

MINUTES

STATE MINERAL AND ENERGY BOARD

LEASE SALE AND BOARD MEETING

JULY 12, 2017

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

July 12, 2017

A public meeting for the purpose of opening sealed bids was held on Wednesday, July 12, 2017, beginning at 8:30 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

Jamie Manuel – Assistant Secretary of the Office of Mineral Resources

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

Rachel Newman – Director, Mineral Income Division

Boyd Handley – Administrator, Geology, Engineering & Lands 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. 44735 through 44763 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 Manuel stated that there were no tracts to be withdrawn from today's Lease Sale.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.

OFFSHORE TRACTS

Tract 44735

Bidder	:	HILCORP ENERGY I, L.P.
Primary Term	:	Five (5) years
Cash Payment	:	\$22,725.00
Annual Rental	:	\$11,362.50
Royalties	:	21.00000% on oil and gas
	:	21.00000% on other minerals
Additional Consideration	:	None

INLAND TRACTS

Tract 44738

Bidder	:	TERRAQUEST RESOURCES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$234,995.00
Annual Rental	:	\$117,497.50
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

Tract 44740

Bidder	:	TERRAQUEST RESOURCES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$355,610.00
Annual Rental	:	\$177,805.00
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

Tract 44741

Bidder	:	TERRAQUEST RESOURCES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$248,110.00
Annual Rental	:	\$124,055.00
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

State Mineral and Energy Board
Opening of Bids
July 12, 2017 Minutes
Page 3

Tract 44742

Bidder	:	TERRAQUEST RESOURCES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$300,785.00
Annual Rental	:	\$150,392.50
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

Tract 44743

Bidder	:	TERRAQUEST RESOURCES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$301,860.00
Annual Rental	:	\$150,930.00
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

Tract 44744

Bidder	:	TERRAQUEST RESOURCES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$156,520.00
Annual Rental	:	\$78,260.00
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

Tract 44752

Bidder	:	THOUSMA, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$1,575.00
Annual Rental	:	\$787.50
Royalties	:	22.50000% on oil and gas
	:	22.50000% on other minerals
Additional Consideration	:	None

Tract 44753

Bidder	:	KREWE ENERGY, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$10,750.00
Annual Rental	:	\$5,375.00
Royalties	:	21.00000% on oil and gas
	:	21.00000% on other minerals
Additional Consideration	:	None

STATE AGENCY TRACTS

Tract 44756

Bidder	:	TERRAQUEST RESOURCES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$88.80
Annual Rental	:	\$44.40
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

Tract 44757

Bidder	:	TERRAQUEST RESOURCES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$2,150.00
Annual Rental	:	\$1,075.00
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

Tract 44758

Bidder	:	ROVIG MINERALS, INC
Primary Term	:	Three (3) years
Cash Payment	:	\$78.75
Annual Rental	:	\$39.39
Royalties	:	20.00000% on oil and gas
	:	20.00000% on other minerals
Additional Consideration	:	None

TAX ADJUDICATED LANDS

Tract 44759

Bidder	:	TERRAQUEST RESOURCES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$34,400.00
Annual Rental	:	\$17,200.00
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

Tract 44760

Bidder	:	TERRAQUEST RESOURCES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$34,400.00
Annual Rental	:	\$17,200.00
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

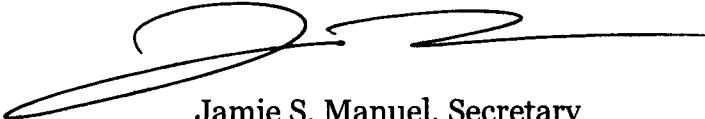
Tract 44761

Bidder	:	TERRAQUEST RESOURCES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$8,600.00
Annual Rental	:	\$4,300.00
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 8:49 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
July 12, 2017

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, July 12, 2017**, beginning at 9:38 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. Paul Segura, 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
Emile B. Cordaro
Rochelle A. Michaud-Dugas
Theodore M. "Ted" Haik, Jr.
Robert D. Watkins
J. Todd Hollenshead

