

**REGULAR MEETING  
FEBRUARY 8, 2023**

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, February 8, 2023**, beginning at 9:40 a.m. in the LaBelle Room of the LaSalle Building, 617 N. 3<sup>rd</sup> Street, First Floor, Baton Rouge, Louisiana.

**I. CALL TO ORDER**

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

**II. ROLL CALL**

OMR Assistant Secretary Jamie Manuel then called the roll for the purpose of establishing a quorum.

**W. Paul Segura, Jr., Chairman**  
**Carol R. LeBlanc, Vice-Chair**  
**J. Todd Hollenshead**  
**Robert D. Watkins**  
**Rochelle A. Michaud-Dugas**  
**Darryl D. Smith**  
**Thomas F. Harris, DNR Secretary**  
**Harry J. Vorhoff, Governor John Bel Edwards Designee**

The following members were recorded as absent:

**Thomas L. Arnold, Jr.**  
**Willie J. Young, Sr.**  
**Harvey "Ned" White**

Chairman Segura announced that a quorum of eight (8) members 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. ELECTION OF THE CHAIRMAN AND VICE-CHAIR(MAN) OF THE STATE MINERAL AND ENERGY BOARD**

The Chairman stated that the first order of business was the election of the Chairman and Vice-Chair(man).

A motion was made by Mr. Harris to re-elect Mr. Segura as Chairman and Ms. LeBlanc as Vice-Chair. His motion was seconded by Ms. Michaud-Dugas and unanimously adopted by the Board. (No public comment was made at this time.)

**V. APPROVAL OF THE JANUARY 11, 2023 MINUTES**

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

A motion was made by Mr. Vorhoff to adopt the January 11, 2023 Minutes as submitted and to waive reading of the same. His motion was seconded by Mr. Smith and unanimously adopted by the Board. (No public comments were made at this time.)

The Chairman stated the next order of business was the presentation of the following Staff Reports:

**V. STAFF REPORTS**

- a) **Lease Review Report** – Presented by Jason Talbot, Petroleum Scientist Manager, and Charles Bradbury, P.E., Petroleum Scientist Manager, Geology, Engineering and Land Division
- b) **Nomination and Tract Report** – Presented by Greg Roberts, Petroleum Lands Director, Geology, Engineering and Land Division
- c) **Audit Report** – Presented by Rachel Newman, Audit Director, Mineral Income Division
- d) **Legal and Title Controversy Report** – Presented by Greg Roberts, Petroleum Lands Director, Geology, Engineering and Land Division
- e) **Docket Review Report** – Presented by Greg Roberts, Petroleum Lands Director, Geology, Engineering and Land Division

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

**a) LEASE REVIEW REPORT  
FEBRUARY 8, 2023  
(Resolution No. 23-02-001)**

**I. GEOLOGICAL AND ENGINEERING STAFF REVIEW**

According to the SONRIS database, there are 1,004 active State Leases containing approximately 424,774 acres. Since the last Lease Review Report, the Geological and Engineering Division reviewed 97 leases covering approximately 41,272 acres for lease maintenance and development.

**II. BOARD REVIEW**

There were no State Lease items to bring before the Board.

**III. FORCE MAJEURE**

1. Mr. Charles Bradbury of the Office of Mineral Resources reported that Lobo Operating Inc. (Lobo) requested extension of the force majeure recognition affecting State Lease No. 1268 in Main Pass Block 47 Field, Plaquemines Parish.

Mr. Bradbury further reported that Lobo experienced a blowout caused by a wellhead valve failure on the last producing well on the lease and that preliminary indications are that Lobo will need to drill a new well to re-establish production on the lease.

Mr. Bradbury continued that the Board confirmed the Staff's recognition of the force majeure event at the June 8, 2022 Meeting.

Staff also reported that Lobo was granted six (6) months until the December 14, 2022 Board Meeting to review options and initiate downhole operations to restore production and, since the December 2022 Board Meeting was canceled, this matter was deferred to the January 11, 2023 Meeting where the Board deferred action until the February 8, 2023 Meeting.

Staff recommended that the Board defer this matter one (1) month until the March 8, 2023 Meeting, at which time, Lobo will submit a plan to restore production and a partial release of acreage.

Upon motion of Mr. Hollenshead, seconded by Mr. Watkins and by unanimous vote of the Board, the Board deferred this matter one (1) month until the March 8, 2023 Meeting, at which time, Lobo will submit a plan to restore production and a partial release of acreage. There were no comments from the public on this matter. (Resolution No. 23-02-001)

**b) NOMINATION AND TRACT REPORT  
FEBRUARY 8, 2023  
(Resolution No. 23-02-002)**

The Board heard the report of Mr. Greg Roberts on Wednesday, February 8, 2023, relative to nominations received in the Office of Mineral Resources for the February 8, 2023 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. 23-02-002)

**c) AUDIT REPORT  
FEBRUARY 8, 2023**

The first matter on the audit report was the election of the February 2023 gas royalty to be paid on an unprocessed 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 CONTROVERSY REPORT  
FEBRUARY 8, 2023**

(Resolution Nos. 23-02-003 through 23-02-007 and 23-02-014)

The first matter considered by the State Mineral and Energy Board (Board) was previously granted authority to several operators to escrow funds derived from the production of minerals within State owned land where conflicts in ownership have been determined.

