 2018 to March 9, 2019 for a cash consideration of \$30,458.83 and a royalty increase from 25% to 25.5%.

Cash consideration stipulated for each lease above shall be tendered on or before June 20, 2018 and the increased royalty of 25.5% shall become effective immediately upon approval by the Board of these extensions.

**ON MOTION** of Mr. Arnold seconded by Mr. Harris, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby approve the foregoing request by Castex Energy, Inc. for a six (6) month extension to State Lease Nos. 21611, 21612 and 21613, and authorize an offer for said extensions pursuant to the following terms:

- State Lease No. 21611 extended for a period of six (6) months from September 9, 2018 to March 9, 2019 for a cash consideration of \$6,735.93 and a royalty increase from 25% to 25.5%;

- State Lease No. 21612 extended for a period of six (6) months from September 9, 2018 to March 9, 2019 for a cash consideration of \$43,676.00 and a royalty increase from 25% to 25.5%; and
- State Lease No. 21613 extended for a period of six (6) months from September 9, 2018 to March 9, 2019 for a cash consideration of \$30,458.83 and a royalty increase from 25% to 25.5%.

Cash consideration stipulated for each lease above shall be tendered on or before June 20, 2018 and the increased royalty of 25.5% shall become effective immediately upon approval by the Board of these extensions.

**CERTIFICATE**

***I HEREBY CERTIFY*** that the above is a true and correct copy of a Resolution adopted at a meeting on the 13th day of June, 2018, of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY  
STATE MINERAL AND ENERGY BOARD**

# 18-06-006

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #18-06-007

(LEGAL & TITLE CONTROVERSY REPORT)

Escrow Agreement  
Formation – New  
Requirements

**ON MOTION** of Mr. Haik, seconded by Mr. Watkins, the following Resolution was offered and adopted:

**WHEREAS**, there was a discussion by the Assistant Secretary of the Office of Mineral Resources on new requirements for the formation of an Escrow Agreement and a request by Staff for Board approval of the same; and

**WHEREAS**, a request by the Assistant Secretary and Staff of the Office of Mineral Resources for the State Mineral and Energy Board to approve the new requirements for the formation of an Escrow Agreement as set forth in the attached Escrow Authorization Resolution; and

**WHEREAS**, the new requirements for the formation of an Escrow Agreement as set forth in the attached Escrow Authorization Resolution will supersede and replace Resolution No. 15-06-016 dated June 10, 2015 entitled "Policy Resolution Escrow Authority" and/or all other Escrow Agreements and Resolutions pertaining to the formation of Escrow Agreement requirements preceding it; and

**WHEREAS**, OMR Staff recommend that the Board approve the proposed Escrow Authorization Resolution; and

**WHEREAS FURTHER**, after discussion and careful consideration by the State Mineral and Energy Board on this matter, a decision has been reached;

**NOW, THEREFORE BE IT RESOLVED**, that the State Mineral and Energy Board hereby approves and adopts the new requirements for the formation of an Escrow Agreement as attached hereto and made a part hereof.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of June, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



\_\_\_\_\_  
W. PAUL SEGURA, CHAIRMAN  
STATE MINERAL AND ENERGY BOARD

**RESOLUTION NO. \_\_\_\_ - \_\_\_\_ - \_\_\_\_**  
**(LEGAL & TITLE CONTROVERSY)**

NAME ESCROW AUTHORIZATION STATE LEASE NO XXX
--

**ON MOTION OF \_\_\_\_\_**, duly seconded by \_\_\_\_\_, the following Resolution was adopted by the State Mineral and Energy Board (Board):

**WHEREAS**, the State of Louisiana (State) has a strong and vital interest in developing its natural resources for the benefit of its citizens; and

**WHEREAS**, La. R.S. 30:129 grants the Board full supervision over all mineral leases granted by the State, authorizes the Board to take any action necessary to protect the interests of the State and enter into agreements or amend leases in the manner most beneficial to the State; and