The following members of the Board were recorded as absent:

Johnny B. Bradberry
Thomas L. Arnold, Jr.
Gregory C. Carter

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

Also recorded as present were:

Stacey Talley – Business Analytics Specialist of the Office of Mineral Resources
Ryan Seidemann - Assistant Attorney General
Christopher Lento - Assistant Attorney General
Rachel Newman - Director, Mineral Income Division
Boyd Handley – Administrator, Geology, Engineering & Land Division
Emile Fontenot - Director, Petroleum Lands
Byron Miller – Supervisor, Geology
Jason Talbot – Supervisor, Geology
Charles Bradbury – Supervisor, Engineering
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 JUNE 14, 2017 MINUTES

The Chairman stated that the first order of business was the approval of the June 14, 2017 Minutes. A motion was made by Ms. Michaud-Dugas to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Harris 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***

V. STAFF REPORTS

- a) Lease Review Report
(Resolution #17-07-001)
- b) Nomination and Tract Report
(Resolution Nos. 17-07-002 thru 17-07-003)
- c) Audit Report
(Resolution No. 17-07-004)
- d) Legal and Title Controversy Report
(Resolution Nos. 17-07-005 thru 17-07-015)
- e) Docket Review Report
(Resolution Nos. 17-07-016 thru 17-07-035)

**a) LEASE REVIEW REPORT
July 12, 2017**

I. Geological and Engineering Staff Review

According to the SONRIS database, there were 1,294 active State Leases containing approximately 558,000 acres. Since the last Lease Review Board meeting, the Geological and Engineering Division reviewed 127 leases covering approximately 49,000 acres for lease maintenance and development issues.

II. Board Review

A staff report was made on State Lease 340-B Selection, Belle Isle Field, Iberia and St. Mary Parishes. Texas Petroleum Investment Corporation and Castex Energy, Inc. are the lessees. Upon motion of Mr. Haik, seconded by Mr. Watkins, the State Mineral and Energy Board granted Texas Petroleum Investment Corporation their request to defer the release of approximately seven hundred (700) acres on the selection of State Lease 340-B for one year, whereas all other non-producing acreage should be released within 60 days. The Board also noted that within one year, any development on one of the three portions remaining on this selection of State Lease 340-B shall earn an additional six (6) months to develop each portion until all portions are in production. Failure to develop during the prescribed periods will require that all of non-producing acreage be released within sixty (60) days.

III. Report on actions exercised by the Staff under delegated authority

No objection to 29-E Waiver, Hilcorp Energy Company, 8900 RA VUA; SL 3403 No. 6-D Well, SN 223288, and the 8900 RA VUA; LL&E No. 1; SN 250011, Pass Wilson Field, Terrebonne Parish, Louisiana.

b) NOMINATION AND TRACT REPORT
July 12, 2017

The Board heard the report of Mr. Emile Fontenot **presented at 10:00 a.m.** on Wednesday July 12, 2017 regarding nominations received in the Office of Mineral Resources for the September 13, 2017 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Haik**, duly seconded by **Ms. LeBlanc**, the Board granted authority to the staff to advertise all such tracts as have been reviewed by the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report presented by Mr. Fontenot.

On another matter, Mr. Emile Fontenot informed the Board that they are required, pursuant to R.S. 30:215, to set non-exclusive seismic fees annually to conduct seismic, geophysical and geological surveys. The staff recommended that the State Mineral and Energy Board set a fee of \$15.00 per acre, or \$1,000.00 whichever is greater, for the nonexclusive seismic permits on state-owned lands and water bottoms or land and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission; that the Sate Mineral and Energy Board set a fee of \$200.00 per line mile, or \$1,000.00, whichever is greater, for 2D seismic permits on either state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission. On motion of **Mr. Harris**, duly seconded by **Mr. Hollenshead**, the board voted unanimously to set such fees.

c) AUDIT REPORT
July 12, 2017

The first matter on the audit report was a recoupment request from Brammer Engineering.