Staff reported that authority was granted to hold these funds within separate escrow accounts that are controlled by a third party, however, Staff has identified instances where escrow accounts have not been opened and suspended funds still sit in accounts held by the operator or lessee.

Staff further reported that where deemed appropriate, Staff requests approval to cancel any existing and previously granted authority to escrow funds and move to require concursus proceedings where escrow accounts have been previously approved.

Staff recommended that the Board grant approval to Staff to cancel previously granted authorities to escrow funds and initiate concursus proceedings where third party escrow accounts have not been established.

After unanimous vote of the Board and upon motion of Mr. Watkins, seconded by Mr. Smith, the State Mineral and Energy Board granted approval to Staff to cancel previously granted authorities to escrow funds and initiate concursus proceedings where third party escrow accounts have not been established. There were no comments from the public on this matter. (Resolution No. 23-02-003)

The second matter considered by the Board was a request by Krewe Energy for a six (6) month extension of the authority to escrow funds derived from production attributable to Unit Tracts 4A and 6A within State Lease No. 21698 located in the EXPOSITO B RF SUA Unit, Lapeyrouse Field, Terrebonne Parish, granted under Resolution #22-02-007 dated February 9, 2022.

Upon motion of Ms. Michaud-Dugas, seconded by Mr. Smith, and by unanimous vote of the Board, the State Mineral and Energy Board approved Krewe Energy's request for a six (6) month extension of the authority to escrow funds derived from production attributable to Unit Tracts 4A and 6A within State Lease No. 21698 located in the EXPOSITO B RF SUA Unit, Lapeyrouse Field, Terrebonne Parish, until the August 9, 2023 Board Meeting. Comment was received by Isaac Jackson. (Resolution No. 23-02-004)

The third matter considered by the Board was a request by Krewe Energy for a six (6) month extension of the authority to escrow funds derived from production attributable to Unit Tract 1 within State Lease No. 21662 located in the FF-GG RA SUA Unit, Lapeyrouse Field, Terrebonne Parish, granted under Resolution #22-02-008 dated February 9, 2022.

Upon motion of Mr. Watkins, seconded by Mr. Vorhoff, and by unanimous vote of the Board, the State Mineral and Energy Board approved Krewe Energy's request for a six (6) month extension of the authority to escrow funds derived from production attributable to Unit Tract 1 within State Lease No. 21662 located in the FF-GG RA SUA Unit, Lapeyrouse Field, Terrebonne Parish, until the August 9, 2023 Board Meeting. There were no comments from the public on this matter. (Resolution No. 23-02-005)

The fourth matter considered by the Board was a request by Krewe Energy for a six (6) month extension of the authority to escrow funds derived from production attributable to Unit Tracts 1 through 7 and Unit Tracts 13 through 21 within State Lease Nos. 21662, 21696, and 21697 located in the BOURG B SUI Unit, Lapeyrouse Field, Terrebonne Parish, granted under Resolution #22-02-009 dated February 9, 2022.

Upon motion of Mr. Vorhoff, seconded by Mr. Hollenshead, and by unanimous vote of the Board, the State Mineral and Energy Board approved Krewe Energy's request for a six (6) month extension of the authority to escrow funds derived from production attributable to Unit Tracts 1 through 7 and Unit Tracts 13 through 21 within State Lease Nos. 21662, 21696, and 21697 located in the BOURG B SUI Unit, Lapeyrouse Field,

Terrebonne Parish, granted under Resolution #22-02-009 dated February 9, 2022. There were no comments from the public on this matter. (Resolution No. 23-02-006)

The fifth matter considered by the Board was a request by Staff, pursuant to La. R.S. 30:209(4)(e), for authority to conduct public hearings in Jefferson and St. Charles Parishes pursuant to La. R.S. 30:6, for consideration of entering into an Operating Agreement with NuQuest Energy LLC for the storage of carbon dioxide upon and beneath State owned lands and water-bottoms and land owned by the Department of Wildlife and Fisheries (Public Hearing).

Staff reported that together with the public notice that will be advertised by Staff in relation to the Public Hearing, Staff also requests authority to advertise a public notice regarding the possibility of entering into the Operating Agreement with NuQuest Energy LLC to store carbon dioxide beneath the same State owned lands and water-bottoms and land owned by the Department of Wildlife and Fisheries and directing an interested party to present an offer covering these lands prior to the Public Hearing in order for that offer to be considered by the Board.

