

MINUTES

STATE MINERAL AND ENERGY BOARD

LEASE SALE AND BOARD MEETING

January 9, 2019

JOHN BEL EDWARDS
GOVERNOR



THOMAS F. HARRIS
SECRETARY

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

Opening of Bids

January 9, 2019

A public meeting for the purpose of opening sealed bids was held on Wednesday, January 9, 2019, beginning at 8:30 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

Jamie Manuel – Assistant Secretary of the Office of Mineral Resources

Rachel Newman – Director, Mineral Income Division

Byron Miller – Administrator, Geology, Engineering & Land Division

Jason Talbot – Geology Supervisor, Geology, Engineering & Land Division

Emile Fontenot – Director, Petroleum Lands

Mr. Manuel presided over the meeting. He then read the letter of notification certifying the legal sufficiency of the advertisement of Tract Nos. 45060 through 45075 which were published for lease by the Board at today's sale.

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

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 Manuel stated that there were no tracts to be withdrawn from today's Lease Sale.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

Tract 45060
(Portion Bid: 828.04 acres)

Bidder	:	Creole Operating, LLC
Primary Term	:	Five (5) years
Cash Payment	:	\$200,000.00
Annual Rental	:	\$100,000.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 45062

Bidder	:	Cantium, LLC
Primary Term	:	Five (5) years
Cash Payment	:	\$456,636.00
Annual Rental	:	\$228,318.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 45063
(Portion Bid: 1,655.23 acres)

Bidder	:	Cantium, LLC
Primary Term	:	Five (5) years
Cash Payment	:	\$331,046.00
Annual Rental	:	\$165,523.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 45067

Bidder	:	Cantium, LLC
Primary Term	:	Five (5) years
Cash Payment	:	\$331,686.00
Annual Rental	:	\$165,843.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 45068

Bidder	:	Audubon Energy, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$9,000.00
Annual Rental	:	\$4,500.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 45069
(Portion Bid: 321.48 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$72,333.00
Annual Rental	:	\$36,166.50
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 45070(1)
(Portion Bid: 273.60)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$61,560.00
Annual Rental	:	\$30,780.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 45070(2)
(Portion Bid: 21.44)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$4,824.00
Annual Rental	:	\$2,412.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 45071
(Portion Bid: 69.93)

Bidder	:	Theophilus Oil, Gas & Land
	:	Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$15,734.25
Annual Rental	:	\$7,867.13
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 45072
(Portion Bid: 143.91)

Bidder	:	Theophilus Oil, Gas & Land
	:	Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$32,379.75
Annual Rental	:	\$16,189.88
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 45073(1)
(Portion Bid: 122.48)

Bidder	:	Theophilus Oil, Gas & Land
	:	Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$27,558.00
Annual Rental	:	\$13,779.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 45073(2)
(Portion Bid: 89.21)

Bidder	:	Theophilus Oil, Gas & Land
	:	Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$20,072.25
Annual Rental	:	\$10,036.13
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 45074
(Portion Bid: 290.99 acres)

Bidder	:	Theophilus Oil, Gas & Land
	:	Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$65,472.75
Annual Rental	:	\$32,736.38
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

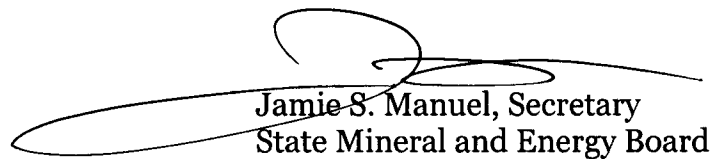
Tract 45075
(Portion Bid: 111 acres)

Bidder	:	Hilcorp Energy I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$30,747.00
Annual Rental	:	\$15,373.50
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 8:51 a.m.

Respectfully Submitted,


Jamie S. Manuel, Secretary
State Mineral and Energy Board

JOHN BEL EDWARDS
GOVERNOR



THOMAS F. HARRIS
SECRETARY

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

REGULAR MEETING
January 9, 2019

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, January 9, 2019**, beginning at 9:39 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

I. CALL TO ORDER

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

II. ROLL CALL

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

W. Paul Segura, Jr., Chairman
Carol R. LeBlanc, Vice-Chair
Thomas F. Harris, DNR Secretary
Rochelle A. Michaud-Dugas
Robert D. Watkins
J. Todd Hollenshead
Theodore M. "Ted" Haik, Jr.
Emile B. Cordaro
Thomas L. Arnold, Jr.