Upon recommendation of the staff and upon motion of Mr. Cordaro, seconded by Ms. Michaud-Dugas, the Board voted unanimously to approve the recoupment request of \$492,141.84.

The second matter on the audit report was staff report on the Cochon Properties, LLC Bankruptcy.

No action required.

The third matter on the audit report was the election of the July 2017 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 CONTROVERSY REPORT
July 12, 2017

The first matter considered by the State Mineral and Energy Board (Board) was a request for final approval of the following Operating Agreements by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC (SOLA) to create operating tracts for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates a State production interest to the State of Louisiana as follows:

- a. Former State Lease No. 14988, Rapides Parish, Louisiana – State production interest of 16.66667% before payout and 20% after payout, in and to the operating tract covering a portion containing one (1) acre, more or less, situated under Ten Mile Creek within the geographic confines of the AUS C RA SUQQ, with further particulars stipulated in the instrument. This item was duly advertised and appeared on Docket as Item No. 17-20.
- b. Former State Lease No. 17064, Vernon Parish, Louisiana – State production interest of 25% before payout and 25.5% after payout, in and to the operating tract covering a portion containing 34.305 acres, more or less, identified as Tract 86 on Exhibit “A” to the unit survey plat for the AUS C RA SUJ, with further particulars stipulated in the instrument. This item was duly advertised and appeared on Docket as Item No. 17-21.
- c. Former State Lease No. 15459, Vernon Parish, Louisiana – State production interest of 25% before payout and 25.5% after payout, in and to the operating tract covering a portion containing 8 acres, more or less, identified as Tract 5 on Exhibit “A” to the unit survey plat for the AUS C RA SUG, with further particulars stipulated in the instrument. This item was duly advertised and appeared on Docket as Item No. 17-22.
- d. Former State Lease No. 15448, Vernon Parish, Louisiana – State production interest of 25% before payout and 25.5% after payout, in and to the operating tract, covering a portion containing 41.15 acres, more or less, identified as Tract 2 on Exhibit “A” to the unit survey plat for the AUS C RA SUG, with further particulars stipulated in the instrument. This item was duly advertised and appeared on Docket as Item No. 17-23.
- e. Former State Lease No. 14988, Rapides Parish, Louisiana – State production interest of 16.66667% before payout and 20% after payout, in and to the operating tract, covering a portion containing 7 acres, more or less, situated under Ten Mile Creek within the geographic confines of the AUS C RA SUWW, with further particulars stipulated in the instrument. This item was duly advertised and appeared on Docket as Item No. 17-24.

- f. Former State Lease No. 14990, Rapides Parish, Louisiana – State production interest of 16.66667% before payout and 20% after payout, in and to the operating tract, covering a portion containing 41.614 acres, more or less, identified as Tract 9 on Exhibit “A” to the unit survey plat for the AUS C RA SUOO, with further particulars stipulated in the instrument. This item was duly advertised and appeared on Docket as Item No. 17-25.

Upon motion of Ms. LeBlanc, seconded by Ms. Michaud-Dugas, and by unanimous vote of the Board, the State Mineral and Energy Board approved the above stated requests for final approval of Operating Agreements. No comments were made by the public.

The second matter considered by the Board was a request for final approval of an Operating Agreement by and between the State Mineral and Energy Board and Allen Brothers to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, liquidated damage upfront payment, in addition to money previously paid and allocated to State Lease Nos. 3170 and B1063 for the period of October 1, 2010 through December 31, 2016. This item was duly advertised and appeared on Docket as Item No. 17-26.

Upon motion of Mr. Haik, seconded by Ms. LeBlanc, and by unanimous vote of the Board, the State Mineral and Energy Board granted final approval of the above listed Operating Agreement. No comments were made by the public.