Staff continued that the date of the public hearing and the specific areas to be covered by the proposed Operating Agreement will be set forth in the public notice.

This matter was deferred to allow further discussion between the Board Members and Staff in Executive Session and will be revisited after Executive Session.

After Executive Session, this matter was revisited by the Board. After careful consideration and lengthy discussion in Executive Session, upon motion of Mr. Harris, seconded by Mr. Watkins, and by unanimous vote of the Board, the State Mineral and Energy Board approved the above request by Staff. There were no comments from the public on this matter. (Resolution No. 23-02-014)

The sixth matter considered by the Board was a request by EnSight IV Energy Partners, LLC to temporarily remove State owned land from commerce while the State Mineral and Energy Board considers an Operating Agreement on acreage within the HA RB SUX in Section 8, Township 13 North, Range 11 West, DeSoto and Red River Parishes, Louisiana.

Staff recommended that the Board give the Staff authority for the aforementioned request.

Upon motion of Mr. Watkins, seconded by Mr. Harris, and by unanimous vote of the Board, the State Mineral and Energy Board approved the request by EnSight IV Energy Partners, LLC to temporarily remove State owned land from commerce while the State Mineral and Energy Board considers an Operating Agreement on acreage within the HA RB SUX in Section 8, Township 13 North, Range 11 West, DeSoto and Red River Parishes, Louisiana. There were no comments from the public on this matter. (Resolution No. 23-02-007)

The seventh matter considered by the Board was a discussion of a proposal to conduct an aerial gravity survey of State water bottoms and whether the State Mineral and Energy Board has the ability to grant a permit.

This matter was a discussion only and no action was taken by the Board.

**e) DOCKET REVIEW REPORT**  
**FEBRUARY 8, 2023**  
(Resolution Nos. 23-02-008 thru 23-02-013)

The Board heard the report from Greg Roberts on Wednesday, February 8, 2023, relative to the following:

- Category A: State Agency Leases  
There were no items for this category
- Category B: State Lease Transfers  
Docket Item Nos. 1 through 5
- 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. Hollenshead, duly seconded by Mr. Smith, the Board voted to accept the following recommendations:

- Category B: State Lease Transfers  
Docket Item Nos. 1 through 5  
(Resolution Nos. 23-02-008 through 23-02-012)
- Category D: Advertised Proposals  
Docket Item No. 1  
(Resolution No. 23-00-013)

## **VI. 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 Mr. Vorhoff, seconded by Ms. Michaud-Dugas, the Board Members went into Executive Session at 10:24 a.m.

Upon motion of Mr. Watkins, seconded by Ms. LeBlanc, the Board reconvened in open session at 11:12 a.m. for consideration of the following matters discussed in Executive Session:

- a. Discussion of and request for authority on settlement negotiations of mineral production audits of ConocoPhillips, Burlington Resources, and LL&E for audit periods ranging from January 2003 through December 2012.

Upon motion of Ms. Michaud-Dugas, seconded by Mr. Watkins, and by unanimous vote of the Board, the State Mineral and Energy Board granted authority to Staff to proceed as discussed in Executive Session on this matter. There were no comments from the public on this matter. (Resolution No. 23-02-015)

- b. A discussion of a lease extension request and offer from Pinnacle Energy International (USA) I LLC and Sun Louisiana LLC regarding State Lease No. 21754.

Upon motion of Ms. Michaud-Dugas, seconded by Mr. Smith, and by unanimous vote of the Board, the State Mineral and Energy Board granted authority to Staff to proceed as discussed in Executive Session on this matter. There were no comments from the public on this matter. (Resolution No. 23-02-016)

- c. An update and discussion of ongoing negotiations of Operating Agreements for carbon capture and sequestration and wind energy projects on State owned lands and water-bottoms and for property owned by the Louisiana Department of Wildlife and Fisheries.

This matter was a discussion only and no action was taken by the Board.

- d. Technical Briefing on Bids

## **VII. 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.

The Staff reported there were sixteen (16) tracts up for bid and that there were single bids received on nine (9) tracts, four (4) in south Louisiana and five (5) in north Louisiana.

The Staff reported that there were two (2) tracts that needed further discussion.

The Staff continued that Staff recommends that the bid received on Tract 45617 be rejected due to improper bid and be opened to the floor for competitive bidding.



Upon motion by Ms. Michaud-Dugas, seconded by Mr. Vorhoff, the Board unanimously voted to reject the bid on Tract No. 45617 and open the floor to allow for oral bidding on Tract No. 45617.