The following members of the Board were recorded as absent:

Byron L. Lee
Kyle "Chip" Kline, Jr.

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

Also recorded as present were:

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

III. PLEDGE OF ALLEGIANCE

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

IV. APPROVAL OF THE DECEMBER 12, 2018 MINUTES

The Chairman stated that the first order of business was the approval of the December 12, 2018 Minutes. A motion was made by Ms. Michaud-Dugas to adopt the Minutes as submitted and to waive reading of same. Her motion was seconded by Mr. Haik and unanimously adopted by the Board. (No public comment was made at this time.)

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

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

VI. STAFF REPORTS

- a) Lease Review Report
- b) Nomination and Tract Report
(Resolution No(s). 19-01-001)
- c) Audit Report
- d) Legal and Title Controversy Report
(Resolution No(s). 19-01-002)
- e) Docket Review Report
(Resolution No(s). 19-01-003 through 19-01-017)

**a) LEASE REVIEW REPORT
January 9, 2019**

I. GEOLOGICAL AND ENGINEERING STAFF REVIEW

According to the SONRIS database, there were 1,180 active State Leases containing approximately 507,070 acres. Since the last Lease Review Report, the Geological and Engineering Division reviewed 77 leases covering approximately 15,900 acres for lease maintenance and development issues.

II. BOARD REVIEW

1. There were no State Lease items brought before the Board.

III. FORCE MAJEURE

1. There were no new Force Majeure items brought before the Board.

b) NOMINATION AND TRACT REPORT
January 9, 2019

The Board heard the report of Mr. Emile Fontenot on Wednesday January 9, 2019 relative to nominations received in the Office of Mineral Resources for the March 13, 2019 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Arnold**, duly seconded by **Mr. Harris**, the Board granted authority to the staff to advertise all such tracts as have been received by the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report. (Resolution 19-01-001)

c) AUDIT REPORT
January 9, 2019

The first matter considered by the Board was the election of the January 2019 gas royalty to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

No action required.

d) LEGAL & TITLE REPORT
January 9, 2019

The first matter was a request from Attic Investment, Inc. (Attic) to the Board for an Operating Agreement affecting the interest in 124.24 acres of State owned lands in Township 15 South, Range 3 East, Intracoastal City Field located in Vermilion Parish, Louisiana, and to take the acreage out of commerce until April 10, 2019 or until the Operating Agreement is confectioned, whichever comes first.

Staff recommended that the Board grant authority to Staff to negotiate the terms of an Operating Agreement with Attic after further discussion in Executive Session. Staff's authority would be subsequent to those terms approved by the Board in Executive Session.

Action on this matter was taken by the Board in Executive Session.

The second matter considered by the Board was a request from Upstream Exploration LLC (Upstream) to amend the deferred development clause in State Lease No. 21380 from two (2) years to three (3) years on 242 non-producing acres (Extended Lands) located in Plaquemines Parish, Louisiana.

Staff reported that the majority of State Lease No. 21380 has been and is currently producing. Upstream has indicated to Staff the intent to expand further in the Plaquemines Parish area in the near future.

Staff recommended that the Board amend the deferred development clause in State Lease No. 21380 from two (2) years to three (3) years for a consideration of \$57,112.00. The payment would serve as the deferred development payment required to maintain State Lease No. 21380 as to the Extended Lands from March 12, 2019 to March 12, 2020.

Upon motion of Mr. Arnold, seconded by Mr. Watkins, and by unanimous vote of the Board, the State Mineral and Energy Board accepted Staff's recommendation and approved the request by Upstream Exploration LLC to amend the deferred development clause in State Lease No. 21380 from two (2) years to three (3) years on 242 non-producing acres (Extended Lands) for a deferred development payment of \$57,112.00. There were no comments from the public. (Resolution No. 19-01-002)

The third matter considered by the Board was a discussion of the schedule for approving the proposed lease form. This matter was for discussion only and there was no action necessary. There were no comments from the public.