The third matter considered by the Board was a request for final approval of a Communitization Agreement by Hilcorp Energy, I, L.P., Plaquemines Oil & Development Company, Mark Delesdernier Heirs, et al, the State Mineral and Energy Board for and on behalf of the State of Louisiana and the United States Bureau of Land Management, to create a 158.24 acre unit, more or less, identified as the MQ RB SUA Unit, being attributable to State Lease Nos. 2227 and 17203 and the remaining acreage being attributable to private ownership and Federal Leases, Plaquemines Parish, Louisiana, with further particulars stipulated in the instrument. This item was duly advertised and appeared on Docket as item No. 17-27.

Upon motion of Ms. LeBlanc, seconded by Mr. Watkins, the State Mineral and Energy Board approved the above listed request for final approval of Communitization Agreement. No comments were made by the public.

The fourth matter considered by the Board was a request for final approval of a Settlement, Receipt, and Release among Hilcorp Energy Company, Hilcorp Energy I, L.P., (collectively referred to as “Hilcorp”), Apache Louisiana Minerals LLC (“ALM”), and the State of Louisiana (the “State”), acting through its agent, the Louisiana State Mineral and Energy Board, regarding Units CC 11 RD SUA and 19-21 RA SUA, affecting State Lease No. 20459 and the former Anvil Island in Lake Washington Field, Plaquemines Parish, Louisiana, with further particulars stipulated in the instrument.

Upon motion of Mr. Haik, seconded by Mr. Watkins, and by unanimous vote of the Board, the State Mineral and Energy Board approved the above listed request for final approval of Settlement, Receipt, and Release. No comments were made by the public.

The fifth matter considered by the Board was a request by Technical and Legal Staff to authorize the Attorney General's Office to place Kepco Operating, Inc. ("Kepco") on demand for past and present royalty due on unleased State waterbottom acreage in the WX B RA SUI; Greer Well No. 3, West Searcy Field, LaSalle Parish, Louisiana, and, in the event the demand not be met, authority granted to file suit against Kepco for past and present revenue from production due.

Mr. Haik requested that the revenue amounts received by Kepco by producing oil and gas on the above listed unleased State-owned waterbottom acreage be forwarded to him by the Staff.

Upon motion of Mr. Harris, seconded by Mr. Hollenshead, and by unanimous vote of the Board, the State Mineral and Energy Board approved the Technical and Legal Staff's request to place Kepco on demand for past and present royalty due on unleased State waterbottom acreage in the WX B RA SUI, Greer Well No. 3, West Searcy Field, LaSalle Parish, Louisiana, and, in the event the demand is not met, grants authority to the Attorney General's Office to file suit against Kepco for past and present revenue from production due. No comments were made by the public.

The sixth matter considered by the Board was an update by OMR staff regarding a proposed revision to the Lease Form Compilation Process and Timeline of Article Groups.

The new Assistant Secretary of OMR, Jamie Manuel, proposed to the State Mineral and Energy Board that the Board grant authority to Mr. Manuel to submit a new timeline schedule for review of the remaining articles of the proposed new lease form to the Board at the August 9, 2017, Board Meeting for Board approval.

Mr. Haik made a motion to grant authority to the new Assistant Secretary, Jamie Manuel, to submit a new timeline schedule for the Board's approval at the August 9, 2017 Board Meeting with the caveat that the issue of Deep Rights be brought forward earlier on the new timeline schedule instead of at its current location in the last group.

The motion was seconded by Mr. Watkins, and by unanimous vote of the Board, the State Mineral and Energy Board granted authority to Mr. Manuel to submit a new timeline schedule for the review of the remaining articles of the proposed new lease form for the Board's approval at the August 9, 2017, State Mineral and Energy Board Meeting. No comments were made by the public.

e) DOCKET REPORT
July 12, 2017

The Board heard the report of Emile Fontentot on Wednesday, July 12, 2017, relative to the following:

- Category A: State Agency Leases
Docket Item No. 1 and 2
- Category B: State Lease Transfers
Docket Item Nos. 1 through 9
- Category C: Department of Wildlife & Fisheries State Agency Lease Transfers
There were no items for this category
- Category D: Advertised Proposals
Docket Item No. 1 through 9

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

- Category A: State Agency Leases
Approve Docket Item A and B
- Category B: State Lease Transfers
Approve Docket Item Nos. 1 through 9, Approve Docket
- Category D: Advertise Proposals
Approve Docket Item Nos. 17-20 through 17-28 upon
recommendation of the Legal and Title Controversy Review.

