

# **MINUTES**

## **STATE MINERAL AND ENERGY BOARD**

### **REGULAR MEETING AND LEASE SALE**

**JANUARY 12, 2011**

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on Wednesday, January 12, 2011, beginning at 11:00 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

Mr. W. Paul Segura, Jr., acting as Chairman, called the meeting to order. He then requested Mr. Jody Montelaro, Secretary to the State Mineral and Energy Board, to call the roll for the purpose of establishing a quorum.

W. Paul Segura, Jr., Vice-Chairman  
Thomas L. Arnold, Jr.  
Emile B. Cordaro  
John C. "Juba" Diez  
Bay E. Ingram  
Thomas W. Sanders  
Darryl D. Smith  
Robert Harper, DNR Undersecretary (sitting in for Chairman Scott A. Angelle)  
Chip Kline (sitting in for Garret Graves, Governor Jindal's designee to the Board)

The following members of the Board were recorded as absent:

Scott A. Angelle, Chairman  
Robert "Michael" Morton  
Helen G. Smith

Mr. Montelaro announced that nine (9) members of the Board were present and that a quorum was established.

Also recorded as present were:

Jody Montelaro, Assistant Secretary of the Office of Mineral Resources, and  
Secretary to the State Mineral and Energy Board  
Victor Vaughn, Geologist Administrator-Geological & Engineering Division, and  
Executive Officer to the State Mineral and Energy Board  
Stacey Talley, Deputy Assistant Secretary of the Office of Mineral Resources  
Frederick Heck, Director-Petroleum Lands Division  
Rachel Newman, Director-Mineral Income Division  
Emile Fontenot, Assistant Director-Petroleum Lands Division  
Isaac Jackson, DNR General Counsel

The Chairman then stated that the next order of business was the approval of the December 8, 2010 Minutes. A motion was made by Mr. Arnold to adopt the Minutes as submitted by the Executive Officer of the State Mineral and Energy Board and to waive reading of same. His motion was seconded by Mr. Sanders and unanimously adopted by the Board. (No public comment was made at this time.)

The Chairman then stated that the next order of business would be the adoption of the Committee recommendations. Upon motion of Mr. Sanders, seconded by Mr. Arnold, the recommendations of the following respective Committees regarding their reports were unanimously adopted by resolutions of the Board. (No public comment was made at this time.)

Lease Review Committee  
Nomination & Tract Committee  
Audit Committee  
Legal & Title Controversy Committee  
Docket Review Committee

The reports and resolutions are hereby attached and made a part of the Minutes by reference.

The Chairman then announced that the Board would recess its regular meeting at 11:02 a.m. and go into executive session for technical briefing in order to consider matters before the Board which were confidential in nature. A motion was made by Mr. Sanders, seconded by Mr. Kline, and unanimously adopted by the Board.

During the technical briefing, the Board conferred with staff personnel concerning the merit of the bids that were submitted and opened earlier today at a public meeting\*, based on geological, engineering and other confidential data and analyses available to the Board and staff, after which, upon motion of Mr. Arnold, seconded by Mr. Sanders, and unanimously adopted by the Board, the Board reconvened in open session at 11:12 a.m.

\*The Minutes of the Opening of the Bids meeting are hereby attached and made a part of the Minutes by reference.

The Chairman then stated that the next order of business was the awarding of the leases. Based upon recommendations announced by Mr. Victor Vaughn, the following action was then taken by the Board. 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.)

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41776, said portion being 27.57 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41784 to SWEPI LP.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to reject the bid on Tract 41785 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to reject the bid on Tract 41786 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to reject the bid on Tract 41787 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41788, said portion being 5.0 acres more particularly described in said bid and outlined on accompanying plat, to Tensas Delta Exploration Company, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41790 to Hilcorp Energy Company, General Partner for Hilcorp Energy I, L.P.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41791, said portion being 121.45 acres more particularly described in said bid and outlined on accompanying plat, to Patrick L. Donohue Petroleum Properties, Inc.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41792, said portion being 350.0 acres more particularly described in said bid and outlined on accompanying plat, to Cypress Energy Corporation.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41794, said portion being 140.0 acres more particularly described in said bid and outlined on accompanying plat, to Castex Energy 2005, L.P.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41803 to Ric Bajon & Associates.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41811, said portion being 886.08 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41812, said portion being 137.37 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41817, said portion being 598.72 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41819, said portion being 143.14 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41821, said portion being 254.24 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on another portion of Tract 41821, said portion being 498.63 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41823, said portion being 746.14 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41825, said portion being 198.19 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on another portion of Tract 41825, said portion being 106.69 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41828, said portion being 393.54 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on another portion of Tract 41828, said portion being 186.35 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on another portion of Tract 41828, said portion being 355.33 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on a portion of Tract 41831, said portion being 49.20 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Sanders, seconded by Mr. Arnold, the Board voted unanimously to award a lease on Tract 41832 to Paramount Energy, Inc.

This concluded the awarding of the leases.

The following announcement was then made:

Secretary Montelaro stated that total cash payments for the January 12, 2011 Lease Sale came to \$2,201,827.68 and the year-to-date cash payments for 2010-2011 were \$23,800,570.65.

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Sanders, seconded by Mr. Smith, the meeting was adjourned at 11:15 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Victor M. Vaughn". The signature is fluid and cursive, with a long horizontal stroke at the end.

Victor M. Vaughn  
Executive Officer  
State Mineral and Energy Board

**THE FOLLOWING BID OPENING MEETING REPORT,  
COMMITTEE REPORTS AND RESOLUTIONS  
WERE MADE A PART OF THE JANUARY 12, 2011 MINUTES  
BY REFERENCE**

A public meeting for the purpose of opening sealed bids was held on Wednesday, January 12, 2011, beginning at 8:30 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

Jody Montelaro, Assistant Secretary of the Office of Mineral Resources, and  
Secretary to the State Mineral and Energy Board  
Victor Vaughn, Geologist Administrator-Geological & Engineering Division, and  
Executive Officer to the State Mineral and Energy Board  
Stacey Talley, Deputy Assistant Secretary of the Office of Mineral Resources  
Frederick Heck, Director-Petroleum Lands Division  
Rachel Newman, Director-Mineral Income Division  
Emile Fontenot, Assistant Director-Petroleum Lands Division  
Isaac Jackson, DNR General Counsel  
Ryan Seidemann, Assistant Attorney General

Mr. Victor Vaughn, at the request of Secretary Jody Montelaro, presided over the meeting. He then read the letter of notification certifying the legal sufficiency of the advertisement of tracts which had been published for lease by the Board at today's sale. Mr. Vaughn read the letter as follows:

January 12, 2011

TO: MEMBERS OF THE STATE MINERAL AND ENERGY BOARD AND  
REPRESENTATIVES OF THE OIL AND GAS INDUSTRY

Gentlemen:

Certified proofs of publication have been received in the Office of Mineral Resources on behalf of the State Mineral and Energy Board for the State of Louisiana from the "Advocate," official journal for the State of Louisiana, and from the respective parish journals as evidence that Tract Nos. 41775 through 41832 have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended.

Yours very truly,

(Original signed)

Jody Montelaro  
Secretary

Mr. Vaughn then stated that there was one (1) letter of protest received and had been examined by legal counsel for the Board who advised that the Board was in a position to consider bids and award a lease on the protested tracts if so desired. Mr. Vaughn stated that the letter of protest was as follows:



- 1. Miami Corporation, dated December 21, 2010, involving Tract Nos. 41795 & 41796.

The Letter of Protest is hereby attached and made a part of the Minutes by reference.

For the record, Mr. Vaughn 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. Emile Fontenot.