**WHEREAS**, on **DATE, NAME (Lessee)** notified the Office of Mineral Resources that a *bona fide* dispute exists because of an adverse and competing claim by an individual or entity not a party to the lease agreement ("Disputing Parties") regarding the ownership of mineral rights or title to all or a portion of the premises (Disputed Property) under lease by the State of Louisiana within **IDENTIFY UNIT** affecting State Lease No. \_\_\_\_\_ ("State Lease"), and requested authorization to deposit the royalty payments due on the production attributable to the Disputed Property into an escrow account in lieu of directly making royalty payments to the Office of Mineral Resources as required by the State Lease; and

**WHEREAS**, when Disputing Parties assert competing mineral ownership claim(s) against the State for the minerals lying under the Disputed Property, the Lessee may desire to establish an independent escrow account(s) with an escrow agent, in lieu of suspending royalty payments and filing a concursus proceeding, for the purpose of protecting itself from making unnecessary royalty payments pursuant to a mineral lease or operating agreement. The escrow account(s) will remain open pending resolution of the ownership dispute or the filing of a concursus proceeding; and

**NOW THEREFORE, BE IT RESOLVED:**

- I. a) The escrow authorization granted shall terminate on \_\_\_\_\_, 20\_\_\_\_ or the next Board meeting; and
- b) The payment of royalties into the escrow account, as provided in Section II hereof, shall be accepted by the Board as the royalty payments due as required by the State Lease, and Lessee shall not be held in default of payment of its royalty obligation owed the State of Louisiana as long as deposits are timely and properly made into the escrow account as required by this Resolution; and
- c) The Board reserves the right to audit the royalty payments deposited into the escrow account and further reserves all audit rights authorized by the State Lease; and
- d) This Resolution shall become effective immediately upon adoption unless otherwise stated; and
- e) The Board authorizes Lessee to suspend the direct payment of royalties to the Office of Mineral Resources contingent on continued compliance with the requirements set forth herein; and

#18-06-007



- f) The Board may within its sole discretion terminate the Escrow Agreement by providing thirty (30) days' notice to the Lessee.

**BE IT FURTHER RESOLVED:**

- II. a) Within thirty (30) calendar days of adoption of this Resolution, Lessee shall establish an escrow account, and the Lessee, the State and any agreeable Disputing Party shall enter into an Escrow Agreement upon the terms and conditions as set forth by this Resolution; and
- b) The escrow account shall be a segregated interest-bearing escrow account at a FDIC insured financial institution having a presence in the State of Louisiana. A separate escrow account shall be established for each tract of the Disputed Property where the ownership of a tract differs amongst the Disputing Parties; and
- c) Throughout the authorized escrow period, Lessee shall timely deposit into the escrow account, in accordance with the royalty payment terms of the State Lease, the properly calculated reported royalty payments attributable to the Disputed Property; and
- d) Upon request by the State, the Lessee shall provide satisfactory documentation such as, but not limited to, deposited checks, disbursements and/or monthly bank statements pertaining to the escrow account(s), to the Office of Mineral Resources; and
- e) Throughout the authorized escrow period, Lessee shall continue to timely provide fully completed SR-9 Reports (and any other requested documents) to the Office of Mineral Resources; and
- f) The Lessee does hereby acknowledge and agree that the nature of the disputed royalty payments deposited into the escrow account(s), in addition to any accumulated interest thereon, are not the property of the Lessee, but are the property of the State or the Disputing Parties and shall not be considered as the property of the Lessee's estate if the Lessee files for bankruptcy. This acknowledgement shall be contained in the terms of the Escrow Agreement; and
- g) If the ownership/title dispute is amicably resolved prior to expiration of the authorized escrow period, the royalty payments on deposit in the escrow account(s) and interest thereon accumulating, shall be timely distributed to the State or the Disputing Parties in accordance with the terms and conditions set forth in a final executed Settlement Agreement; and
- h) If the ownership/title dispute is not amicably resolved prior to expiration of the authorized escrow period, and any extension thereof authorized by the Board, Lessee shall, within thirty (30) calendar days of expiration, be liable to resume direct payments of royalties or invoke a concursus proceeding. Upon the filing of a concursus proceeding, the royalty payments deposited into the escrow account, including interest, shall be deposited into the Registry of the Court; and
- i) There shall be no transfer nor release of any funds, including interest, on deposit in the escrow account authorized by this Resolution, without the knowledge and written authorization of the State and the Disputing Parties who are party to the Escrow Agreement; and
- j) All charges and expenses in connection with the creation and maintenance of the escrow account authorized hereby are to be borne by Lessee.