Upon request by the Chairman for oral bidding on Tract No. 45617, Mr. Randy Dufrene representing Longleaf Oil and Gas, LLC, came forward and offered the following:

**Tract 45617**  
(Entire: 110.00 acres)

|                           |                                                     |
|---------------------------|-----------------------------------------------------|
| Bidder                    | : Longleaf Oil and Gas, LLC                         |
| Primary Term              | : Three (3) years                                   |
| Cash Payment              | : \$352,660.00                                      |
| Annual Rental             | : \$176,330.00                                      |
| Royalties                 | : 25.2% on oil and gas<br>: 25.2% on other minerals |
| Additional Consideration: | None                                                |

There being no other bidders on this tract, upon motion by Mr. Vorhoff, seconded by Mr. Hollenshead, and based on Staff's recommendations, the Board unanimously voted to award a lease on Tract No. 45617 to Longleaf Oil and Gas, LLC.

The Staff reported that the second tract needing further discussion was Tract 45619. Staff recommended that the bid received on Tract 45619 be rejected due to improper bid and be opened to the floor for competitive bidding.

Upon motion by Ms. Michaud-Dugas, seconded by Mr. Watkins, the Board unanimously voted to reject the bid on Tract No. 45619 and open the floor to allow for oral bidding on Tract No. 45619.

Upon request by the Chairman for oral bidding on Tract No. 45619, Mr. Pat Theophilus representing Pride Oil & Gas Properties, Inc., came forward and offered the following:

**Tract 45619**  
(Entire: 15.00 acres)

|                           |                                                     |
|---------------------------|-----------------------------------------------------|
| Bidder                    | : Pride Oil & Gas Properties, Inc.                  |
| Primary Term              | : Three (3) years                                   |
| Cash Payment              | : \$3,975.00                                        |
| Annual Rental             | : \$1,987.50                                        |
| Royalties                 | : 21.0% on oil and gas<br>: 21.0% on other minerals |
| Additional Consideration: | None                                                |

There being no other bidders on this tract, upon motion by Mr. Watkins, seconded by Mr. Harris, and based on Staff's recommendations, the Board unanimously voted to award a lease on Tract No. 45619 to Pride Oil & Gas Properties, Inc.

Staff stated that all other bids were acceptable.

Upon motion of Mr. Watkins, and seconded by Mr. Hollenshead, the Board voted unanimously to accept the following bids and award leases on the following Tracts:

**Tract 45616**

(Entire: 475.360 acres)

Bidder : Cantium, LLC  
Primary Term : Five (5) years  
Cash Payment : \$96,498.08  
Annual Rental : \$48,249.04  
Royalties : 20.0% on oil and gas  
: 20.0% on other minerals  
Additional Consideration: None

**Tract 45621**

(Portion: 82.00 acres)

Bidder : LLOLA, L.L.C.  
Primary Term : Three (3) years  
Cash Payment : \$16,564.00  
Annual Rental : \$8,282.00  
Royalties : 20.50% on oil and gas  
: 20.50% on other minerals  
Additional Consideration: None

**Tract 45625**

(Portion: 221.700 acres)

Bidder : Hilcorp Energy 1, L.P.  
Primary Term : Three (3) years  
Cash Payment : \$44,340.00  
Annual Rental : \$22,170.00  
Royalties : 20.0% on oil and gas  
: 20.0% on other minerals  
Additional Consideration: None

**Tract 45626**

(Entire: 68.480 acres)

Bidder : Cypress Energy Partners, LLC  
Primary Term : Three (3) years  
Cash Payment : \$273,920.00  
Annual Rental : \$136,960.00  
Royalties : 25.0% on oil and gas  
: 25.0% on other minerals  
Additional Consideration: None

**Tract 45627**

(Entire: 4.80 acres)

Bidder : Cypress Energy Partners, LLC  
Primary Term : Three (3) years  
Cash Payment : \$19,200.00  
Annual Rental : \$9,600.00  
Royalties : 25.0% on oil and gas  
: 25.0% on other minerals  
Additional Consideration: None

**Tract 45628**

(Entire: 3.67 acres)

Bidder : SWN Production (Louisiana), LLC  
Primary Term : Three (3) years  
Cash Payment : \$9,175.00  
Annual Rental : \$4,587.50  
Royalties : 25.0% on oil and gas  
: 25.0% on other minerals  
Additional Consideration: None

**Tract 45631**

(Entire: 32.9233 acres)

Bidder : SWN Production (Louisiana), LLC  
Primary Term : Three (3) years  
Cash Payment : \$98,769.90  
Annual Rental : \$49,384.95  
Royalties : 25.0% on oil and gas  
: 25.0% 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.

This concluded the awarding of the leases.

## **VII. NEW BUSINESS**

Mr. Manuel stated that the leases awarded totaled \$915,101.98 for the February 8, 2023 Lease Sale bringing the fiscal year total to \$7,564,842.15.

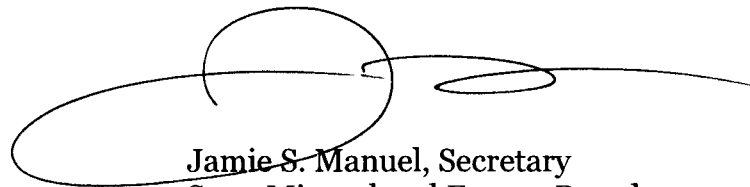
## **IX. ANNOUNCEMENTS**

The Chairman announced that Joey Landry is retiring from Cypress Energy Corporation.