**e) DOCKET REVIEW REPORT
January 9, 2019**

The Board heard the report from Emile Fontenot on Wednesday, January 9, 2019, relative to the following:

- Category A: State Agency Leases
Docket Item Nos. 1 through 4
- Category B: State Lease Transfers
Docket Item Nos. 1 through 8
- Category C: Department of Wildlife & Fisheries State Agency Lease
There were no items for this category
- Category D: Advertised Proposals
Docket Item Nos. 1 through 3

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

- Category A: State Agency Leases
Approve Docket Items A through D (Resolution Nos. 19-01-003 through 19-01-006)
- Category B: State Lease Transfers
Approve Docket Item Nos. 1 through 8 (Resolution Nos. 19-01-007 through 19-01-014)
- Category C: Advertised Proposals
Approve Docket Item Nos. 19-01 through 19-03 (Resolution Nos. 19-01-15 through 19-01-17)

VII. EXECUTIVE SESSION

(Resolution No(s). 19-01-018 through 19-01-019)

The Chairman stated that the next order of business was discussions in Executive Session to consider matters before the Board which were confidential in nature. Upon motion of Mr. Harris, seconded by Ms. Michaud-Dugas, the Board Members went into Executive Session at 10:28 a.m.

Upon motion of Mr. Arnold, seconded by Mr. Watkins, the Board reconvened in open session at 11:33 a.m. for consideration of the following matters discussed in Executive Session:

- a. A discussion of possible settlement of the matter entitled: State v. Ardenco, L.L.C., Docket No. 666002, Section 27, 19th Judicial District Court, East Baton Rouge Parish, Louisiana

Upon motion of Mr. Arnold, seconded by Ms. Michaud-Dugas, the Board voted unanimously, in an effort to resolve the dispute in the matter of State of Louisiana v. Ardenco, LLC, Docket No. 666002, Div. 27, Nineteenth Judicial District Court, East Baton Rouge Parish, Louisiana, to direct the Attorney General to inform Ardenco, LLC (“Ardenco”) that it should submit to the Board a formal request for a waiver of penalty asking for, based on the fact that this is Ardenco’s first such infraction, a full penalty waiver under the Board’s waiver policy. The Attorney General is further directed to hold this lawsuit in abeyance until the waiver request has been considered and determined by the Board or for six (6) months, whichever occurs first. Should the Board grant the waiver, the State shall dismiss the case upon Ardenco’s payment of the actual court costs incurred at the Nineteenth Judicial District Court. Should the Board decline to grant the waiver or should Ardenco fail to seek the waiver following these delay periods, this offer of settlement shall lapse. No comments were made by the public. (Resolution No. 19-01-018)

- b. A discussion and request by Staff for authority to make an offer to Attic Investments, Inc. regarding the terms of an Operating Agreement involving 124.24 acres of State owned lands in Township 15 South, Range 3 East, Intracoastal City Field, Vermilion Parish, Louisiana

Upon motion of Mr. Arnold, seconded by Mr. Watkins, the Board voted unanimously, to grant Staff the authority to negotiate pursuant to the discussion in Executive Session. No comments were made by the public. (Resolution No. 19-01-019)

