

MINUTES

STATE MINERAL AND ENERGY BOARD

LEASE SALE AND BOARD MEETING (via Zoom)

SEPTEMBER 9, 2020

John Bel Edwards
GOVERNOR



Thomas F. Harris
SECRETARY
Jamie S. Manuel
Assistant Secretary

State of Louisiana

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF MINERAL RESOURCES

CERTIFICATION OF INABILITY TO MEET IN PERSON DUE TO COVID-19 PUBLIC HEALTH EMERGENCY FOR STATE MINERAL AND ENERGY BOARD

In accordance with La. Acts 2020, No. 302 and Executive Proclamations JBE 2020-110 and JBE 2020-111, this notice shall serve as a certification of the Louisiana State Mineral and Energy Board's ("Board") inability to otherwise operate in accordance with the Louisiana Open Meetings Law as a result of the COVID-19 public health emergency. The Board will provide for attendance and quorum at its essential government meeting on September 9, 2020, via video conference. Pursuant to La. Acts 2020, No. 302, the Board must meet because:

- 1) Matters that, if they are delayed, will cause curtailment of vital public services or severe economic dislocation and hardship. Because the Board must administer the state's proprietary interest in minerals by granting leases on state owned lands, has full supervision of all mineral leases granted by the state, and has general authority to take any action for the protection of the interests of the state under Louisiana Revised Statute 30:121 *et seq.*, its continued function during this pandemic is essential and, failing timely meeting, would result in the curtailment of vital public services or severe economic dislocation and hardship.
- 2) Matters that are critical to continuation of the business of the public body and that are not able to be postponed to a meeting held in accordance with the other provisions of this Chapter due to a legal requirement or other deadline that cannot be postponed or delayed by the public body. The Board's operations must follow statutorily-mandated deadlines. It is impossible to postpone or delay the matters of the Board.

Considering the foregoing, and in accordance with La. Acts 2020, No. 302 and Executive Proclamations JBE 2020-110 and JBE 2020-111, the Board's meeting on Wednesday, September 9, 2020, at 9:15 a.m. will be held via video conference and in a manner that allows for observation and input by members of the public, as set forth in the Notice posted on September 4, 2020.


JAMIE S. MANUEL, SECRETARY
State Mineral and Energy Board



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

Opening of Bids
September 9, 2020

A public meeting for the purpose of opening sealed bids was held on Wednesday, September 9, 2020, beginning at 9:15 a.m. via Zoom.

Byron Miller presided over the meeting. He then read the letter of notification certifying the legal sufficiency of the advertisement of Tract Nos. 45350 through 45355 which was published for lease by the Board at today's sale.

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

Mr. Miller stated that there were no tracts to be withdrawn from today's Lease Sale.

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

Tract 45350
(Portion: 21.000 acres)

Bidder	:	PINE WAVE ENERGY PARTNERS
	:	OPERATING, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$26,250.00
Annual Rental	:	\$13,125.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 45352
(Entire: 111.996 acres)

Bidder	:	USG PROPERTIES HAYNESVILLE,
	:	LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$225,111.96
Annual Rental	:	\$112,555.98
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

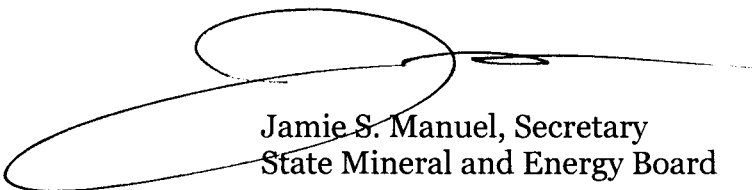
Tract 45353
(Entire: 22.690 acres)

Bidder Bidder	:	USG PROPERTIES HAYNESVILLE,
	:	LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$45,606.90
Annual Rental	:	\$22,803.45
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 9:22 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
September 9, 2020

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, September 9, 2020**, beginning at 9:30 a.m. via Zoom.

I. CALL TO ORDER

Mr. W. Paul Segura, Jr. Chairman, called the meeting to order.