## **X. ADJOURNMENT**

The Chairman then stated that there being no further business to come before the Board, upon motion of Ms. Michaud-Dugas, seconded by Mr. Vorhoff, the meeting was adjourned at 11:23 a.m.

Respectfully Submitted,

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal line that ends in a small flourish.

Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### RESOLUTION #23-02-001

#### (LEASE REVIEW REPORT)

**WHEREAS**, on motion of Mr. Hollenshead, seconded by Mr. Watkins, the following resolution was offered and adopted:

**WHEREAS**, Mr. Charles Bradbury of the Office of Mineral Resources made a report on a request by Lobo Operating Inc. (Lobo) for extension of the force majeure recognition affecting State Lease No. 1268 in Main Pass Block 47 Field, Plaquemines Parish; and

**WHEREAS**, the Staff reported that the Board confirmed the Staff's recognition of the force majeure event at the June 8, 2022 Meeting; and

**WHEREAS**, the Staff reported Lobo was granted six (6) months until the December 14, 2022 Board Meeting to review options and initiate downhole operations to restore production and, since the December 2022 Board Meeting was canceled, this matter was deferred to the January 11, 2023 Meeting where the Board deferred action until the February 8, 2023 Meeting; and

**WHEREAS**, the Staff recommends that the Board defer this matter one (1) month until the March 8, 2023 Meeting, at which time, Lobo will submit a plan to restore production and a partial release of acreage.

**NOW THEREFORE BE IT RESOLVED**, that the State Mineral and Energy Board deferred this matter one (1) month until the March 8, 2023 Meeting, at which time, Lobo will submit a plan to restore production and a partial release of acreage.

#### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of February 2023, 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  
LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Authority to Advertise  
Tracts for the April 12,  
2023 Lease Sale

## RESOLUTION #23-02-002

(NOMINATION AND TRACT REPORT)

**WHEREAS**, Mr. Greg Roberts reported that thirteen (13) tracts were nominated for the April 12, 2023 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 April 12, 2023 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 8th day of February, 2023, 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 #23-02-003

(LEGAL & TITLE CONTROVERSY REPORT)

Request by Staff to cancel previously granted authority to escrow funds and initiate concursus proceedings where third party escrow accounts have not been established.

**WHEREAS**, the State Mineral and Energy Board previously granted authority to several operators to escrow funds derived from the production of minerals within State owned land where conflicts in ownership have been determined; and

**WHEREAS**, the Staff reported that authority was granted to hold these funds within separate escrow accounts that are controlled by a third party, however, Staff has identified instances where escrow accounts have not been opened and suspended funds still sit in accounts held by the operator or lessee; and

**WHEREAS**, the Staff further reported that where deemed appropriate, Staff requests approval to cancel any existing and previously granted authority to escrow funds and move to require concursus proceedings where escrow accounts have been previously approved; and

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

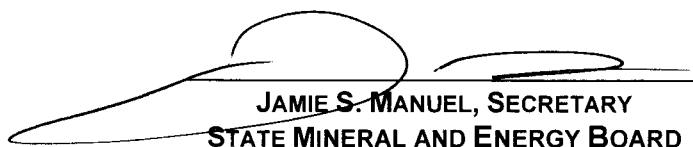
That the Board grant the Staff approval to cancel previously granted authorities to escrow funds and initiate concursus proceedings where third party escrow accounts have not been established.

**ON MOTION** of Mr. Watkins, seconded by Mr. Smith, 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 grants authority to the Staff to cancel previously granted authorities to escrow funds and initiate concursus proceedings where third party escrow accounts have not been established.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of February, 2023 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 #23-02-004

(LEGAL & TITLE CONTROVERSY REPORT)

Request to Extend Escrow  
to 8/9/23; Tracts 4A & 6A;  
Exposito B RF SUA Unit;  
State Lease No. 21698

**WHEREAS**, Krewe Energy requested that the Board grant a six (6) month extension of the authority to escrow funds derived from production attributable to Unit Tracts 4A and 6A within State Lease No. 21698 located in the EXPOSITO B RF SUA Unit, Lapeyrouse Field, Terrebonne Parish, granted under Resolution #22-02-007 dated February 9, 2022; and

**WHEREAS**, in response to this request, OMR Staff offered the following recommendation for consideration by the State Mineral and Energy Board (Board):

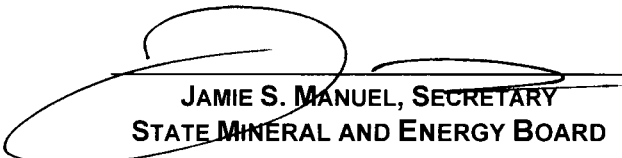
That the Board approve Krewe Energy's request for a six (6) month extension of the authority to escrow funds derived from production attributable to Unit Tracts 4A and 6A within State Lease No. 21698 located in the EXPOSITO B RF SUA Unit, Lapeyrouse Field, Terrebonne Parish, until the August 9, 2023 Board Meeting.