- c. A general discussion of bankruptcy litigation

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

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

VIII. AWARDING OF LEASES

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

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

1. Award a lease on a portion (828.04 acres) of Tract No. 45060 to Creole Operating, LLC
2. Award a lease on Tract No. 45062 to Cantium, LLC
3. Award a lease on a portion of Tract No. 45063 to Cantium, LLC
4. Award a lease on Tract No. 45067 to Cantium, LLC
5. Award a lease on Tract No. 45068 to Audubon Energy, LLC
6. Award a lease on a portion (321.48 acres) of Tract No. 45069 to Theophilus Oil, Gas & Land Services, LLC
7. Award a lease on a portion (273.60 acres) of Tract No. 45070 to Theophilus Oil, Gas & Land Services, LLC
8. Award a lease on a portion (21.44 acres) of Tract No. 45070 to Theophilus Oil, Gas & Land Services, LLC
9. Award a lease on a portion (69.93 acres) of Tract No. 45071 to Theophilus Oil, Gas & Land Services, LLC
10. Award a lease on a portion (143.91 acres) of Tract No. 45072 to Theophilus Oil, Gas & Land Services, LLC
11. Award a lease on a portion (122.48 acres) of Tract No. 45073 to Theophilus Oil, Gas & Land Services, LLC
12. Award a lease on a portion (89.21 acres) of Tract No. 45073 to Theophilus Oil, Gas & Land Services, LLC
13. Award a lease on a portion (290.99 acres) of Tract No. 45074 to Theophilus Oil, Gas & Land Services, LLC
14. Award a lease on a portion (111 acres) of Tract No. 45075 to Theophilus Oil, Gas & Land Services, LLC

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

This concluded the awarding of the leases.

IX. NEW BUSINESS

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

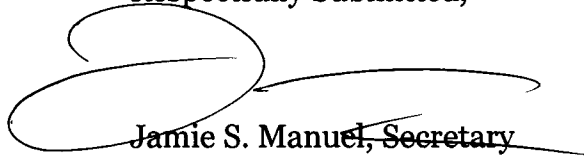
X. ANNOUNCEMENTS

Mr. Manuel stated that there were fourteen (14) leases awarded totaling \$1,659,049.00 for the January 9, 2019 Lease Sale bringing the fiscal year total to \$9,562,276.82.

XI. ADJOURNMENT

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Watkins, seconded by Mr. Hollenshead, the meeting was adjourned at 11:39 a.m.

Respectfully Submitted,



Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Authority to advertise
Tracts for March 13,
2019 Lease Sale

Resolution #19-01-001
(NOMINATION AND TRACT REPORT)

WHEREAS, Mr. Emile Fontenot reported that forty-five (45) tracts were nominated for the March 13, 2019 Mineral Lease Sale, and requested that same be advertised pending staff review;

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

That the State Mineral and Energy Board grant approval to advertise all such tracts for the March 13, 2019 Mineral Lease Sale;

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

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 9th day of January 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.


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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #19-01-002

(LEGAL & TITLE CONTROVERSY REPORT)

Upstream Exploration
LLC - Request to amend
deferred development
clause in SL No. 21380
to March 12, 2020

WHEREAS, a request by Upstream Exploration LLC (Upstream) to the State Mineral and Energy Board (Board) to amend the deferred development clause in State Lease No. 21380 from two (2) years to three (3) years on 242 non-producing acres (Extended Lands) located in Plaquemines Parish, Louisiana; and

WHEREAS FURTHER, it was reported that the majority of State Lease No. 21380 has been and is currently producing and, Upstream has indicated to Staff the intent to expand further in the Plaquemines Parish area in the near future; and

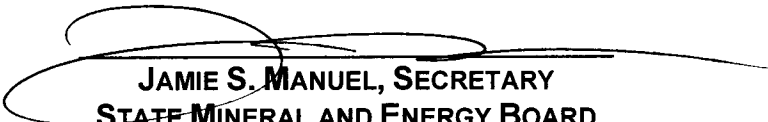
WHEREAS, OMR Staff, upon thorough review and consideration, recommended that the Board amend the deferred development clause in State Lease No. 21380 from two (2) years to three (3) years for the monetary consideration of \$57,112.00. This monetary payment will serve as the deferred development payment required to maintain State Lease No. 21380 as to the Extended Lands from March 12, 2019 to March 12, 2020:

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby approve the foregoing request by Upstream Exploration LLC for the monetary payment of \$57,112.00 to serve as the deferred development payment required to maintain State Lease No. 21380 as to the Extended Lands from March 12, 2019 to March 12, 2020.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 9th day of January, 2019, of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.


JAMIE S. MANUEL, SECRETARY
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-003
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the January 9, 2019 meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the City of Grambling, awarded to Range Louisiana Operating, LLC, covering lands situated in the Section 19, Township 18 North, Range 3 West, Lincoln Parish, containing 9.282 acres, more or less, with further contractual obligation being more enumerated in the instrument.