**CERTIFICATE**

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

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**JAMIE S. MANUEL, SECRETARY  
STATE MINERAL AND ENERGY BOARD**

#18-06-007

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #18-006-008**

**(DOCKET)**

On motion of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A. from the June 13, 2018 meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the North Lafourche Conservation Levee & Drainage District to Rovig Minerals, Inc., covering land located in Section 51, Township 15 South, Range 18 East, Louisiana Meridian, Lafourche Parish, Louisiana, **INSOFAR AND ONLY INSOAFAR AS** to acreage situated within the unit created for the Rob L. Stray Zone, Reservoir C, said parcel of land contains approximately 12 acres, more or less, as shown outlined in red on the plat attached hereto. with further particulars being stipulated in the instrument.

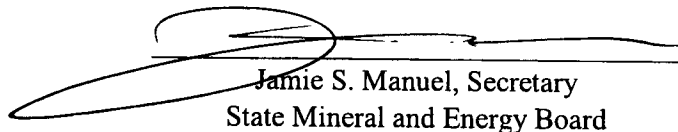
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title to such submerged lands, if any. This lease is approved only so far as it covers lands in place, excluding from such approval any and all navigable waterbeds and sovereignty lands located within the tract leased.

BE IT FURTHER RESOLVED that this action is taken only in pursuance of Louisiana Revised Statutes 30:158 and without inquiry into the lessor's title to the leased premises or such rights, if any, that the State of Louisiana may have in the same. It is understood that this approval is solely given in order to comply with the statutory authority aforesaid.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of June, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #18-006-009

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 1 from the June 13, 2018 meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas and Land Services, LLC to Justiss Oil Company, Inc., of all of Assignor's right, title and interest in and to State Lease No. 21780, DeSoto Parish, Louisiana, with further particulars being stipulated in the instrument.

Justiss Oil Company, Inc. is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;

2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;

3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;

4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;

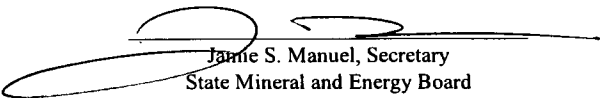
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of June, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #18-006-010

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the June 13, 2018 meeting be approved, said instrument being a Conversion whereby The Bass Partnership is converting to LBCA Holdings, LLC, affecting State Lease Nos. 1212, 1319, 1732, 1794, 11352 and 16403, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;

2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;

3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;

4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;

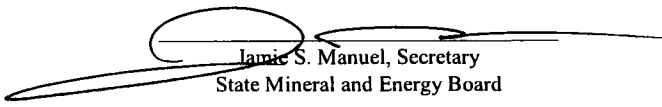
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of June, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-006-011 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the June 13, 2018 meeting be approved, said instrument being a Merger and Stipulation of Interest from LBCA Holdings, LLC to TBP Holdings, L.L.C. of Texas, affecting State Lease Nos. 1212, 1319, 1732, 1794, 11352 and 16403, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

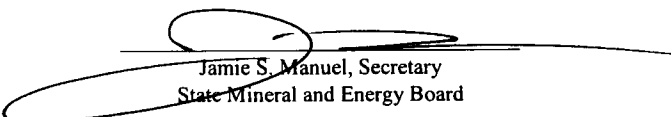
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;
- 4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind,
- 5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and
- 6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of June, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #18-006-012

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the June 13, 2018 meeting be approved, said instrument being an Assignment from Eagle Stone Energy Partners, L.P. to Indigo Minerals LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 20373 and 21097, Sabine Parish, Louisiana, with further particulars being stipulated in the instrument.

Indigo Minerals LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

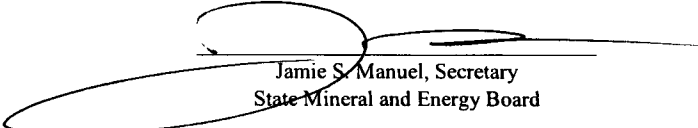
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows.