OFFSHORE TRACTS

Tract 41775

No Bids

Tract 41776  
(Portion – 27.57 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Five (5) years
Cash Payment	:	\$10,366.32
Annual Rental	:	\$5,183.16
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41777

No Bids

Tract 41778

No Bids

Tract 41779

No Bids

Tract 41780

No Bids

Tract 41781

No Bids

Tract 41782

No Bids

Tract 41783

No Bids

INLAND TRACTS

Tract 41784

Bidder	:	SWEPI LP
Primary Term	:	Three (3) years
Cash Payment	:	\$40,008.00
Annual Rental	:	\$20,004.00
Royalties	:	1/4th on oil and gas
	:	1/4th on other minerals
Additional Consideration	:	None

Tract 41784

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$12,632.00
Annual Rental	:	\$6,316.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

Tract 41785

Bidder	:	Eagle Stone Energy Partners, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$5,200.00
Annual Rental	:	\$2,600.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

## Tract 41786

Bidder	:	Eagle Stone Energy Partners, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$10,023.00
Annual Rental	:	\$5,011.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

## Tract 41787

Bidder	:	Carla Petroleum, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$14,544.00
Annual Rental	:	\$7,272.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41788  
(Portion – 5.0 acres)

Bidder	:	Tensas Delta Exploration Company, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$1,775.00
Annual Rental	:	\$887.50
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

## Tract 41789

No Bids

## Tract 41790

Bidder	:	Hilcorp Energy Company, General Partner for Hilcorp Energy I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$3,768.90
Annual Rental	:	\$1,884.45
Royalties	:	24.5% on oil and gas
	:	24.5% on other minerals
Additional Consideration	:	None

Tract 41791  
(Portion – 121.45 acres)

Bidder	:	Patrick L. Donohue Petroleum Properties, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$25,504.50
Annual Rental	:	\$12,752.25
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 41792  
(Portion – 350.0 acres)

Bidder	:	Cypress Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$103,250.00
Annual Rental	:	\$51,625.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 41793

No Bids

Tract 41794  
(Portion – 140.0 acres)

Bidder	:	Castex Energy 2005, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$38,780.00
Annual Rental	:	\$19,390.00
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

Tract 41795

No Bids

Tract 41796

No Bids

Tract 41797

No Bids

STATE AGENCY TRACTS

Tract 41798

No Bids

Tract 41799

No Bids

Tract 41800

No Bids

Tract 41801

No Bids

Tract 41802

No Bids

Tract 41803

Bidder	:	Ric Bajon & Associates
Primary Term	:	Three (3) years
Cash Payment	:	\$1,005.36
Annual Rental	:	\$502.68
Royalties	:	25.625% on oil and gas
	:	25.625% on other minerals
Additional Consideration	:	None

Tract 41804

No Bids

Tract 41805

No Bids

ATTAKAPAS WMA TRACTS

Tract 41806

No Bids

Tract 41807

No Bids

Tract 41808

No Bids

Tract 41809

No Bids

Tract 41810

No Bids

ATCHAFALAYA DELTA WMA-ST. MARY TRACTS

Tract 41811  
(Portion – 886.08 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$404,938.56
Annual Rental	:	\$202,469.28
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41812  
(Portion – 137.37 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$62,778.09
Annual Rental	:	\$31,389.05
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

January 12, 2011

8

Tract 41813

No Bids

Tract 41814

No Bids

Tract 41815

No Bids

Tract 41816

No Bids

Tract 41817  
(Portion – 598.72 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$225,118.72
Annual Rental	:	\$112,559.36
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41818

No Bids

Tract 41819  
(Portion – 143.14 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$53,820.64
Annual Rental	:	\$26,910.32
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41820

No Bids

Tract 41821  
(Portion – 254.24 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$95,594.24
Annual Rental	:	\$47,797.12
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41821  
(Portion – 498.63 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$227,873.91
Annual Rental	:	\$113,936.96
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41822

No Bids

Tract 41823  
(Portion – 746.14 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$280,548.64
Annual Rental	:	\$140,274.32
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41824

No Bids



Tract 41825  
(Portion – 198.19 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$74,519.44
Annual Rental	:	\$37,259.72
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41825  
(Portion – 106.69 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$40,115.44
Annual Rental	:	\$20,057.72
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41826

No Bids

Tract 41827

No Bids

Tract 41828  
(Portion – 393.54 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$147,971.04
Annual Rental	:	\$73,985.52
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41828  
(Portion – 186.35 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$70,067.60
Annual Rental	:	\$35,033.80
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41828  
(Portion – 355.33 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$133,604.08
Annual Rental	:	\$66,802.04
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41829

No Bids

Tract 41830

No Bids

Tract 41831  
(Portion – 49.20 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$18,499.20
Annual Rental	:	\$9,249.60
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

TAX ADJUDICATED LANDS TRACT

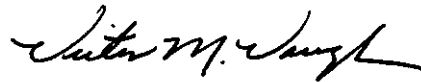
Tract 41832

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$141,920.00
Annual Rental	:	\$70,960.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 9:03 a.m.

Respectfully submitted,



Victor M. Vaughn  
Executive Officer  
State Mineral and Energy Board

MIAMI CORPORATION  
666 S. EUGENE STREET  
SUITE B  
BATON ROUGE, LOUISIANA 70806-5470  
----  
TELEPHONE (225) 377-2033  
FAX (225) 377-8562

OFFICE OF  
MINERAL RESOURCES  
STATE MINERAL BOARD  
2010 DEC 28 PM 3:26

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

December 21, 2010

Department of Natural Resources  
Office of Mineral Resources  
State Mineral Board  
Post Office Box 2827  
Baton Rouge, Louisiana 70821-2827

Re: Tract No. 41795 and 41796  
St. Mary Parish, Louisiana  
January 12, 2011 State Lease Sale

Gentlemen:

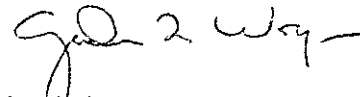
It has come to our attention that Tract Nos. 41795 and 41796 are being advertised for lease at the upcoming January 12, 2011 State lease sale.

Without waiver of any rights, Miami Corporation represents that it is the owner of parts of the land located within these Tracts. We therefore protest the advertising of any such Miami Corporation interests within these Tracts.

Accordingly, we hereby request that the subject Tracts be withdrawn from the January 12, 2011 lease sale. In the event that you do not withdraw these Tracts, please advise any prospective bidder of the protest by furnishing a copy of this letter. Please inform the prospective bidder that Miami Corporation fully intends to take all action necessary to protect its interests in the premises.

Very truly yours,

MIAMI CORPORATION



Gordon L. Wogan  
Vice President

GLW:abb

A\_3188



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

**LEASE REVIEW COMMITTEE REPORT**

A meeting of the Lease Review Committee of the State Mineral and Energy Board convened on Wednesday, January 12, 2011 at 9:44 a.m. with the following members of the board in attendance: Mr. Thomas L. Arnold, Jr., Mr. Emile B. Cordaro, Mr. John C. "Juba" Diez, Mr. Bay E. Ingram, Mr. Darryl D. Smith, Mr. W. Paul Segura, Jr. and Mr. Chip Kline (sitting in for Garrett Graves, Governor Jindal's designee to the State Mineral and Energy Board).

Items on the Lease Review Committee Agenda submitted to the Board by Mr. Jason P. Talbot, Geologist Supervisor, were as follows:

**I. Geological and Engineering Staff Review**

According to SONRIS there are 1783 active State Leases covering approximately 830,100 acres. The Geological and Engineering Division has reviewed 178 leases covering nearly 61,000 acres.

**II. Report on actions exercised by the Staff under delegated authority.**

1. Pursuant to the Mineral and Energy Board resolution dated March 10, 2010, the staff qualified the HA RB SUAA; Pierre MIN 26H Well No. 1, serial number 241393 in Red River-Bull Bayou Field to allow Chesapeake Operating Inc. to make one six month shut-in payment on a portion of SL 19838 for a period beginning March 3, 2011 while the pipeline construction is being completed.
2. Pursuant to the Mineral and Energy Board resolution dated March 10, 2010, the staff qualified the HA RB SUEE, Rambin 36H Well No. 1, sn 241819, in Red River-Bull Bayou Field to allow Chesapeake Operating Inc. to make one six month shut-in payment on a portion of SL 19838 for a period beginning December 19, 2010 while the pipeline construction is being completed.
3. Pursuant to the Mineral and Energy Board resolution dated March 10, 2010, the staff qualified the HA RB SUBB; DEG 21-12-11 Well No. 1, sn 239547, in Red River-Bull Bayou Field to allow Chesapeake Operating Inc. to make one six month shut-in payment on a portion of SL 19838 for a period beginning December 10, 2010 while the pipeline construction is being completed.

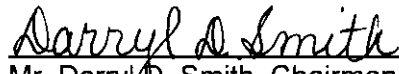
III. Report on Force Majeure

Last Updated 12/29/10	
Company Name	Lease Numbers
Leases Off Production Due to Non-storm Related Force Majeure Events	
IG Petroleum	A0232
Sylvan Energy	1337

On motion by Mr. Ingram, seconded by Mr. Segura, the Committee moved to accept and approve all reviews and recommendations by the staff.

On motion by Mr. Segura, seconded by Mr. Ingram, the Committee moved to adjourn its December 8, 2010 meeting at 9:46 a.m.