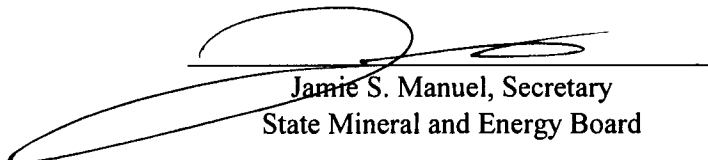
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title 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 or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-004

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item B from the January 9, 2019 meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the City of Grambling to Range Louisiana Operating, LLC, covering lands situated in Section 19, Township 18 North, Range 3 West, Lincoln Parish, Louisiana, containing 8.240 acres, more or less, with further contractual obligations being more enumerated in the instrument.

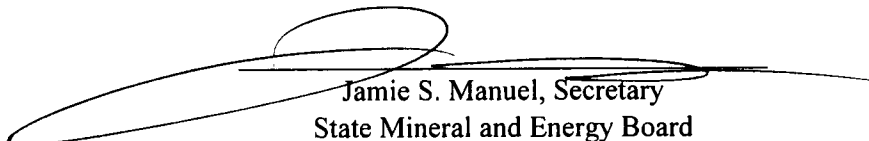
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title 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 or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-005
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item C from the January 9, 2019 meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the City of Grambling to Range Louisiana Operating, LLC, covering lands located at the Southwest Corner of Lot 10 of the Cornwell, Reed & Beck Subdivision, Lincoln Parish, Louisiana, with further contractual obligations being more enumerated in the instrument.

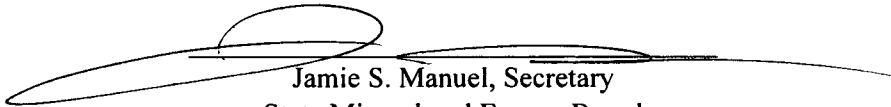
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title 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 or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-006

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item D from the January 9, 2019 meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the City of Grambling to Range Louisiana Operating, LLC, covering lands situated in Section 19, Township 18, Range 3 West, Lincoln Parish, Louisiana, containing 1.0 acre, more or less, with further contractual obligations being more enumerated in the instrument.

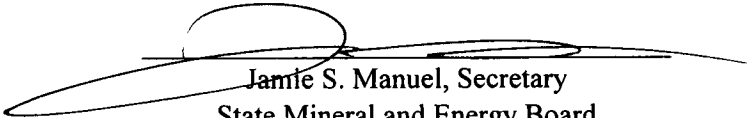
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title 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 or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-007

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the January 9, 2019 meeting be approved, said instrument being an Assignment from Wagner Oil Company, Bryan C. Wagner and wife Allison Wagner to Cubierto, LP, of all of Assignor's right, title and interest in and to State Lease No. 4775, LaSalle Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

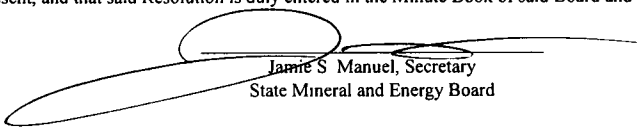
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-008

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the January 9, 2019 meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas & Land Services, LLC to USG Properties Haynesville, LLC, of all of Assignor's right, title and interest in and to State Lease No 21859, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

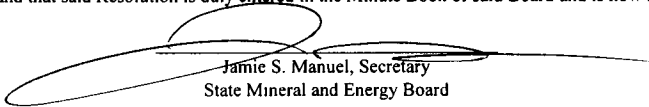
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-009 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the January 9, 2019 meeting be approved, said instrument being an Assignment from Exxon Mobil Corporation to XTO Energy Inc., of all of Assignor's right, title and interest in and to State Lease No 502, LaSalle Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

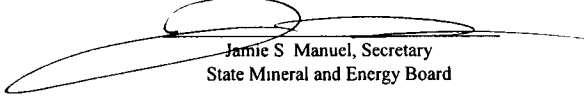
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