**ON MOTION** of Ms. Michaud-Dugas, seconded by Mr. Smith, 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 Krewe Energy that the Board grant a six (6) month extension of the authority to escrow funds derived from production attributable to Unit Tracts 4A and 6A within State Lease No. 21698 located in the EXPOSITO B RF SUA Unit, Lapeyrouse Field, Terrebonne Parish, is hereby extended until the August 9, 2023 Board Meeting.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of February, 2023 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 #23-02-005

(LEGAL & TITLE CONTROVERSY REPORT)

Extend Escrow Unit Tract 1  
within State Lease No. 21662  
located in the FF-GG RA  
SUA Unit, Lapeyrouse Field,  
Terrebonne Parish to  
August 9, 2023

**WHEREAS**, Krewe Energy requested that the Board grant a six (6) month extension of the authority to escrow funds derived from production attributable to Unit Tract 1 within State Lease No. 21662 located in the FF-GG RA SUA Unit, Lapeyrouse Field, Terrebonne Parish, granted under Resolution #22-02-008 dated February 9, 2022; and

**WHEREAS**, in response to this request, OMR Staff offered the following recommendation for consideration by the State Mineral and Energy Board (Board):

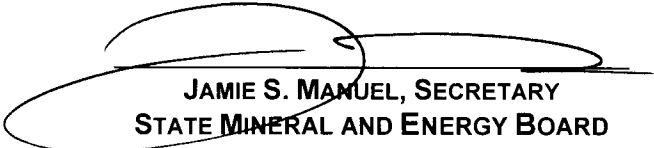
That the Board approve Krewe Energy's request for a six (6) month extension of the authority to escrow funds derived from production attributable to Unit Tract 1 within State Lease No. 21662 located in the FF-GG RA SUA Unit, Lapeyrouse Field, Terrebonne Parish, granted under Resolution #22-02-008 dated February 9, 2022.

**ON MOTION** of Mr. Watkins, 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 request by Krewe Energy that the Board grant a six (6) month extension of the authority to escrow funds derived from production attributable to Unit Tract 1 within State Lease No. 21662 located in the FF-GG RA SUA Unit, Lapeyrouse Field, Terrebonne Parish, granted under Resolution #22-02-008 dated February 9, 2022, is hereby extended until the August 9, 2023 Board Meeting.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of February, 2023 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 #23-02-006

(LEGAL & TITLE CONTROVERSY REPORT)

Extend Escrow to Unit Tracts 1 through 7 and Unit Tracts 13 through 21 within State Lease Nos. 21662, 21696, and 21697 located in the BOURG B SUI Unit, Lapeyrouse Field, Terrebonne Parish August 9, 2023

**WHEREAS**, Krewe Energy requested that the Board grant a six (6) month extension of the authority to escrow funds derived from production attributable to Unit Tracts 1 through 7 and Unit Tracts 13 through 21 within State Lease Nos. 21662, 21696, and 21697 located in the BOURG B SUI Unit, Lapeyrouse Field, Terrebonne Parish, granted under Resolution #22-02-009 dated February 9, 2022; and

**WHEREAS**, in response to this request, OMR Staff offered the following recommendation for consideration by the State Mineral and Energy Board (Board):

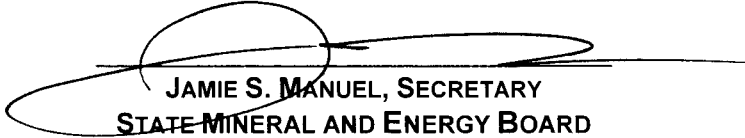
That the Board approve Krewe Energy's request for a six (6) month extension of the authority to escrow funds derived from production attributable to Unit Tracts 1 through 7 and Unit Tracts 13 through 21 within State Lease Nos. 21662, 21696, and 21697 located in the BOURG B SUI Unit, Lapeyrouse Field, Terrebonne Parish, granted under Resolution #22-02-009 dated February 9, 2022.

**ON MOTION** of Mr. Vorhoff, 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 request by Krewe Energy that the Board grant a six (6) month extension of the authority to escrow funds derived from production attributable to Unit Tracts 1 through 7 and Unit Tracts 13 through 21 within State Lease Nos. 21662, 21696, and 21697 located in the BOURG B SUI Unit, Lapeyrouse Field, Terrebonne Parish, is hereby extended until the August 9, 2023 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 8th day of February, 2023 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 #23-02-007

(LEGAL & TITLE CONTROVERSY REPORT)

Request by EnSight IV Energy Partners, LLC to temporarily remove State owned land from commerce while SMEB considers Operating Agreement on acreage within the HA RB SUX in Section 8, Township 13 North, Range 11 West, DeSoto and Red River Parishes.