Respectfully submitted,

  
\_\_\_\_\_  
Mr. Darryl D. Smith, Chairman *SSB*  
Lease Review Committee  
Louisiana State Mineral and Energy Board

**Refer to Board Meeting Minutes for any action taken by the Board regarding matters in this report.**



# Louisiana Department of Natural Resources (DNR)

## SONRIS

## Staff Reviews

Report run on: January 13, 2011 8:28 AM

District Code 1 New Orleans- East

Get Review Date January 12, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
01230		BRETON SOUND BLOCK 20 , BRETON SOUND BLOCK 36 , BRETON SOUND BLOCK 37	228447-SL 1230-002 10/11/2003	951.419	3800	JAN. AR
01237		BRETON SOUND BLOCK 36	BRS36 4900 RA NVU 11/01/1990	647	647	JAN. 12/21/10 REL RQD 1 AR
01794		COX BAY	BN-1/BN-8 RA SUA; 07/31/2007 198-B	674	674	JAN. AR
02001		BRETON SOUND BLOCK 36	BRS36 4900 RA NVU 11/01/1990	601.5	601.5	JAN. 12/21/10 REL RQD 1 AR
02326		BRETON SOUND BLOCK 20	832.43 06/29/2004	2800	4162.12	JAN. AR
03770		BRETON SOUND BLOCK 53		624	624	JAN. AR 12/10/10 CCB:CENTURY RESUMED PROD ON 11/30/10. FM OVER. SEE EMAIL
06646		FORT PIKE , RIGOLETS	43.126 01/23/1995	834.874	834.874	JAN. AR 11/15/10 CCB QUALIFIED FOR 1ST ILR 11/20/10
06647		RIGOLETS	229.298 05/28/2004	1281.704	1281.704	JAN. AR 11/15/10 CCB: QUALIFIED FOR 1ST ILR 11/20/10
16569		BRETON SOUND BLOCK 47		288.74	288.74	JAN. AR
17073		LAKE BORGNE		631.34	631.34	JAN. AR
17074		LAKE BORGNE		945.36	945.36	JAN. AR
17620		PELICAN POINT	319.71 10/07/2004	77.29	77.29	JAN. AR CONCURSUS - ROYALTIES TO COURT REGISTRY
17674		BRETON SOUND BLOCK 53	TEX W-CRIS I VUA;SL 19050 07/08/2009	50.57	50.57	JAN. AR
17675		BRETON SOUND BLOCK 53	TEX W-CRIS I VUA;SL 19050 07/08/2009	207.26	207.26	JAN. AR
17767		BRETON SOUND BLOCK 33	92 03/27/2008	197.88	197.88	JAN. 12/20/10 CNTRY XXI: RESTORED PRD YESTERDAY 228463. 11/4/10 CCB: LEASE HB FM STATUS 8/6/10 CK 3 MOS PER MIKE B MAY. AR
18579		MAIN PASS BLOCK 47	16.992 11/09/2009	59.67	59.67	JAN. 12/21/10 REL RQD 12/9/10 RS JMB: APP EXP, LAST PROD 5/10
19165		CLAM BAY	UL 2 RA SUA;SL 19166 10/07/2008 1481-B	177.021	389	JAN. SUGGEST AR UPON RCT OF PR RQD 12/6/10 12/3/10 RS GJD: NO DDPMT MADE 2010- 2011. 211.979 AC APP EXP DD 11/8/10 PT 11/8/09

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: January 13, 2011 8:28 AM

District Code 1 New Orleans- East

Get Review Date January 12, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
19166		CLAM BAY	240234-UL 2 RA SUA;SL 19166-002 10/16/2009	467.634	1111	JAN. SUGGEST AR UPON RCT OF PR RQD 12/6/10 12/3/10 RS GJD: NO DDPMT MADE 2010- 2011. 646.366 AC APP EXP DD 11/8/10 PT 11/8/09
19502		CHIPOLA	B CARTER ETUX 08/14/2007 1511	5.855	8	JAN. SUGGEST AR 12/10/10 RCD UNOFL PR OF 2.145, RTNG 5.855 AC 12/9/10 RS JMB: 5.855 HBP DD & PT 10/10/10
19905				0	90.65	JAN. 12/21/10 REL RQD PT 12/10/11 10/8/11
19964				160	506	JAN. ILR PD TO 6/10/11 11/3/10 GJD: NEW TRNSMTL VUA;SL 19964 306376 241159 W/ 58 AC TO 19963 & 506 AC TO 19964, NO RPTD PRD, YET PT 12/10/11 11/12/11 PASS-A- LOUTRE WMA
20160		MAIN PASS BLOCK 49	VUA;SL 19445 04/14/2010	101.23	101.23	JAN. PT 10/14/12



Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: January 13, 2011 8:28 AM

District Code 1W New Orleans- West  
Get Review Date January 12, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
02084		MAIN PASS BLOCK 69 , QUEEN BESS ISLAND	VUA;SL 2084 U1	1411	2160	JAN. RCD WLM RALEY HLCP 2084 PLANS DUE 7/14/10
02203		WEST BAY	7B RB SUA;PPG 11/18/2003 396-GGG-2 03-895	40	55	JAN. AR 11/10 SN 137125 LUW 611810 PROD THRU 08/10
02593		WEST DELTA BLOCK 83	WDB 83 10100 CSU 11/01/1977	129.44	129.44	JAN. AR
02869		WEST DELTA BLOCK 27	WDB27 SU	1480	1527	JAN. AR / ANN POD
03528		WEST DELTA BLOCK 27	WDB27 SU	1904	2135	JAN. AR / ANN POD
03529		WEST DELTA BLOCK 27	WDB27 SU	1676	1834	JAN. AR / ANN POD
03978		WEST DELTA BLOCK 27	WDB27 SU	571	1234	JAN. AR / JAN A/POD 1
04043		WEST LAKE PONTCHARTRAIN EAST BLK 41	7400 SUA; S.L. 4041 03/01/1982	100.38	100.38	JAN AR
04242		WEST DELTA BLOCK 27	WDB27 SU	75.72	75.72	JAN. AR/ ANN POD
04518		ST JOHN		.56	.56	JAN. AR
05986		BAYOU BLEU	32.85 02/08/1984	12.15	12.15	JAN. AR
06121		FALSE RIVER	51.411 02/12/1979	109	109	JAN. AR
09570		BAY BATISTE	74.466 01/23/2007	25.54	25.54	JAN. AR
09571		BAY BATISTE	28 RA SUA;SL 9570 04/01/1996	57	77.091	JAN. AR
09572		BAY BATISTE	260.649 09/18/1986	43.421	43.421	JAN. AR
10215		LITTLE LAKE		160	160	JAN. AR
14645		BASTIAN BAY	7950 RA SUA;SL 14645 339-WWW-5 99-316	147.519	147.519	JAN. 12/29/10 VB STARTED REQG REL PER R.HECK ON 11/5/10. (SEP. AR)
15016		SOUTH PASS BLOCK 27	232490-SL 15016-007 12/15/2005	480	2484.84	JAN. 2/11/10 STEVE: REQ STATUS OF SEISMIC AND POD
15421		MORGANZA	335 01/24/2000	243	243	JAN. AR
15631		SATURDAY ISLAND	VUA;SL 15744	342.661	342.661	JAN. AR
15744		SATURDAY ISLAND	VUA;SL 15744	297.339	297.339	JAN. AR

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: January 13, 2011 8:28 AM

District Code 1W New Orleans- West  
Get Review Date January 12, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
16625		LAKE VERRET	225287-VUA;SL 16625-001 01/26/2001	310.77	310.77	JAN. AR
16626		LAKE VERRET	VUA;SL 16625 01/10/2001	435.6	435.6	JAN. AR
17344		VENICE	42.483 01/13/2006	14.517	14.517	JAN. AR
18015		LAKE WASHINGTON	3000 RB SUA;COCKRELL- MORAN 11/16/2005 149-DDD-2 05-889	.52	.52	JAN. AR
18441		THREE BAYOU BAY	234871-VUA;SL 18441-001 01/21/2007	143.866	143.866	JAN. AR
18868		BAYOU PEROT	VUA;SL 18748 10/10/2007	15.98	15.98	JAN. AR
19546				0	70	JAN. 12/21/10 REL RQD PT 12/12/10
19900				0	632	JAN. 12/21/10 REL RQD PT 12/10/11 10/8/11
19940				0	778.16	JAN. 12/21/10 REL REQD PT 12/10/11 11/12/11
19950		DRAKES BAY	K RA SUA;SL 19250 02/17/2009 1039-F	4.217	25	JAN. 12/21/10 REL/PR RQD 12/21/10 GJD CORRECTION TRNSMTL OF 126602 IN WHICH SL 19550 WAS USED INSTEAD OF 19950. PT 12/10/11 11/12/11
19951				0	58.226	JAN. 12/21/10 REL RQD PT 12/10/11 11/12/11
19953				77.622	239.32	JAN. 12/21/10 GJD APPROVED DDPMT 11/24/10 DDPMT TO STEVE PT 12/10/11 11/12/11
19963				0	58	JAN. RNTL PD TO 12/10/11 11/3/10 GJD: NEW TRNSMTL VUA;SL 19964 306376 241159 W/ 58 AC TO 19963 & 506 AC TO 19964, NO RPTD PRD, YET PT 12/10/11 11/12/11 PASS-A- LOUTRE WMA
20011				2 533	209.47	JAN. 12/21/10 GJD APPROVED DDPMT 11/24/10 DDPMT TO STEVE PT 1/14/12
20110		IRENE	TUSC RA SUA;ACME BRICK 07/21/2009 1047-G	2.547	2.547	JAN. 12/3/10 TRNSMTL GJD: 616061 TUSC RA SUA;ACME BRICK 240398 W/ 2.547 AC TO 20110 OCT. PT 7/8/12



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: January 13, 2011 8:28 AM

District Code 2 Lafayette
Get Review Date January 12, 2011

Table with 7 columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Contains 20 rows of lease data including fields like LAKE BARRE, CAILLOU ISLAND, GRAVEYARD ISLAND, etc.