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. Watkins, seconded by Ms. Michaud-Dugas, the Board Members went into Executive Session at 10:44 a.m.

At 11:20 a.m., the Chairman announced that Ms. Michaud-Dugas was leaving the meeting and would no longer be a part of the established quorum for the remainder of the meeting.

Upon motion of Mr. Hollenshead, seconded by Mr. Harris, the Board reconvened in open session at 11:20 a.m. for consideration of the following matters discussed in Executive Session:

VI. EXECUTIVE SESSION

(Resolution Nos. 17-07-036 thru 17-07-041)

a. A discussion regarding the suit entitled: BHP v. Ernest H. Turner, Docket No. 145647, 26th Judicial District Court, Bossier Parish, State of Louisiana

Upon motion of Mr. Haik, seconded by Ms. LeBlanc, the Board voted unanimously to grant authority to the Attorney General's office to negotiate potential settlement with some of the opposing parties as discussed in Executive Session. No comments were made by the public.

b. A discussion regarding the suit entitled: Hilcorp Energy v. State, Docket No. 60827, 25th Judicial District Court, Plaquemines Parish, State of Louisiana

Upon motion of Ms. LeBlanc, seconded by Mr. Haik, the Board voted unanimously to grant authority to the Attorney General's office to propose a settlement offer to the private party, Louisiana Fruit, pursuant to the discussion in Executive Session. No comments were made by the public.

c. A discussion of the SMEB demand captioned "Liquidated damage assessment, Prometheus Development, Inc., State Lease No. 17339."

Upon motion of Mr. Haik, seconded by Mr. Watkins, the Board voted unanimously to grant authority to the Attorney General's office to file suit for enforcement of the liquidated damage assessment as discussed in Executive Session. No comments were made by the public.

d. A discussion of the SMEB demand captioned "Liquidated damage assessment, Sealy Energy Resources, L.L.C., State Lease Nos. 17126, 17734, 18245, 18276."

Upon motion of Mr. Haik, seconded by Mr. Watkins, the Board voted unanimously to grant authority to the Attorney General's office to file suit for

enforcement of the liquidated damage assessment as discussed in Executive Session. No comments were made by the public.

e. A discussion regarding settlement of outstanding audit issues with ChevronTexaco, Texaco E&P Inc. and Unocal

Upon motion of Mr. Haik, seconded by Mr. Watkins, the Board voted unanimously to grant authority to the Attorney General's office to enter into a settlement with Chevron on the Unocal portion of the audit, on the principal amount only, as discussed in Executive Session. No comments were made by the public.

f. A discussion regarding negotiations to settle outstanding audit issues with Tana Exploration Company, LLC

Upon motion of Mr. Haik, seconded by Mr. Watkins, the Board voted unanimously to grant authority to the Attorney General's office to settle on the principal amount as discussed in Executive Session, with the specific exclusion of interest and penalties from the settlement, with those two latter issues to be resolved after further investigation and analysis at a later date. No comments were made by the public.

g. Technical Briefing on Bids

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

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.

Mr. Talbot stated that Staff recommends that the bids received on Tract Nos. 44735, 44738, 44740, 44741, 44742, 44743, 44744, 44752, 44753, 44756, 44757, 44759, 44760, and 44761 be accepted and reject the bid received on Tract No. 44758 for insufficient consideration and to re-advertise it with minimums in accordance with Board policy.