- 1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board,
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;
- 4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;
- 5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and
- 6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of June, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #18-006-013

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the June 13, 2018 meeting be approved, said instrument being an Assignment from Wildhorse Resources II, LLC to Tanos Energy Holdings III, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 17126, 17734, 18245, 18276, 21586, 21605 and 21606, Bossier and Lincoln Parishes, Louisiana, with further particulars being stipulated in the instrument.

Tanos Energy Holdings III, LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;

2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;

3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;

4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;

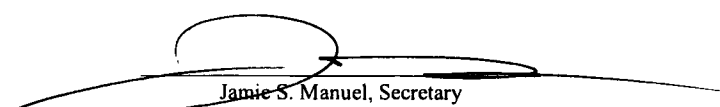
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of June, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-006-013 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the June 13, 2018 meeting be approved, said instrument being an Assignment from Wildhorse Resources II, LLC to Tanos Energy Holdings III, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 17126, 17734, 18245, 18276, 21586, 21605 and 21606, Bossier and Lincoln Parishes, Louisiana, with further particulars being stipulated in the instrument.

Tanos Energy Holdings III, LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

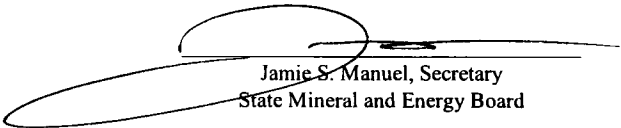
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;
- 4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind,
- 5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and
- 6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of June, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-006-014 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the June 13, 2018 meeting be approved, said instrument being an Assignment from Louisiana Onshore Properties LLC and The Meridian Resource & Exploration LLC to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease Nos. 500 and 743, Iberia and St. Mary Parishes, Louisiana, with further particulars being stipulated in the instrument.

Texas Petroleum Investment Company is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;

2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;

3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;

4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;

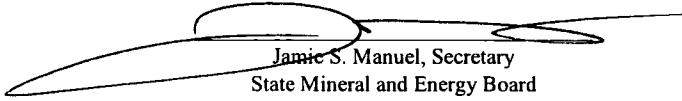
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of June, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-006-014

#### (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the June 13, 2018 meeting be approved, said instrument being an Assignment from Louisiana Onshore Properties LLC and The Meridian Resource & Exploration LLC to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease Nos. 500 and 743, Iberia and St. Mary Parishes, Louisiana, with further particulars being stipulated in the instrument.

Texas Petroleum Investment Company is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

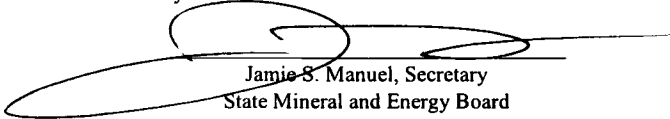
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;
- 4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;
- 5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and
- 6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of June, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-006-015 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 7 from the June 13, 2018 meeting be approved, said instrument being an Assignment from Liberty Energy, LLC to Sibley Petroleum Investments, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 16170, 16299, 16300 and 16732, St. Bernard Parish, Louisiana, with further particulars being stipulated in the instrument.

Sibley Petroleum Investments, LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;

2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;

3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;

4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;

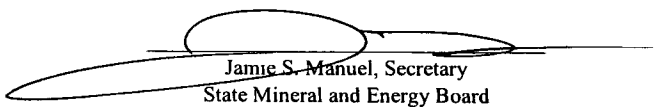
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of June, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-006-016

#### (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 8 from the June 13, 2018 meeting be approved, said instrument being an Assignment from Denbury Onshore, LLC to Re-Lake St. John Field, LLC, of all of Assignor's right, title and interest in and to State Lease No. 476, Concordia and Tensas Parishes, Louisiana, with further particulars being stipulated in the instrument.

Re-Lake St. John Field, LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

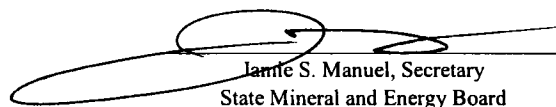
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;
- 4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;
- 5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and
- 6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of June, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-006-016 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 8 from the June 13, 2018 meeting be approved, said instrument being an Assignment from Denbury Onshore, LLC to Re-Lake St. John Field, LLC, of all of Assignor's right, title and interest in and to State Lease No. 476, Concordia and Tensas Parishes, Louisiana, with further particulars being stipulated in the instrument.