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: January 13, 2011 8:28 AM

District Code 2 Lafayette
Get Review Date January 12, 2011

Table with columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Contains 20 rows of lease data including fields like SOUTH TIMBALIER BLOCK 8, SHIP SHOAL BLOCK 66, FOUR LEAGUE BAY, EUGENE ISLAND BLOCK 6, ISLES DERNIERES, WYANDOTTE, and IOTA.



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: January 13, 2011 8:28 AM

District Code 3 Lake Charles- North
Get Review Date January 12, 2011

Table with columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Contains 20 rows of lease data.

## Louisiana Department of Natural Resources (DNR)

## SONRIS

## Staff Reviews

Report run on: January 13, 2011 8:28 AM

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			361-E-21 99-269			TO LCV RA SUNN 612887
16397		SWAN LAKE	180.956 06/03/2002	12.044	12.044	JAN. 11/23/10 SAM NEW TRNSMTL 616362 240499 GEOGRAPHICALLY IDENTICAL TO CV RA SUE 613483. JUL. AR
16623		MASTERS CREEK	AUS C RA SUVV;SWENCO MIN A22 02/04/1997 1386-A-11 97-43	40	40	JAN. AR 12/16/10 SAM: HBP - AR
17129		LAKE CURRY	8 02/21/2003	12	12	JAN. 12/19/10 FUL RR 7/6/10 REL RQD 6/16/10 RS SAM: APP EXP, LAST PROD 12/09 5AR
17947		CASPIANA	HA RB SUA;CLD 23-15- 12 H 05/28/2008 191-H-6 08-729	15.08	15.08	JAN. AR 12/16/10 SAM: HBP - AR
18243		ELM GROVE	112.84 12/02/2010	126.26	126.26	JAN. SUGGEST AR 12/10/10 RCD OFL PR OF 112.84, RTNG 126.26 EFF 12/2/10 11/30/10 V.B. ADVISED CHESAPEAKE IS TRYING TO GET OA. MTG 11/1/10. SMEB 10/11 GRANTED AUTHORITY TO NEGOTIATE. 8/16/10 FU PR RQD 4/9/10 RQD PR
18368		CASPIANA	10 03/03/2008	149.709	149.709	JAN. AR 12/16/10 SAM: HBP - AR
18635		CASPIANA	HA RB SUF;CANNISNIA 34 H 05/28/2008 191-H-6	189.35	189.35	JAN. 12/14/10 GJD NEW TRNSMTL 616191 239769 UNIT GEOGRAPHICALLY IDENTICAL TO CV RA SU 60. AUG. AR
18863		RED RIVER-BULL BAYOU	83.84 07/27/2008	28.16	28.16	JAN. AR 12/16/10 SAM: HBP - AR
19121		ELM GROVE	CV RA SU88;HARTER 15	8.5	8.5	JAN. AR 12/16/10 SAM: HBP - AR
19122			361-B-5	71	71	JAN. AR 10/27/10 LEASE NOT EXP PER SAM R
19349		CEDAR GROVE	ROD RA SUN;BICKHAM DICKSON 37 08/26/2008 967-B-1 08-1282	121.028	326	JAN. 12/16/10 GJD NEW TRNSMTL 615900 239789 GIS PLANIMETERED 1.112 AC DD 5/9/11 PT 5/9/10
19460		THORN LAKE	HA RA SUH;REX YOUNG 6 H 12/09/2008 1145-B-7 08-1732	11.359	11.359	JAN. 11/23/10 SAM NEW TRNSMTL 616363 240442 GEOGRAPHICALLY IDENTICAL TO CV RA SUE 614949 NOV. AR
19501		DIXIE	68 01/25/2010	25.558	25.558	JAN. SUGGEST AR 12/16/10 SAM: HBP AR PT 10/10/10
19545				0	139	JAN. 12/21/10 REL RQD PT 12/12/10
19753				3	3	JAN. 12/16/10 SAM: HPB AR

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: January 13, 2011 8:28 AM

District Code 3 Lake Charles- North

Get Review Date January 12, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
19761		CASPIANA , ELM GROVE	HA RA SU70;CLARK ETUX 7 H 06/23/2009 361-L-41 09-644	183.796	192	11/29/10 SRVY PLAT RQD 616366 HA RA SU53 NOV. PT 8/13/11 JAN. 12/23/10 SAM CRCTN TRNSMTL HA RB SUDD 614748 239834 STATE AC CORRECTED FROM REVISED DIVISION ORDER. ORIG AC FROM GIS CALCS.
19763		CASPIANA , THORN LAKE	HA RB SUP;FRANKLIN ETAL 28 H 07/07/2009 191-H-57	118	138	JAN. 12/23/10 SAM CRCTN TRNSMTL HA RB SUDD 614748 239834 STATE AC CORRECTED FROM REVISED DIVISION ORDER. ORIG AC FROM GIS CALCS.
19766		THORN LAKE	HA RA SUT;BSTMA LLC 17H 03/03/2009 1145-B-9	31	31	JAN. 12/23/10 SAM CRCTN TRNSMTL HA RA SUO 614785 239576 3.272 AC FROM SRVY PLAT PT 8/13/11
19768				7.46	8.71	JAN. 12/16/10 SAM: RECK 6MOS 11/29/10 SRVY PLAT RQD 616085 HA RA SUV DD 8/13/10 PT 8/13/11 6/3/10 PLAT RQD 615939
19838				15.342	70	JAN. 12/8/10 DDPMT TO SAM ESTIMATED, NO SI/PLAT GJD APPROVED TO 12/10/11 PT 12/10/11 10/8/11
19844				0	89	JAN. 12/7/10 GJD APPROVED DD TO 12/10/11 12/7/10 DDPMT TO SAM PT 12/10/11 10/8/11
19845				0	95	JAN. 12/8/10 DDPMT TO SAM & APPROVED BY GJD TO 12/10/11 PT 12/10/11 10/8/11
19849				0	532	JAN. 12/21/10 REL RQD PT 12/10/11 10/8/11
19851				0	705	JAN. 12/21/10 REL RQD PT 12/10/11 10/8/11
19855				0	879	JAN. 12/21/10 REL RQD PT 12/10/11 10/8/11 SALE 11/25/08 PER LEASING AC CHANGED FROM 847 TO 879
19858				0	1302	JAN. 12/21/10 REL RQD PT 12/10/11 10/8/11
19861				0	1114	JAN. 12/21/10 REL RQD PT 12/10/11 10/8/11
19925				0	66	JAN. 12/21/10 REL RQD PT 12/10/11 10/8/11
20037		RED RIVER-BULL BAYOU	HA RD SUT;EDGAR CASON 31 H 03/03/2009 109-X-26	19.51	25	JAN. 11/29/10 SRVY PLAT RQD 616340 HA RA SUBB JUL. DD 4/8/11 PT 4/8/12
20081				10.789	68	JAN. 11/29/10 SRVY PLAT RQD 616085 HA RA SUV SEP. SAL OMR MANAGED WLF DD