Jamie S Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-010 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the January 9, 2019 meeting be approved, said instrument being an Assignment from Exxon Mobil Corporation to XTO Energy Inc., of all of Assignor's right, title and interest in and to State Lease No. 476, Concordia and Tensas Parishes, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

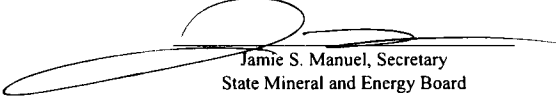
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-010 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the January 9, 2019 meeting be approved, said instrument being an Assignment from Exxon Mobil Corporation to XTO Energy Inc., of all of Assignor's right, title and interest in and to State Lease No. 476, Concordia and Tensas Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

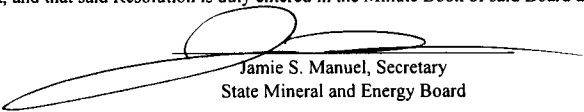
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-011 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the January 9, 2019 meeting be approved, said instrument being an Assignment from Exxon Mobil Corporation to XTO Energy Inc., of all of Assignor's right, title and interest in and to State Lease No 517, Evangeline Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

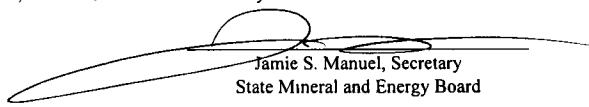
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-012 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the January 9, 2019 meeting be approved, said instrument being an Assignment from Exxon Mobil Corporation to XTO Energy Inc., of all of Assignor's right, title and interest in and to State Lease No. 3557, Catahoula Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

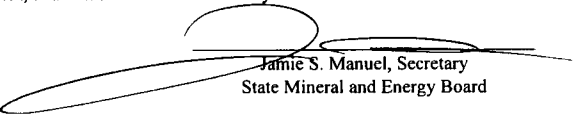
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-013 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 7 from the January 9, 2019 meeting be approved, said instrument being an Assignment from Caruthers Producing Co., Inc. to Chaney Co., L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 8935 and 8936, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument

Chaney Co., L.L.C. is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

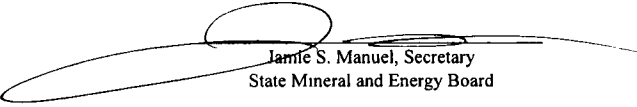
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-014 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 8 from the January 9, 2019 meeting be approved, said instrument being an Assignment from John D. Caruthers, Jr. to Chaney Co., L.L.C., of all of Assignor's right, title and interest in and to State Lease No. 10334, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

Chaney Co., L.L.C. is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

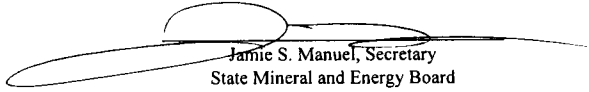
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-015

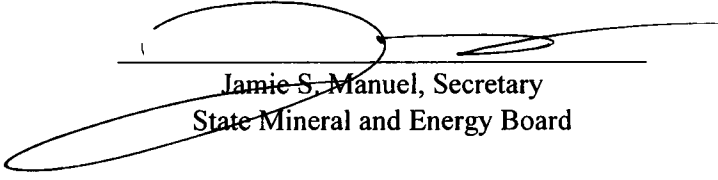
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 19-01 from the January 9, 2019 meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board and Sola Energy Resources, LLC, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the state a State Production Interest equal to 25% before payout, increasing to 25.5% after payout, in and to the operating tract, covering a portion of former State Lease No. 16623, containing 41.693 acres, more or less, Rapides Parish, Louisiana, with further particulars being stipulated in the instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-016

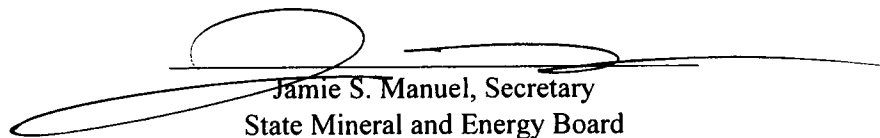
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 19-02 from the January 9, 2019 meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board and Sola Energy Resources, LLC, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the state a State Production Interest equal to 25% before payout, increasing to 25.5% after payout, in and to the operating tract, covering a portion of former State Lease No. 16642, containing 10.071 acres, more or less, Rapides Parish, Louisiana, with further particulars being stipulated in the instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-001-017