**WHEREAS**, the State Mineral and Energy Board received a request by EnSight IV Energy Partners, LLC to temporarily remove State owned land from commerce while the State Mineral and Energy Board considers an Operating Agreement on acreage within the HA RB SUX in Section 8, Township 13 North, Range 11 West, DeSoto and Red River Parishes, Louisiana; and

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

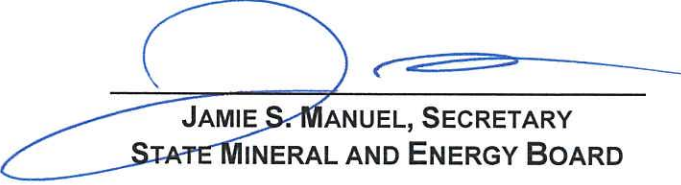
That the Board grant the Staff authority to temporarily remove this acreage from commerce.

**ON MOTION** of Mr. Watkins, seconded by Mr. Harris, 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 grants authority to the Staff to temporarily remove State owned land from commerce while the State Mineral and Energy Board considers an Operating Agreement with EnSight IV Energy Partners, LLC on acreage within the HA RB SUX in Section 8, Township 13 North, Range 11 West, DeSoto and Red River Parishes, Louisiana.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of February, 2023 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 #23-02-008

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the February 8, 2023 meeting be approved, said being an Assignment from CL&F Resources LP to Breton Sound Holdings, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 17774, 17775, 18284, 18292 and 18356, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

Breton Sound 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;

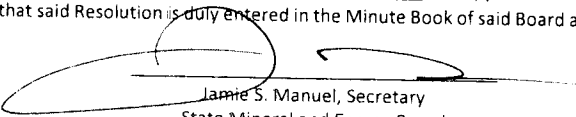
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 8th day of February, 2023, 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 #23-02-009

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the February 8, 2023 meeting be approved, said being an Assignment from HE&D Offshore, L.P. to Breton Sound Holdings, LLC, of all of Assignor's right, title and interest in and to State Lease No. 17774, 17775, 18284, 18292 and 18356, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

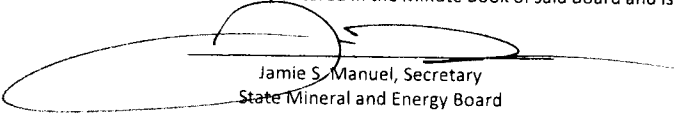
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 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 8th day of February, 2023, 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 #23-02-010 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the February 8, 2023 meeting be approved, said being an Assignment from Houston Energy, L.P. to Breton Sound Holdings, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 17774, 17775, 18284, 18292 and 18356, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

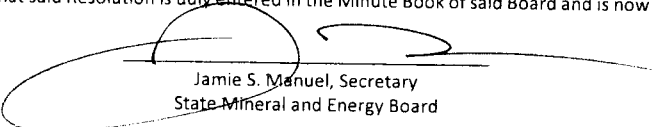
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 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 8th day of February, 2023, 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 #23-02-011 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the February 8, 2023 meeting be approved, said being an Assignment from Helis Oil & Gas Company, L.L.C. to Breton Sound Holdings, LLC, of all of Assignor's right, title and interest in and to State Lease No. 17774, 17775, 18284, 18292 and 18356, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

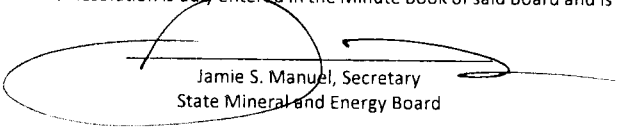
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 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 8th day of February, 2023, 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 #23-02-012

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the February 8, 2023 meeting be approved, said being an Assignment from Cypress Energy Corporation to Paloma Natural Gas, LLC, of all of Assignor's right, title and interest in and to State Lease No. 22113, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

Paloma Natural Gas, 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;

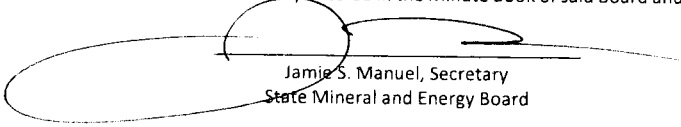
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 8th day of February, 2023, 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 #23-02-013**