II. ROLL CALL

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

W. Paul Segura, Jr., Chairman
Carol R. LeBlanc, Vice-Chair
Mark Brady, DNR Undersecretary
Rochelle A. Michaud-Dugas
J. Todd Hollenshead
Robert D. Watkins
Harry J. Vorhoff
Harvey "Ned" White

The following members of the Board were recorded as absent:

Willie J. Young, Sr.
Darryl D. Smith
Thomas L. Arnold, Jr.

Mr. Manuel announced that eight (8) members of the Board were present when the roll call was taken and that a quorum was established.

III. PLEDGE OF ALLEGIANCE

The Chairman led the Board in reciting the Pledge of Allegiance to the Flag of the United States of America.

IV. APPROVAL OF THE AUGUST 12, 2020 MINUTES

The Chairman stated that the first order of business was the approval of the Minutes.

A motion was made by Ms. LeBlanc to adopt the August 12, 2020 Minutes as submitted and to waive reading of same. Her motion was seconded by Ms. Michaud-Dugas and unanimously adopted by the Board. (No public comment was made at this time.)

The Chairman 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*

VI. STAFF REPORTS

- a) Lease Review Report**
presented by Jason Talbot, Geology Supervisor
and Charles Bradbury, Engineering Supervisor
Geology, Engineering & Land Division
- b) Nomination and Tract Report**
presented by Byron Miller, Administrator and Angela Patterson, Land Specialist
Geology, Engineering & Land Division
- c) Audit Report**
presented by Rachel Newman, Audit Director
Mineral Income Division
- d) Legal and Title Controversy Report**
presented by Byron Miller, Administrator and Angela Patterson, Land Specialist
Geology, Engineering & Land Division
- e) Docket Review Report**
presented by Byron Miller, Administrator and Angela Patterson, Land Specialist
Geology, Engineering & Land Division

**a) LEASE REVIEW REPORT
SEPTEMBER 9, 2020**

I. GEOLOGICAL AND ENGINEERING STAFF REVIEW

According to the SONRIS database, there are 1,096 active State Leases containing approximately 468,108 acres. Since the last Lease Review Report, the Geology and Engineering Division reviewed 127 leases covering approximately 31,970 acres for lease maintenance and development issues.

II. BOARD REVIEW

1. There were no State Lease items discussed.

III. FORCE MAJEURE

1. There were no Force Majeure items discussed.

**b) NOMINATION AND TRACT REPORT
SEPTEMBER 9, 2020
(Resolution No. 20-09-001)**

The Board heard the report of Mr. Byron Miller on Wednesday September 9, 2020 relative to nominations received in the Office of Mineral Resources for the November 18, 2020 Mineral Lease Sale and other matters.

Based upon Staff's recommendation, and on motion of **Ms. Michaud-Dugas**, duly seconded by **Mr. Watkins**, the Board granted authority to Staff to advertise all such tracts that have been received 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 No. 20-09-001)**

c) AUDIT REPORT
SEPTEMBER 9, 2020

The first matter on the audit report was the election of the September 2020 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
SEPTEMBER 9, 2020
(Resolution Nos. 20-09-002 thru 20-09-003)

The first matter considered by the State Mineral and Energy Board (Board) was a request by Castex Energy Partners, LLC to extend the authority to escrow funds derived from production of State Lease No. 21615 No. 1 Well (Serial No. 250499), in the DISC 12 RA SUA Unit, Bayou Goreau Field, located in Terrebonne Parish, Louisiana, for an additional period commencing on September 9, 2020. The producing leases in the Unit include State Lease Nos. 21608, 21615 and 21616.

Staff reported that the request to extend the authority to escrow funds is due to the ongoing finalization and need to execute the escrow agreement by the parties and the disputed ownership of tracts within the Unit.

Staff recommended that the Board extend the authority to escrow funds for the above referenced matter for one (1) year until September 8, 2021.