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: January 13, 2011 8:28 AM

District Code 3 Lake Charles- North

Get Review Date January 12, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
						6/10/11 PT 6/10/12
20091		CASPIANA	CV RA SUG;EMW LAND CO LLC 29 02/15/1975 191-A 75-28	.929	.929	JAN. 12/7/10 SAM: NEW TRNSMTL 616398 240864 GEOGRAPHICALLY IDENTICAL TO CV RA SUG, LUW 614953 OCT. PT 7/8/12
20092				0	41	JAN. 11/19/10 FUL RR 8/3/10 REL RQD PT 7/8/12
20140				0	26.67	JAN. 11/29/10 SRVY PLAT RQD 616309 HA RA SU64 NOV PT 8/12/12 TAX ADJUDICATED LAND
20146				0	5	JAN. 12/16/10 SAM: HB RNTL AR PT 10/14/12
20147				0	33	JAN. 10/27/10 RS SAM: LEASE NOT EXP HB UNIT ACTIVITY PRIOR & CONT THRU 10/14/10 HA RA SU90 241361, PT 10/14/12
20148				0	1	JAN. 12/16/10 SAM: HB RNTL AR PT 10/14/12
20150				3	3	JAN. PT 10/14/12 10/27/10 LEASE NOT EXP HBP HA RA SUF 615469 SL NOT REFLECTED IN TRNSMTL PER SAM R
20151				0	4	JAN. 10/12/10 RNTL CHANGED TO DD GIVEN TO SAM =SAM SAID NO PRD HE COULD FIND. RNTL IS CORRECT, UNTIL PROVEN OTHERWISE. PT 10/14/12
20152				0	1	JAN. 12/16/10 SAM: HB RNTL AR PT 10/14/12
20153		BRACKY BRANCH	HA RA SUA;BROWN SW MIN 9H 09/16/2008 917-L	11.727	11.727	JAN. 12/28/10 SSSB: HBP 2 LUWS TO 10/10 PT 10/14/12
20154				0	4	JAN. 10/27/10 LEASE NOT EXP PER SAM R PT 10/14/12
20155				0	1	JAN. 12/16/10 SAM: HB RNTL AR PT 10/14/12
20156				0	86	JAN. SAM APPROVED DDPMT TO 10/14/11 PT 10/14/12
20157				0	82	JAN. 12/16/10 SAM: HB RNTL AR PT 10/14/12
20159				6	6	JAN. 12/3/10 GJD DDPMT DISAPPROVED DUE TO HBP 240542 616289 HA RA SUA PRDG 8 & 9/2010. 12/1/10 DDPMT TO SAM PT 10/14/12
20173				0	40	JAN. 11/29/10 SRVY PLAT RQD 616359 HA RA SUVV PT 10/14/12 TAX ADJUDICATED



Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: January 13, 2011 8:28 AM

District Code 3 Lake Charles- North

Get Review Date January 12, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
20260				0	6	JAN. 12/16/10 GJD NEW TRNSMTL 616240 239635 NO PLAT, YET. UNIT AC FROM GIS. LAST PRD 7/10 MAY PT 2/10/13
20269				55	55	JAN. 12/20/10 GJD NEW TRNSMTL 240370, 616297 HA RC SUQ PT 2/10/13 TAX ADJUDICATED LANDS
20292				0	167	JAN. 11/29/10 SRVY PLAT RQD 616332 AUS C RA SUJ JUL. PT 4/14/13
20353				0	60	JAN. 11/29/10 SRVY PLAT RQD 616366 HA RA SU53 SEP. PT 6/9/13
20356				13.061	36	JAN. 12/16/10 GJD NEW TRNSMTL 615353 237518 SRVY PLAT FROM EXCO. 11/29/10 SRVY PLAT RQD 615353 LCV RA SU118 SEP. PT 6/9/13
20370				0	8.91	JAN. 11/29/10 SRVY PLAT RQD 615586 LCV RA SU119 SEP. PT 6/9/13 TAX ADJUDICATED LAND



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: January 13, 2011 8:28 AM

District Code 3S Lake Charles- South
Get Review Date January 12, 2011

Table with 7 columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Contains 17 rows of lease data and a summary row at the bottom.



**State of Louisiana**  
DEPARTMENT OF NATURAL RESOURCES  
OFFICE OF MINERAL RESOURCES  
STATE MINERAL AND ENERGY BOARD  
*NOMINATION AND TRACT COMMITTEE REPORT*

The Nomination and Tract Committee, convened at **9:46 a.m.** on Wednesday, *January 12, 2011* with the following members of the Board in attendance:

Mr. Thomas L. Arnold, Jr.	Mr. Emile B. Cordaro	Mr. John C. Diez
Mr. Robert D. Harper	Mr. Bay Elliot Ingram	Mr. W. Paul Segura, Jr.
Mr. Darryl David Smith		Mr. Chip Kline (sitting in for Garret Graves, Gov. Jindal's designee)

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the March 9, 2011 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of *Mr. Ingram* duly seconded by *Mr. Smith*, the Committee voted unanimously to recommend to the Board the granting of authority to the staff to advertise all such tracts as have been reviewed by the State Land Office and 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 presented by Mr. Fontenot.

The Committee was informed of a letter of protest from Miami Corporation dated December 21, 2010 pertaining to Tract Nos. 41795 and 41796 situated in St. Mary Parish, Louisiana. No action was required.

The Committee, on motion of *Mr. Smith*, seconded by *Mr. Diez*, voted to adjourn at **9:48 a.m.**

Respectfully Submitted,

*Emile B. Cordaro* by *J.F.*  
Emile B. Cordaro

Emile B. Cordaro  
Chairman  
Nomination and Tract Committee

Refer to Board Meeting Minutes for any action taken by the Board regarding matters in this report.

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## NOMINATION AND TRACT COMMITTEE

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

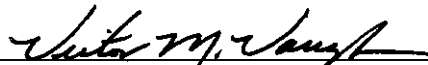
**WHEREAS**, Mr. Emile Fontenot presented to the State Mineral and Energy Board 163 tracts that had been nominated for the March 9, 2011 Mineral Lease Sale, and that same are to be advertised pending staff review; now therefore

**WHEREAS**, after discussion and careful consideration by the State Mineral and Energy Board, a decision has been reached:

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

## 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 12th day of January 2011, 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.



LOUISIANA STATE MINERAL AND ENERGY BOARD



**BOBBY JINDAL**  
GOVERNOR

**SCOTT A. ANGELLE**  
SECRETARY

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

**AUDIT COMMITTEE REPORT**

The regular meeting of the Audit Committee of the State Mineral and Energy Board was held on Wednesday, January 12, 2011, following the Nomination and Tract Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building, located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Thomas L. Arnold, Jr.	Emile B. Cordaro	John C. "Juba" Diez
Bay E. Ingram	Thomas W. Sanders	W. Paul Segura, Jr.
Darryl D. Smith	Chip Kline (sitting in for Garrett Graves, Governor Jindal's designee to the State Mineral & Energy Board)	
Robert D. Harper (sitting in for DNR Secretary Scott A. Angelle)		

Mr. Arnold convened the Committee at 9:49 a.m.

The first matter considered by the Committee was a penalty waiver requested by Stone Energy Corp.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Smith, the Committee voted to approve 50% penalty waiver of \$5,249.88.

The second matter considered by the Committee was a penalty waiver requested by Hunt Oil Company.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Smith, the Committee voted to approve 50% penalty waiver of \$74,414.35.

The third matter considered by the Committee was a recoupment requested by Clayton Williams Energy, Inc.

Upon recommendation of the staff and upon motion of Mr. Sanders, seconded by Mr. Smith, the Committee voted unanimously to approve the recoupment request in the amount of \$99,329.85.


The fourth matter considered by the Committee was a recoupment requested by Energy XXI Gulf Coast, Inc.

Upon recommendation of the staff and upon motion of Mr. Sanders, seconded by Mr. Segura, the Committee voted unanimously to approve the recoupment request in the amount of \$174,465.55.

The fifth matter considered by the Committee was the election of the January 2011 Texaco 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.

On Motion of Mr. Sanders, seconded by Mr. Segura, the Board voted unanimously to adjourn the Audit Committee at 9:54 a.m.

  
Thomas L. Arnold, Jr., Chairman  
Audit Committee

Refer to State Mineral and Energy Board Meeting Minutes for additional information on actions taken by the Board regarding matters in this report.

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

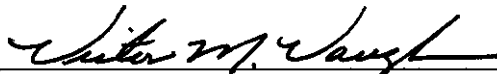
**WHEREAS**, Stone Energy Corp. has made a letter application for reduction of penalties assessed in the amount of \$10,499.76 due to late royalty payments in the Bay Marchand Block 2 Offshore, Caillou Island, Lake Hermitage, Ship Shoal Block 66, South Timbalier Block 8, and Vermilion Block 12 Fields, State Leases 00707, 10830, 14498, 15310, 15970, 16120, 16121, 16255, 16256, 16257, 16528, 16944, 16945, 17435, 18367, 18601, and 18603; and

**WHEREAS**, the Mineral Income Division has verified that the underpayment of royalties was discovered and paid by Stone Energy Corp. and does recommend that a portion of the penalty be waived;

**THEREFORE BE IT RESOLVED**, that the Board does waive fifty percent (50%), which amounts to \$5,249.88 of the total penalty assessed to Stone Energy Corp.

## 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 12<sup>th</sup> day of January, 2011, 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.



LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

**WHEREAS**, Hunt Oil Company has made a letter application for reduction of penalties assessed in the amount of \$148,828.70 due to late royalty payments in the Eugene Island Block 8 Field, State Lease 17695; and

**WHEREAS**, the Mineral Income Division has verified that the underpayment of royalties was discovered and paid by Hunt Oil Company and does recommend that a portion of the penalty be waived;

**THEREFORE BE IT RESOLVED**, that the Board does waive fifty percent (50%), which amounts to \$74,414.35 of the total penalty assessed to Hunt Oil Company.

## 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 12<sup>th</sup> day of January, 2011, 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.