Re-Lake St. John Field, LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

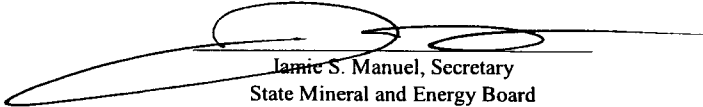
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;
- 4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;
- 5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and
- 6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of June, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-006-017 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 9 from the June 13, 2018 meeting be approved, said instrument being an Assignment from Buckingham Oil Interests, Inc. to 2013 Program LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 21242 and 21399, St. James Parish, Louisiana, with further particulars being stipulated in the instrument.

2013 Program LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

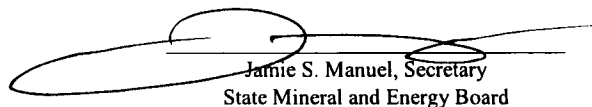
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board,
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;
- 4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R S 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;
- 5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and
- 6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of June, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #18-006-018**

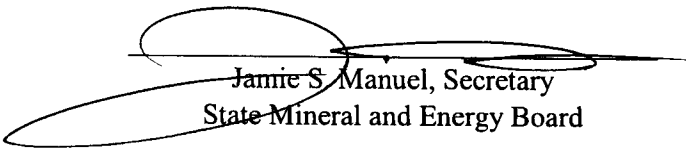
**(DOCKET)**

On motion of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18-15 from the June 13, 2018 meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board, acting for and on behalf of the State of Louisiana and Castex Energy Partners, LLC, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 25% before payout and 25.5% after payout, in and to the operating tract, containing 633 acres, more or less, covering a portion of Former State Lease Nos. 21628 and 21629, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of June, 2018 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion  
Re: Ongoing negotiations to  
settle the Swift Energy  
Operation, LLC outstanding  
audit issues

**RESOLUTION # 18-06-019**

(EXECUTIVE SESSION)


**WHEREAS**, a discussion was held in Executive Session regarding negotiations to settle outstanding audit issues with Swift Energy Operation, LLC;

**ON MOTION** of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office and the Department of Natural Resources to continue negotiations to settle this matter as discussed in Executive Session.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 13<sup>th</sup> day of June, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion  
Re: Sonat Exploration, et al v.  
State, # 40,523 and Sonat  
Exploration, et al v. State,  
#40,524, 3<sup>rd</sup> JDC  
Lincoln Parish

**RESOLUTION # 18-06-020**

(EXECUTIVE SESSION)

**WHEREAS**, a discussion was held in Executive Session regarding the matters entitled: Sonat Exploration, et al v. State of Louisiana, Docket No. 40,523 and Sonat Exploration, et al v. State of Louisiana, Docket No. 40,524, filed in the Third Judicial District Court, Lincoln Parish, Louisiana;

**ON MOTION** of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office and Staff to negotiate settlement of this matter as discussed in Executive Session.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 13<sup>th</sup> day of June, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**RESOLUTION # 18-06-021**

(EXECUTIVE SESSION)

Executive Session Discussion  
Re: Covey Park Energy's  
proposal to negotiate and  
resolve outstanding  
State/private claim disputes in  
the Haynesville Shale unit, HA  
RB SUFF, in Sec. 21, T15N,  
R11W, Caddo/Bossier  
Parishes

**WHEREAS**, a discussion was held in Executive Session regarding Covey Park Energy's proposal to negotiate and resolve outstanding State/private claim disputes in the Haynesville Shale unit, HA RB SUFF, in Sec. 21, T15N, R11W, Caddo/Bossier Parishes;

**ON MOTION** of Mr. Arnold, seconded by Mr. Watkins, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office and the Department of Natural Resources to negotiate settlement as discussed in Executive Session.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 13<sup>th</sup> day of June, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion  
Re: Dispute on Bayou Bodcau  
in Section 26, T22N, R11W,  
Bossier Parish, Louisiana

## RESOLUTION # 18-06-022

(EXECUTIVE SESSION)