Upon motion of Ms. Michaud-Dugas, seconded by Mr. Vorhoff, and by unanimous vote of the Board, the Board voted to approve the request by Castex Energy Partners, LLC to extend the authority to escrow funds derived from production of State Lease No. 21615 No. 1 Well (Serial No. 250499) in the DISC 12 RA SUA Unit, located in Goreau Field, Terrebonne Parish, Louisiana, for one (1) additional year to September 8, 2021. There were no comments from the public on this matter. **(Resolution No. 20-09-002)**

The second matter considered by the Board was a request by Fieldwood Energy LLC (Fieldwood) to amend State Lease Nos. 16473 and 16475 located in Hog Bayou Field, Cameron Parish, Louisiana, to include a shut-in provision for oil wells.

Staff reported that amending these State Leases will allow Fieldwood to make a shut-in payment and an opportunity to work through current pipeline and facility issues.

Staff recommended that the Board amend State Lease Nos. 16473 and 16475 to include the current shut-in, Force Majeure, and other required language.

Upon motion of Ms. Michaud-Dugas, seconded by Mr. Watkins, and by unanimous vote of the Board, the Board approved the request by Fieldwood Energy LLC to amend State Lease Nos. 16473 and 16475 to include the current shut-in, Force Majeure, and other required language. There were no comments from the public on this matter. **(Resolution No. 20-09-003)**

**e) DOCKET REVIEW REPORT
SEPTEMBER 9, 2020
(Resolution No(s). 20-09-004 thru 20-09-009)**

The Board heard the report from Byron Miller on Wednesday, September 9, 2020, relative to the following:

- Category A: State Agency Leases
Docket Item No. 1
- Category B: State Lease Transfers
Docket Item Nos. 1 through 4
- Category C: Department of Wildlife & Fisheries State Agency Lease
There were no items for this category
- Category D: Advertised Proposals
There were no items for this category

Based upon the staff's recommendation, on motion of Ms. LeBlanc, duly seconded by Ms. Michaud-Dugas, the Board voted unanimously to accept the following recommendations:

- Category A: State Agency Leases
Docket Item No. 1 (Resolution No. 20-09-004)
- Category B: State Lease Transfers
Approve Docket Item Nos 1 through 5
(Resolution Nos. 20-09-005 through 20-09-009)

VII. EXECUTIVE SESSION

The Chairman 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 Ms. LeBlanc, seconded by Ms. Michaud-Dugas, the Board Members went into Executive Session at 9:42 a.m.

Upon motion of Ms. LeBlanc, seconded by Mr. Hollenshead, the Board reconvened in open session at 9:48 a.m. for consideration of the following matters discussed in Executive Session:

- a. The Board was briefed in Executive Session on the bids received at today's lease sale.

VIII. AWARDING OF LEASES

The Chairman 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.

In regard to the following bids received, a motion was made by Mr. Watkins, and seconded by Ms. Michaud-Dugas, with Mr. Hollenshead recusing himself from the vote, the Board voted to accept Staff's recommendations to accept the bids and award leases on the following tracts:

Tract 45350
(Portion: 21.000 acres)

Bidder	:	PINE WAVE ENERGY PARTNERS
	:	OPERATING, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$26,250.00
Annual Rental	:	\$13,125.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 45352
(Entire: 111.996 acres)

Bidder	:	USG PROPERTIES HAYNESVILLE,
	:	LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$225,111.96
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Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 45353
(Entire: 22.690 acres)

Bidder Bidder	:	USG PROPERTIES HAYNESVILLE,
	:	LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$45,606.90
Annual Rental	:	\$22,803.45
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

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.

IX. NEW BUSINESS

The Chairman then announced that the next order of business would be the discussion of new business.

No new business was presented.

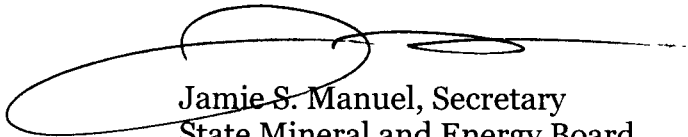
X. ANNOUNCEMENTS

Mr. Manuel stated that the leases awarded totaled \$296,968.86 for the September 9, 2020 Lease Sale bringing the fiscal year total to \$2,106,724.54.