  
\_\_\_\_\_  
LOUISIANA STATE MINERAL AND ENERGY BOARD



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

**ON MOTION** of Mr. Sanders, seconded by Mr. Smith, the following resolution was offered and unanimously adopted:

**WHEREAS**, Clayton Williams Energy, Inc. has made a letter application for an adjustment of \$99,329.85 for the Saturday Island Field, State Leases 18668, 18669, 18671, 18688, 18689; and

**WHEREAS**, this amount was based on Clayton Williams Energy, Inc. submitting an overpayment of oil royalties based on incorrect volumes and values for the period of March 2010 and August 2010 in the Saturday Island Field; and

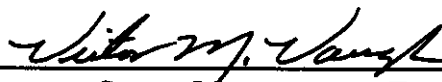
**WHEREAS**, the Mineral Income Division has verified that an overpayment in the amount of \$99,329.85 was made and that the applicant is entitled to a credit adjustment; and

**WHEREAS**, the State Mineral and Energy Board after reviewing the work of the Mineral Income Division, agrees that the applicant is entitled to an adjustment, does recommend that the State allow Clayton Williams Energy, Inc. to recoup the \$99,329.85 overpayment.

**NOW, BE IT THEREFORE RESOLVED**, that the Board does authorize and direct the Mineral Income Director to effectuate the credit adjustment of \$99,329.85 to Clayton Williams Energy, Inc. on a one-time or lump sum basis or on such terms deemed necessary by the Director, which are legally permissible, and without prejudice to any other rights of the state.

## 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 12<sup>th</sup> day of January, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Louisiana State Mineral and Energy Board and is now in full force and effect.



\_\_\_\_\_  
LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

**ON MOTION** of Mr. Sanders, seconded by Mr. Segura, the following resolution was offered and unanimously adopted:

**WHEREAS**, Energy XXI Gulf Coast, Inc. has made a letter application for an adjustment of \$174,465.55 for the Rabbit Island Field, State Leases 00340; and

**WHEREAS**, this amount was based on Energy XXI Gulf Coast, Inc. submitting an overpayment of gas royalties based on incorrect volumes for the period of September 2007 and October 2007 in the Rabbit Island Field; and

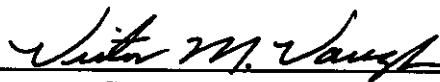
**WHEREAS**, the Mineral Income Division has verified that an overpayment in the amount of \$174,465.55 was made and that the applicant is entitled to a credit adjustment; and

**WHEREAS**, the State Mineral and Energy Board after reviewing the work of the Mineral Income Division, agrees that the applicant is entitled to an adjustment, does recommend that the State allow Energy XXI Gulf Coast, Inc. to recoup the \$174,465.55 overpayment.

**NOW, BE IT THEREFORE RESOLVED**, that the Board does authorize and direct the Mineral Income Director to effectuate the credit adjustment of \$174,465.55 to Energy XXI Gulf Coast, Inc. on a one-time or lump sum basis or on such terms deemed necessary by the Director, which are legally permissible, and without prejudice to any other rights of the state.

## 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 12<sup>th</sup> day of January, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



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

**LEGAL AND TITLE CONTROVERSY COMMITTEE REPORT**

The regular meeting of the Legal and Title Controversy Committee of the State Mineral and Energy Board was held on January 12, 2011, following the Audit Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Mr. Thomas W. Sanders  
Mr. Thomas L. Arnold, Jr.  
Mr. W. Paul Segura, Jr.  
Mr. Bay Elliott Ingram  
Mr. Chip Cline (sitting in for  
Garrett Graves, Gov. Jindal's designee)

Mr. Emile B. Cordaro  
Mr. Darryl David Smith  
Mr. John C. "Juba" Diez  
Mr. Robert D. Harper

The Legal and Title Controversy Committee was called to order by Mr. Sanders at 9:55 a.m.

The first matter considered by the Committee was a request by Apache Corporation to qualify a well as capable of producing in commercial quantities without a well test due to lack of infrastructure as it pertains to State Lease No. 19531.

This matter was withdrawn, and no action was necessary by the Louisiana State Mineral and Energy Board. No comments were made by the public.

The second matter considered by the Committee was a request by Swift Energy Operating, LLC for the waiver of all or a portion of the liquidated damage assessment levied on the late partial release of State Lease No. 17721 in the amount of \$13,900.00, Plaquemines Parish.

Upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the Louisiana State Mineral and Energy Board grant a reduction to Swift Energy Operating, LLC for the liquidated damage assessment levied on the late partial release of State Lease No. 17721 to the amount of \$2,342.43. No comments were made by the public.

Upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee went into Executive Session at 9:59 a.m.

Upon motion of Mr. Arnold, seconded by Mr. Segura, the Legal and Title Controversy Committee returned to open session at 10:16 a.m.

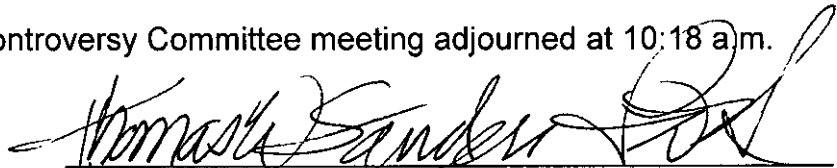
The third matter considered by the Committee was a discussion in executive session of the litigation entitled: Yuma Exploration & Production Co., Inc. v. State Mineral Board, et al, Docket No. 55-891 "B", 25<sup>th</sup> Judicial District Court, Plaquemines Parish, Louisiana.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant associated counsel the authority to negotiate a settlement of this matter with the Plaquemines Parish School Board. No comments from the public were made.

The fourth matter considered by the Committee was a discussion in executive session of the suit entitled: Chevron U.S.A., Inc. and Ridgelake Energy, Inc. v. State of LA, et al., Suit No. 46-170, 25th Judicial District Court, Plaquemines Parish.

No action was required by the State Mineral and Energy Board in regard to this matter.

The Legal and Title Controversy Committee meeting adjourned at 10:18 a.m.



Mr. Thomas W. Sanders, Chairman  
Legal and Title Controversy Committee  
Louisiana State Mineral and Energy Board

Refer to the State Mineral and Energy Board Meeting Minutes for additional information on actions taken by the Board regarding matters listed in this Report.

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

**ON MOTION** of Mr. Segura, seconded by Mr. Arnold, the following resolution was offered and unanimously adopted:

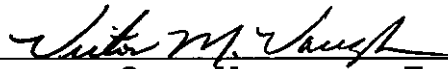
**WHEREAS**, a request was made by Swift Energy Operating, LLC for the waiver of all or a portion of the liquidated damage assessment levied on the late partial release of State Lease No. 17721 in the amount of \$13,900.00, Plaquemines Parish;

**WHEREAS**, after discussion and careful consideration by the State Mineral and Energy Board, there being no evidence that the late release impaired the ability of the State to lease the acreage again, and other criteria having been met, a decision has been reached:

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant a reduction to Swift Energy Operating, LLC for the liquidated damage assessment levied on the late partial release of State Lease No. 17721 to the amount of \$2,342.43.

## 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 12th day of January, 2011, 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.



\_\_\_\_\_  
LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

**ON MOTION** of Mr. Arnold, seconded by Mr. Segura, the following resolution was offered and unanimously adopted:

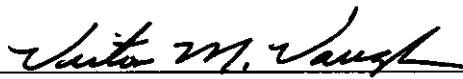
**WHEREAS**, a discussion was held in executive session of the litigation entitled: Yuma Exploration & Production Co., Inc. v. State Mineral Board, et al, Docket No. 55-891 "B", 25<sup>th</sup> Judicial District Court, Plaquemines Parish, Louisiana;

**WHEREAS**, after discussion and careful consideration by the State Mineral and Energy Board, a decision has been reached:

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant associated counsel the authority to negotiate a settlement of this matter with the Plaquemines Parish School Board.

## 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 12th day of January, 2011, 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.



\_\_\_\_\_  
LOUISIANA STATE MINERAL AND ENERGY BOARD



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

**DOCKET REVIEW COMMITTEE REPORT**

The Docket Review Committee convened at 10:17 a.m. on Wednesday, January 12, 2011. Board Members present were Mr. Robert D. Harper, sitting in for DNR Secretary Scott A. Angelle, Mr. John C. "Juba" Diez, Mr. Thomas W. Sanders, Mr. Thomas L. Arnold, Jr., Mr. Emile Cordaro, Mr. Darryl D. Smith, Mr. W. Paul Segura, Jr., Mr. Bay E. Ingram and Mr. Chip Kline (sitting in for Garret Graves, Governor Jindal's designee to the State Mineral and Energy Board)

The Committee made the following recommendations:

Approve State Agency Leases A on page 1;

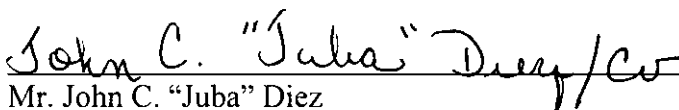
Approve all Assignments on pages 2 through 11; No. 29 on page 11 would be approved subject to the approval of the Governor of Louisiana;

Approve the following items: Docket Item No. 11-01 on page 13.