**WHEREAS**, a discussion was held in Executive Session regarding a dispute on Bayou Bodcau in Section 26, T22N, R11W, Bossier Parish, Louisiana;

**ON MOTION** of Mr. Arnold, seconded by Mr. Watkins, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to make final demand to claim our water bottom and file suit if necessary as discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 13<sup>th</sup> day of June, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion  
Re: BHP Billiton Petroleum  
Properties (N.A.), L.P., et al.  
vs. Hosier Properties, L.L.C.,  
et al, # 587839, 1<sup>st</sup> JDC  
Caddo Parish

## RESOLUTION # 18-06-023

(EXECUTIVE SESSION)

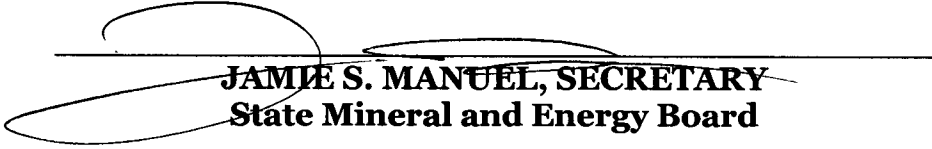
**WHEREAS**, a discussion was held in Executive Session regarding the matter entitled: BHP Billiton Petroleum Properties (N.A.), L.P., et al. vs. Hosier Properties, L.L.C., et al, Suit No. 587839, First Judicial District Court, Caddo Parish, Louisiana;

**ON MOTION** of Mr. Harris, seconded by Mr. Arnold, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to negotiate settlement as discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 13<sup>th</sup> day of June, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion  
Re: Chevron USA, Inc., et al  
vs. State of Louisiana, et al,  
# 51-097, Div A, 25th JDC  
Plaquemines Parish LA

## RESOLUTION # 18-06-024

(EXECUTIVE SESSION)

**WHEREAS**, a discussion was held in Executive Session regarding the matter entitled: Chevron USA, Inc., et al vs. State of Louisiana, et al, Docket No. 51-097, Division A, 25th Judicial District Court, Plaquemines Parish, Louisiana;

**ON MOTION** of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office and the Department of Natural Resources to negotiate settlement as discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 13<sup>th</sup> day of June, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion  
Re: Lapeyrouse Field title  
dispute with Apache Minerals

## RESOLUTION # 18-06-025

(EXECUTIVE SESSION)

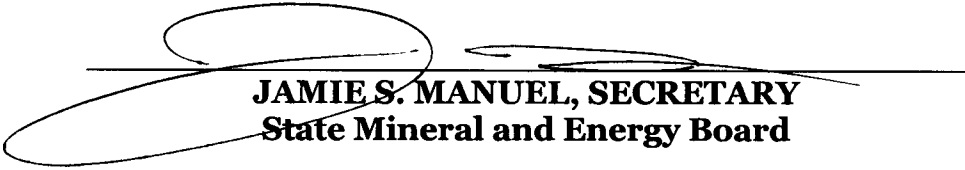
**WHEREAS**, a discussion was held in Executive Session regarding the Lapeyrouse Field title dispute with Apache Minerals;

**ON MOTION** of Mr. Arnold, seconded by Mr. Harris, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office and the Department of Natural Resources to negotiate settlement as discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 13<sup>th</sup> day of June, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion  
Re: Authority to negotiate an  
Operating Agreement with  
GEP Haynesville, LLC/Vine  
Oil & Gas, LP

## RESOLUTION # 18-06-026

(EXECUTIVE SESSION)

**WHEREAS**, a discussion was held in Executive Session regarding a request from Staff for the Board to grant authority to negotiate an Operating Agreement with GEP Haynesville, LLC/Vine Oil & Gas, LP, pertaining to water bottoms situated in Sections 22 and 15, Township 12 North, Range 11 West, Red River-Bull Bayou Field, DeSoto and Red River Parishes, Louisiana;

**ON MOTION** of Mr. Arnold, seconded by Mr. Hollenshead, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office and the Department of Natural Resources to negotiate the terms of an operating agreement as discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 13<sup>th</sup> day of June, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**