XI. ADJOURNMENT

The Chairman then stated there being no further business to come before the Board, upon motion of Ms. LeBlanc, seconded by Ms. Michaud-Dugas, the meeting was adjourned at 9:51 a.m.

Respectfully Submitted,


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Authority to Advertise
Tracts for the
November 18,
2020 Lease Sale

RESOLUTION #20-09-001

(NOMINATION AND TRACT REPORT)

WHEREAS, Mr. Byron Miller reported that fourteen (14) tract(s) were nominated for the November 18, 2020 Mineral Lease Sale, and requested that same be advertised pending staff review;

ON MOTION of Ms. Michaud-Dugas, 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 tract(s) for the November 18, 2020 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 received 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 9th day of September 2020, 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 #20-09-002

(LEGAL & TITLE CONTROVERSY REPORT)

Castex Energy Partners,
LLC – Request to Extend
Escrow for State Lease
No. 21615 No. 1 Well Serial
No. 250499.

WHEREAS, Castex Energy Partners, LLC (Castex) requested that the State Mineral and Energy Board (Board) extend the authority to escrow funds derived from production from State Lease No. 21615 No. 1 Well (Serial No. 250499) on disputed acreage lying within DISC 12 RA SUA Unit located in Bayou Goreau Field, Terrebonne Parish, Louisiana, for an additional period commencing on September 9, 2020; and

WHEREAS, included in this Unit are the producing leases of State Lease Nos. 21608, 21615 and 21616; and

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

That the Board approve the request from Castex as stated above and extend the authority to escrow funds for one (1) year until September 8, 2021.

ON MOTION of Ms. Michaud-Dugas, seconded by Mr. Vorhoff, after discussion and careful consideration, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board hereby approves the request from Castex Energy Partners, LLC to extend the authority to escrow funds derived from production of State Lease No. 21615 No. 1 Well (Serial No. 250499) on disputed acreage lying within DISC 12 RA SUA Unit located in Bayou Goreau Field, Terrebonne Parish, Louisiana, until September 8, 2021.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 9th day of September 2020 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 #20-09-003

(LEGAL & TITLE CONTROVERSY REPORT)

Fieldwood Energy LLC –
Request to amend State
Lease Nos. 16473 and
16475 to include a shut-in
provision for oil wells.

WHEREAS, Fieldwood Energy LLC (Fieldwood) requests that the State Mineral and Energy Board (Board) grant authority to amend State Lease Nos. 16473 and 16475 located in Hog Bayou Field, Cameron Parish, Louisiana, to include a shut-in provision for oil wells; and

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

That the Board approve the request from Fieldwood to amend the above mentioned State Leases to include the current shut-in, Force Majeure, and other required language.

ON MOTION of Ms. Michaud-Dugas, seconded by Mr. Watkins, after discussion and careful consideration, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED that the request by Fieldwood Energy LLC to amend State Lease Nos. 16473 and 16475 located in Hog Bayou Field, Cameron Parish, Louisiana, is hereby approved by the State Mineral and Energy Board to include the current shut-in, Force Majeure, and other required language.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 9th day of September, 2020 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 #20-009-004

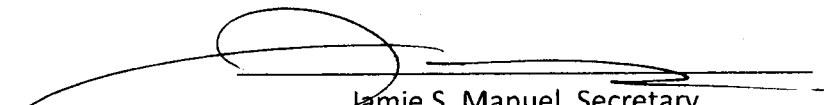
(DOCKET)

On motion of Ms. LeBlanc, seconded by Ms. Michaud-Dugas, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the September 9, 2020 meeting be approved, said instrument being An Oil, Gas and Mineral Lease from the Atchafalaya Basin Levee District, dated June 1, 2020, awarded to Interstate Explorations, LLC, covering lands located within Lot 1 of Section 24, Township 10 South, Range 10 East, being the fractional Southwest Quarter of Section 24, being the un-surveyed portion of that Section South of Irregular Section 92 and 93 of T10S-R10E, containing 25.42 acres, more or less, Iberville Parish, Louisiana, with further contractual obligations being more enumerated 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 9th day of September, 2020 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 #20-09-005

(DOCKET)