Upon Motion of Mr. Segura, seconded by Mr. Sanders, the committee voted unanimously to accept the staff's recommendations.

There being no further business to come before the committee, upon motion of Mr. Segura, and seconded by Mr. Sanders, the committee voted unanimously to adjourn the meeting at 10:19 a.m.

Respectfully submitted,



Mr. John C. "Juba" Diez  
Chairman  
Docket Review Committee

Refer to Board Meeting Minutes for any action taken by the Board regarding matters in this report.

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the January 12, 2011 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Calcasieu Parish Police Jury, dated December 2, 2010, awarded to Midstates Petroleum Company LLC, covering lands located in the Northeast Quarter of Section 10, Township 7 South, Range 11 West, Calcasieu Parish, Louisiana, containing 2.25 acres, more or less, with further contractual obligations being more enumerated in the instrument.

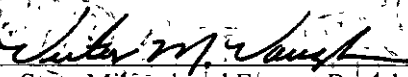
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of January, 2011, 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.

  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the January 12, 2011 Meeting be approved, said instrument being an Assignment from White Oak Energy V, LLC to Goldking Resources, LLC, an undivided 43.750% interest in and to State Lease Nos. 7520 and 20053, St. Martin Parish, Louisiana, with further particulars being stipulated in the instrument.

White Oak Energy V, LLC is designated as the joint account Lessee (contact person) 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 non-signatory 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 2 from the January 12, 2011 Meeting be approved, said instrument being an Assignment from Pearl States, Inc , Matrix Energy Corporation and Perry and Patricia Shaw Trust to Encana Oil & Gas (USA) Inc., of all of Assignor's right, title and interest in and to State Lease No. 12847, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument

Encana Oil & Gas (USA) Inc. is designated as the joint account Lessee (contact person) 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the January 12, 2011 Meeting be approved, said instrument being an Assignment from Encana Oil & Gas (USA) Inc. to SWEPI LP, an undivided 50% of Assignor's right, title and interest in and to State Lease No. 20403, Red River Parish, Louisiana, with further particulars being stipulated in the instrument.

Encana Oil & Gas (USA) Inc. is designated as the joint account Lessee (contact person) 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;

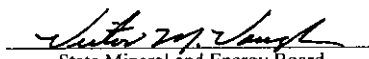
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the January 12, 2011 Meeting be approved, said instrument being an Assignment from Encana Oil & Gas (USA) Inc. to SWEPI LP, an undivided 50% of Assignor's right, title and interest in and to State Lease No. 20404, Red River Parish, Louisiana, with further particulars being stipulated in the instrument.

Encana Oil & Gas (USA) Inc. is designated as the joint account Lessee (contact person) 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 non-signatory 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;

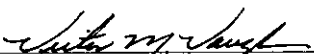
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Segura seconded by Mr. Sanders, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the January 12, 2011 Meeting be approved, said instrument being an Assignment from Southwestern Energy Production Company to Riley-Huff Energy Group, LLC, of all of Assignor's right, title and interest in and to State Lease No 19623 and Operating Agreements A0287 and A0288, Caldwell Parish, Louisiana, with further particulars being stipulated in the instrument

Riley-Huff Energy Group, LLC is designated as the joint account Lessee (contact person) 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:

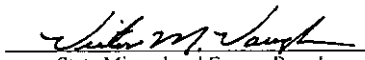
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the January 12, 2011, Meeting be approved, said instrument being a Correction of Resolution No. 36 from the September 9, 2009 Docket, being a Merger whereby Manti Jamba, Ltd., Manti Enervest, Ltd., Manti Ventana, Ltd. and Manti Godzilla, Ltd. merged with and into Manti Lucky Strike, Ltd., whereas State Lease No. 19778 was omitted from said resolution and is hereby being added, affecting State Lease Nos. 17073, 17074, 17086, 17088, 18809, 18816, 18949, 18955, 19072, 19401, 19402, 19502, 19639, 19778, 19888 and 19897, Acadia, Cameron, East Feliciana, Lafayette, Lafourche, Orleans, St. Helen and Vermilion Parishes, Louisiana.

### 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 12th day of January, 2011, 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.

  
\_\_\_\_\_  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 7 from the January 12, 2011, Meeting be approved, said instrument being a Correction of Resolution No. 37 from the September 9, 2009 Docket, being a Merger whereby Manti Lucky Strike, Ltd. merged with and into Manti Exploration & Production, Inc., whereas State Lease No. 19778 was omitted from said resolution and is hereby being added, affecting State Lease Nos. 17073, 17074, 17086, 17088, 18809, 18816, 18949, 18955, 19072, 19401, 19402, 19502, 19639, 19778, 19888 and 19897, Acadia, Cameron, East Feliciana, Lafayette, Lafourche, Orleans, St. Helen and Vermilion Parishes, Louisiana.

### 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 12th day of January, 2011, 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.

  
\_\_\_\_\_  
State Mineral and Energy Board

# RESOLUTION

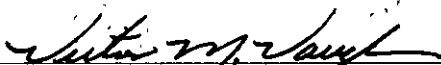
## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 8 from the January 12, 2011, Meeting be approved, said instrument being a Correction of Resolution No. 37 from the September 9, 2009 Meeting, being a Merger whereby Manti Lucky Strike, Ltd. is merging with and into Manti Exploration & Production, Inc., whereas said resolution incorrectly read..."a Merger whereby Manti Lucky Strike, Ltd. Is merging with ant into Manti Exploration and Production, Inc." and is hereby being corrected to read..."a Merger whereby Manti Lucky Strike, Ltd. Is merging into Manti Equity Partners (an undivided 94% interest) and Manti Exploration & Production, Inc. (an undivided 6% interest), affecting State Lease Nos. 17073, 17074, 17086, 17088, 18809, 18816, 18949, 18955, 19072, 19401, 19402, 19502, 19503, 19639, 19778, 19888 and 19897, Acadia, Cameron, East Feliciana, Lafayette, Lafourche, Orleans, St. Bernard, St. Helen and Vermilion Parishes, Louisiana.

### 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 12th day of January, 2011, 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.

  
\_\_\_\_\_  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 9 from the January 12, 2011 Meeting be approved, said instrument a Merger whereby Manti Bully Camp, Ltd. is merging with and into Manti Equity Partners (an undivided 94% interest) and Manti Exploration & Production, Inc. (an undivided 6% interest), affecting State Lease Nos. 19700, 19701, 19711, 19712, 19713 and 19715, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

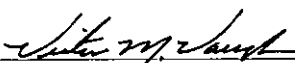
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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

  
\_\_\_\_\_  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 10 from the January 12, 2011 Meeting be approved, said instrument a Judgment of Possession of the Succession of Hugh M. Briggs, whereas Faye Chase Briggs, surviving spouse of Hugh M. Briggs if the residual legatee under the last Will and Testament of the decedent and is sent into possession of the decedent's interest in and to State Lease Nos. 11155 and 11855, Bossier and Caddo 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, 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 11 from the January 12, 2011 Meeting be approved, said instrument an Assignment from Faye Chase Briggs, widow of Hugh M. Briggs to Cohort Energy Company, of all of Assignor's right, title and interest in and to State Lease Nos. 11155 and 11855, Bossier and Caddo Parishes, Louisiana, with further particulars being stipulated in the instrument.

Cohort Energy Company is designated as the joint account Lessee (contact person) 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 12 from the January 12, 2011 Meeting be approved, said instrument a Judgment of Possession of the Succession of Mary Virginia Parker Townsend, whereas Esther Elizabeth Busby Nichols and Herbert Grey Townsend, III are sole legatees and sent into possession of an undivided ½ interest each of the decedent's interest in and to State Lease Nos. 11155 and 11855, Bossier and Caddo Parishes, Louisiana

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 non-signatory 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
\_\_\_\_\_  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Segura seconded by Mr. Sanders, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13 from the January 12, 2011 Meeting be approved, said instrument an Act of Exchange from Esther Elizabeth Busby Nichols to Herbert Grey Townsend, III, of all of Assignor's right, title and interest in and to State Lease Nos. 11155 and 11855, Bossier and Caddo Parishes, Louisiana.

Cohort Energy Company is designated as the joint account Lessee (contact person) 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;

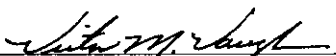
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 14 from the January 12, 2011 Meeting be approved, said instrument an Assignment from Herbert Grey Townsend, III to Cohort Energy Company, of all of Assignor's right, title and interest in and to State Lease Nos. 11155 and 11855, Bossier and Caddo Parishes, Louisiana, with further particulars being stipulated in the instrument.