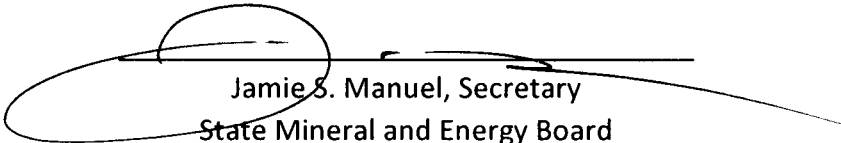
**(DOCKET)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item 23-03 from the February 8, 2023 meeting be approved, said instrument being a Settlement Agreement and Release by and between the State of Louisiana, the Mineral and Energy Board of the State of Louisiana, BPX Operating Company, Aethon III HV, LLC, PEO Haynesville Holdco II, LLC, Edgar Cason, Flora Cason, Cason Mineral Company, L.L.C., Alton R. Lott, Jr., SWN Production (Louisiana), LLC, VPOE: Land Investments, LLC, David Poston, The United States Department of Treasury-Internal Revenue Service, Farm Credit Bank of Texas, Joe B. Bultler, Gloria Jan Butler Riser, Chesapeake Louisiana, L.P., Chesapeake Plains, LLC, PXP Louisiana L.L.C. and Comstock Oil & Gas-Louisiana, LLC, whereas said parties have reached a settlement in the suit *BHP Biliton Petroleum Properties (N.A.), LP, et al v. Joe Brunson Butler, et al*, Docket No. 150625, Twenty-Sixth Judicial District Court, Bossier Parish, Louisiana, affecting State Lease Nos. 19764 and 19765, Bossier 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 8th day of February, 2023 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 #23-02-014

(LEGAL & TITLE CONTROVERSY REPORT)

Request by Staff for authority to conduct public hearings in Jefferson and St. Charles Parishes for consideration of entering into an Operating Agreement with NuQuest Energy LLC for the storage of carbon dioxide.

**WHEREAS**, a request by Staff, pursuant to La. R.S. 30:209(4)(e), for authority to conduct public hearings in Jefferson and St. Charles Parishes pursuant to La. R.S. 30:6, for consideration of entering into an Operating Agreement with NuQuest Energy LLC for the storage of carbon dioxide upon and beneath State owned lands and water-bottoms and land owned by the Department of Wildlife and Fisheries (Public Hearing); and

**WHEREAS**, the Staff reported that together with the public notice that will be advertised by Staff in relation to the Public Hearing, Staff also requests authority to advertise a public notice regarding the possibility of entering into the Operating Agreement with NuQuest Energy LLC to store carbon dioxide beneath the same State owned lands and water-bottoms and land owned by the Department of Wildlife and Fisheries and directing an interested party to present an offer covering these lands prior to the Public Hearing in order for that offer to be considered by the Board; and

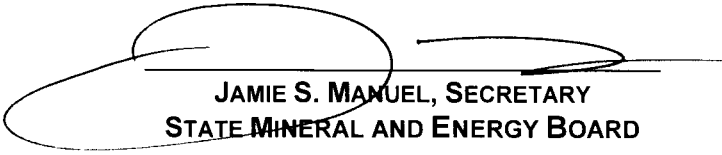
**WHEREAS**, the Staff continued that the date of the public hearing and the specific areas to be covered by the proposed Operating Agreement will be set forth in the public notice; and

**WHEREAS**, this matter was deferred to allow further discussion between the Board Members and Staff in Executive Session.

**NOW THEREFORE, BE IT RESOLVED** that, after careful consideration and lengthy discussion in Executive Session, and upon motion of Mr. Harris, seconded by Mr. Watkins, and by unanimous vote of the Board, the State Mineral and Energy Board approved the request by Staff for authority to conduct public hearings in Jefferson and St. Charles Parishes pursuant to La. R.S. 30:6, for consideration of entering into an Operating Agreement with NuQuest Energy LLC for the storage of carbon dioxide upon and beneath State owned lands and water-bottoms and land owned by the Department of Wildlife and Fisheries..

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of February, 2023 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 #23-02-015**

(EXECUTIVE SESSION)

Staff authority to proceed regarding settlement negotiations of mineral production audits of ConocoPhillips, Burlington Resources, and LL&E for audit periods ranging from January 2003 through December 2012.

**WHEREAS**, a discussion of and request for authority on settlement negotiations of mineral production audits of ConocoPhillips, Burlington Resources, and LL&E for audit periods ranging from January 2003 through December 2012.

**ON MOTION** of Ms. Michaud-Dugas, 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 hereby grants authority to the Staff to proceed as discussed in Executive Session regarding the request for authority on settlement negotiations of mineral production audits of ConocoPhillips, Burlington Resources, and LL&E for audit periods ranging from January 2003 through December 2012.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of February, 2023 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 #23-02-016**

**(EXECUTIVE SESSION)**

Staff authority to proceed as discussed in Executive Session for lease extension request and offer from Pinnacle Energy International (USA) I LLC and Sun Louisiana LLC regarding State Lease No. 21754.

**WHEREAS**, a discussion of a lease extension request and offer from Pinnacle Energy International (USA) I LLC and Sun Louisiana LLC regarding State Lease No. 21754.

**ON MOTION** of Ms. Michaud-Dugas, seconded by Mr. Smith, 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 hereby grants authority to the Staff to proceed as discussed in Executive Session on this matter.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of February, 2023 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**