On motion of Ms. LeBlanc, seconded by Ms. Michaud-Dugas, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the September 9, 2020 meeting be approved, said instrument a Merger whereby Dorado Deep GP, LLC and GOME 1271 LLC are merging with and into Talos Third Coast LLC, affecting State Lease Nos. 378, 2366, 2585, 2620, 3184, 3185, 3586, 3909, 5683, 14108, 18090, 18091, 19531, 19774, 20035, 20219, 20220, 20221, 20222, 20223, 20224, 20367, 20368, 20369, 20526, 20527, 20528, 20529, 20530, 20625, 20643, 20753, 20850, 21061, 21608, 21614, 21615, 21616, 21676, 21677, 21903 and Operating Agreements "A0072" and "A0383", Lafourche, St. Charles, St. Mary, Terrebonne and Vermilion Parishes, Louisiana, with further particulars being stipulated in the instrument.

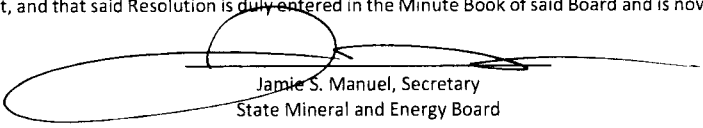
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 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, sublessee 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 9th day of September, 2020, 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 #20-09-006 (DOCKET)

On motion of Ms. LeBlanc, seconded by Ms. Michaud-Dugas, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the September 9, 2020 meeting be approved, said instrument an Assignment from CICO Oil & Gas Company to Dubroff Holdings, LLC, of all of Assignor's right, title and interest in and to State Lease No. 20546, Jefferson Davis Parish, Louisiana, with further particulars being stipulated in the instrument.

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

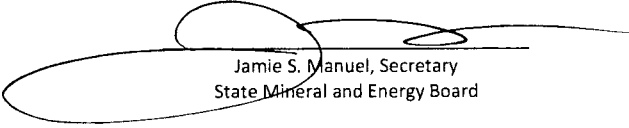
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 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 9th day of September, 2020, 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 #20-09-007

(DOCKET)

On motion of Ms. LeBlanc, seconded by Ms. Michaud-Dugas, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the September 9, 2020 meeting be approved, said instrument an Assignment from Neumin Production Company to Mack Energy Co., of all of Assignor's right, title and interest in and to State Lease No. 17140, Jefferson and St. Charles Parishes, Louisiana, with further particulars being stipulated in the instrument.

Mack Energy Co. 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;

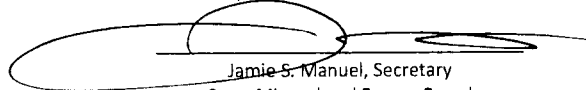
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 9th day of September, 2020, 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 #20-09-008 (DOCKET)

On motion of Ms. LeBlanc, seconded by Ms. Michaud-Dugas, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the September 9, 2020 meeting be approved, said instrument an Assignment from Belle Exploration Inc. to Windham Oil Corp., of all of Assignor's right, title and interest in and to State Lease Nos. 16826, 16827 and 17313, LaSalle Parish, Louisiana, with further particulars being stipulated in the instrument.

Windham Oil Corp. 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;

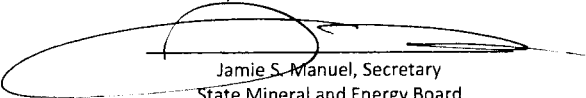
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 9th day of September, 2020, 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 #20-09-009

(DOCKET)

On motion of Ms. LeBlanc, seconded by Ms. Michaud-Dugas, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the September 9, 2020 meeting be approved, said instrument an Assignment from Six Pines Exploration, LLC to Guadalupe Bay Ranch, LLC, an undivided 5% of 8/8^{ths} in and to State Lease Nos. 18165, 21187, 21692, 21693, 21694 and 21695, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

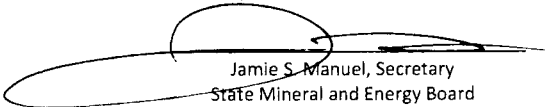
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 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 9th day of September, 2020, 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