Cohort Energy Company is designated as the joint account Lessee (contact person) 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
\_\_\_\_\_  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 15 from the January 12, 2011 Meeting be approved, said instrument an Assignment from Carl F. Crownover to CCRC Family Limited Partnership, of all of Assignor's right, title and interest in and to State Lease Nos. 11155 and 11855, Bossier and Caddo Parishes, Louisiana, with further particulars being stipulated in the instrument.

Cohort Energy Company is designated as the joint account Lessee (contact person) 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16 from the January 12, 2011 Meeting be approved, said instrument an Assignment from CCRC Family Limited Partnership to Cohort Energy Company, of all of Assignor's right, title and interest in and to State Lease Nos. 11155 and 11855, Bossier and Caddo Parishes, Louisiana, with further particulars being stipulated in the instrument.

Cohort Energy Company is designated as the joint account Lessee (contact person) 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,

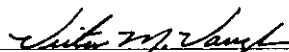
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
\_\_\_\_\_  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17 from the January 12, 2011 Meeting be approved, said instrument an Assignment from Specter Exploration, Inc. to ConocoPhillips Company, of all of Assignor's right, title and interest in and to State Lease No. 20438, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

ConocoPhillips Company is designated as the joint account Lessee (contact person) 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.

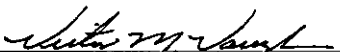
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 18 from the January 12, 2011 Meeting be approved, said instrument an Assignment from Phoenix Exploration Louisiana C LLC, an undivided 35% of 8/8ths interest to the following in the proportions set out below:

Castex Energy 2005, L.P	25 00%
Petsec Exploration and Production L L C.	10 00%

in and to State Lease Nos. 20221, 20367, 20368 and 20369, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument

Phoenix Exploration Louisiana C LLC is designated as the joint account Lessee (contact person) 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,

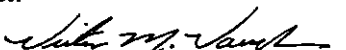
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 19 from the January 12, 2011 Meeting be approved, said instrument a Change of Name whereby HE & D Operating, L.P. is changing its name to Houston Energy Operating, L.P., under the name of Houston Energy Operating, L.P., affecting State Lease Nos. 18809 and 19401, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30.128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind,

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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12<sup>th</sup> day of January, 2011, 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.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 20 from the January 12, 2011 Meeting be approved, said instrument an Assignment from Jack W Grigsby, a single man to Grigsby Production L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 6629 and 13920, Caddo and DeSoto Parishes, Louisiana, with further particulars being stipulated in the instrument

Grigsby Production L.C. is designated as the joint account Lessee (contact person) 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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

  
\_\_\_\_\_  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Segura seconded by Mr. Sanders, the following Resolution was offered and adopted.

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 21 from the January 12, 2011 Meeting be approved, said instrument an Assignment from Theophilus Oil, Gas & Land Services, LLC to Hilcorp Energy I, L.P., of all of Assignor's right, title and interest in and to State Lease Nos. 20456 and 20457, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Hilcorp Energy I L.P. is designated as the joint account Lessee (contact person) 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
\_\_\_\_\_  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 22 from the January 12, 2011 Meeting be approved, said instrument an Assignment from Theophilus Oil, Gas & Land Services, L.L.C to Munoco Company L.C , of all of Assignor's right, title and interest in and to State Lease No. 20449, LaSalle and Rapides Parishes, Louisiana, with further particulars being stipulated in the instrument.

Munaco Company L.C. is designated as the joint account Lessee (contact person) 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
\_\_\_\_\_  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 23 from the January 12, 2011 Meeting be approved, said instrument a Judgment of Possession and Amendment of Judgment of Possession of the Succession of Meyer A. Berman, whereas Katia Christina Berman, widow of Meyer A. Berman, is recognized as the surviving spouse in community with the decedent and, as such, is sent into possession and ownership of an undivided ½ interest in all of the property belonging to the community of acquets and gains formerly existing between her and the decedent, in and to State Lease Nos. 5419, 7584, 7712, 11384, 11859 and 14531, Cameron, Jefferson Davis 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, 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12<sup>th</sup> day of January, 2011, 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

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Segura seconded by Mr. Sanders, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 24 from the January 12, 2011 Meeting be approved, said instrument an Assignment from Katia Christina Berman, widow of Meyer A Berman to Caprock Producing, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 5419, 7584, 7712, 11384, 11859 and 14531, Cameron, Jefferson Davis and Vermilion Parishes, Louisiana, with further particulars being stipulated in the instrument.

Caprock Producing, LLC is designated as the joint account Lessee (contact person) 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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

  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Segura seconded by Mr. Sanders, the following Resolution was offered and adopted.

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 25 from the January 12, 2011 Meeting be approved, said instrument an Assignment from Castex Energy 2005 L.P. to Castex Energy Partners, L.P., of all of Assignor's right, title and interest in and to State Lease Nos. 19774, 20221, 20367, 20368 and 20369, St. Charles and St. Mary Parishes, Louisiana, with further particulars being stipulated in the instrument.

Castex Energy Partners, L.P. is designated as the joint account Lessee (contact person) for State Lease No. 19774 pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

Phoenix Exploration Louisiana C LLC is designated as the joint account Lessee (contact person) for State Lease Nos. 20221, 20367, 20368 and 20369 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,

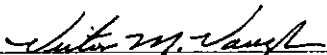
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Segura seconded by Mr. Sanders, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 26 from the January 12, 2011 Meeting be approved, said instrument an Assignment from Castex Energy 2005, L.P. to Castex Energy Partners, L.P., an undivided 17.50% interest in and to Operating Agreement "A0301", St. Mary Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said interests cover that portion of that certain 860 acre tract of the Belle Isle Selection of State Lease #340, which are located within the boundaries of the L RA SUA Unit, **AND FURTHER LIMITED TO** rights from the surface down to a depth of 14,766' MD as seen in the SL 340 Atachafalaya Bay #44 well, with further particulars being stipulated in the instrument.

Castex Energy Partners, L.P. is designated as the joint account Lessee (contact person) 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,

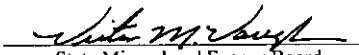
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12<sup>th</sup> day of January, 2011, 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.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 27 from the January 12, 2011 Meeting be approved, said instrument an Assignment from Energy XXI Gulf Coast, Inc. to Energy XXI Onshore, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 378, 17895, 18645, 18887, 19528 and 19531, Cameron, Iberia, Lafourche and Terrebonne Parishes, Louisiana, with further particulars being stipulated in the instrument.

Energy XXI Onshore, LLC is designated as the joint account Lessee (contact person) 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,

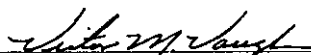
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 28 from the January 12, 2011 Meeting be approved, said instrument an Assignment from Merab Energy Company, LLC to Rabb Resources Limited, of all of Assignor's right, title and interest in and to State Lease No 17129, Catahoula and Concordia Parishes, Louisiana, with further particulars being stipulated in the instrument

Rabb Resources Limited is designated as the joint account Lessee (contact person) 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, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he 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 12th day of January, 2011, 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.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Segura seconded by Mr. Sanders, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 29 from the January 12 2011 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument an Assignment from Dune Properties, Inc. of an undivided interest to the following in the proportions set out below

Repsol Louisiana Corp	75 0%
ORX Exploration Inc.	10 0%

in and to State Lease Nos 214 and 1393, Plaquemines Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** such oil and gas leases describe the lands and depths described in Exhibit A attached hereto, with further particulars being stipulated in the instrument

ORX Resources, L.L.C. is designated as the joint account Lessee (contact person) 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.

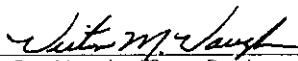
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

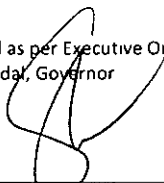
BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

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 12<sup>th</sup> day of January, 2011, 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

  
State Mineral and Energy Board

Approved as per Executive Order BJ 2008-10  
Bobby Jindal, Governor

By:   
Scott A. Angelle

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

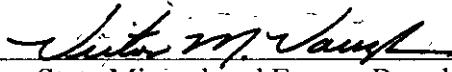
On motion of Mr. Segura, seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-01 from the January 12, 2011, Meeting be approved, said instrument being a Unitization Agreement presented by Century Exploration New Orleans, Inc. and XTO Offshore Inc., to create a 170.00 acre unit, more or less, identified as the "BS 53 UV 3-B RA VUA", with 42.35 acres being attributable to State Lease No. 15683, 92.53 acres being attributable to State Lease No. 19051, 8.62 acres being attributable to State Lease No. 19052, 1.66 acres being attributable to State Lease No. 19347, 10.91 acres being attributable to State Lease No. 19391 and 13.93 acres being attributable to State Lease No. 20423, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the instrument by signing said instrument for the Board.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of January, 2011 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.

  
\_\_\_\_\_  
State Mineral and Energy Board