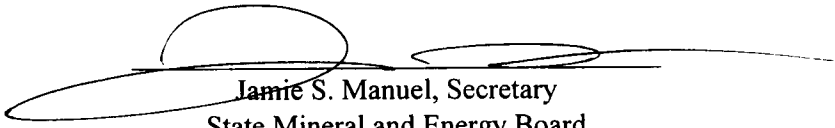
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 19-03 from the January 9, 2019 meeting be approved, said instrument being a Unitization Agreement presented by DW Wapiti Investments I, LLC et al, to create a 477.9 acre unit, identified as the "28 RB SU", with 39.3 acres attributable to State Lease No. 17376, 320.1 acres attributable to State Lease No. 17378, 102.3 acres attributable to State Lease No. 21764 and 16.2 acres being attributable to the Plaquemines Parish Government, Bay Batiste Field, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 9th day of January, 2019 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion
Re: State v. Ardenco, L.L.C.

RESOLUTION # 19-01-018

(EXECUTIVE SESSION)

WHEREAS, a discussion was held in Executive Session regarding the possible settlement of the matter entitled: State v. Ardenco, L.L.C., Docket No. 666002, Section 27, 19th Judicial District Court, East Baton Rouge Parish, Louisiana;

ON MOTION of Mr. Arnold, seconded by Ms. Michaud-Dugas, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board, in an effort to resolve the dispute in the matter of State of Louisiana v. Ardenco, LLC, Docket No. 666002, Div. 27, Nineteenth Judicial District Court, East Baton Rouge Parish, Louisiana, does hereby direct the Attorney General to inform Ardenco, LLC (“Ardenco”) that it should submit to the Board a formal request for a waiver of penalty asking for, based on the fact that this is Ardenco’s first such infraction, a full penalty waiver under the Board’s waiver policy. The Attorney General is further directed to hold this lawsuit in abeyance until the waiver request has been considered and determined by the Board or for six (6) months, whichever occurs first. Should the Board grant the waiver, the State shall dismiss the case upon Ardenco’s payment of the actual court costs incurred at the Nineteenth Judicial District Court. Should the Board decline to grant the waiver or should Ardenco fail to seek the waiver following these delay periods, this offer of settlement shall lapse.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 9th day of January, 2019 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.



JAMIE S. MANUEL, SECRETARY
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion
Re: Attic Investments, Inc.
Operating Agreement
involving 124.24 acres of State
owned lands in Township 15
South, Range 3 East,
Intracoastal City Field,
Vermilion Parish, Louisiana

RESOLUTION # 19-01-019

(EXECUTIVE SESSION)

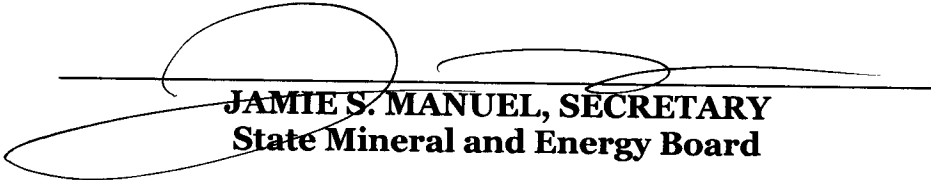
WHEREAS, a discussion was held in Executive Session regarding a request by Staff for authority to make an offer to Attic Investments, Inc. regarding the terms of an Operating Agreement involving 124.24 acres of State owned lands in Township 15 South, Range 3 East, Intracoastal City Field, Vermilion Parish, Louisiana;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant Staff the authority to negotiate pursuant to the discussion in Executive Session.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 9th day of January, 2019 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the State Mineral and Energy Board and is now in full force and effect.


JAMIE S. MANUEL, SECRETARY
State Mineral and Energy Board