Upon motion by Mr. Hollenshead, seconded by Mr. Haik, the Board unanimously voted to reject the bid received on Tract No. 44758 for insufficient consideration and to re-advertise it with minimums in accordance with Board policy and to accept the following bids:

VII. AWARDING OF LEASES

1. Award a lease on a Tract 44735 to HILCORP ENERGY I, L.P.
2. Award a lease on a Tract 44738 to TERRAQUEST RESOURCES, L.L.C.
3. Award a lease on a Tract 44740 to TERRAQUEST RESOURCES, L.L.C.
4. Award a lease on a Tract 44741 to TERRAQUEST RESOURCES, L.L.C.
5. Award a lease on a Tract 44742 to TERRAQUEST RESOURCES, L.L.C.
6. Award a lease on a Tract 44743 to TERRAQUEST RESOURCES, L.L.C.
7. Award a lease on a Tract 44744 to TERRAQUEST RESOURCES, L.L.C.

8. Award a lease on a Tract 44752 to THOUSMA, LLC
9. Award a lease on a Tract 44753 to KREWE ENERGY, LLC
10. Award a lease on a Tract 44756 to TERRAQUEST RESOURCES, L.L.C.
11. Award a lease on a Tract 44757 to TERRAQUEST RESOURCES, L.L.C.
12. Award a lease on a Tract 44759 to TERRAQUEST RESOURCES, L.L.C.
13. Award a lease on a Tract 44760 to TERRAQUEST RESOURCES, L.L.C.
14. Award a lease on a Tract 44761 to TERRAQUEST RESOURCES, L.L.C.

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.

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

VIII. NEW BUSINESS

(Resolution No. 17-07-042)

Mr. Haik made a motion to add an item to the agenda that would implement a policy wherein OMR Staff would provide the Board with a copy of the previous month's Minutes two (2) weeks in advance of the next forthcoming meeting to allow the Board adequate time to review the proposed Minutes prior to Board approval.

In accordance with Open Meetings Law, the Chairman made a request for roll call and public comment, and upon motion of Mr. Haik, seconded by Mr. Hollenshead, the Board unanimously voted to implement a policy wherein OMR Staff shall provide the Board with a copy of the previous month's Minutes two (2) weeks in advance of the next forthcoming meeting to allow the Board adequate time to review the proposed Minutes prior to Board approval. No comments were made by the public.

Mr. Haik also made a request that the Assistant Secretary review and evaluate the current procedure of opening the bids on the second Wednesday of each month at 8:30 a.m. on the morning of the Mineral Board Meeting. He asked that the Assistant Secretary consider moving the bid opening to the Tuesday afternoon before the Mineral Board Meeting and advise the Board of his evaluation of this procedure next month.

The following announcements were then made:

IX. ANNOUNCEMENTS

Mr. Manuel stated that there were fourteen (14) leases awarded totaling \$1,712,568.80 for the July 12, 2017 Lease Sale. This being the first lease sale of the 2018 Fiscal Year, the year-to-date total is also \$1,712,568.80.

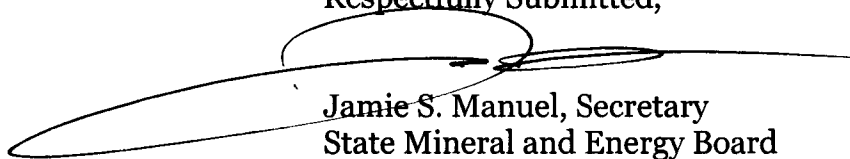
The Chairman recognized that this month signifies Mr. Tom Arnold's 20th year as a member of the State Mineral and Energy Board.

Mr. Manuel advised the Board that they would be receiving a reminder about online training courses that they are required to complete before the end of the year.

X. ADJOURNMENT

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Hollenshead, seconded by Ms. LeBlanc, the meeting was adjourned at 11:37 a.m.

Respectfully Submitted,



Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #17-07-001
(LEASE REVIEW)**

On motion of Mr. Haik, seconded by Mr. Watkins, the following resolution was offered and unanimously adopted by the State Mineral and Energy Board (SMEB):

WHEREAS, the Board last reviewed State Lease 340-B, Belle Isle selection, on February 8, 2017. The Board adopted the staff recommendation to accept the September 1, 2016 release and the lessees were reminded that they have until June 1, 2017 to develop the remaining acreage or execute the final lease; and,


WHEREAS, on May 24, 2017, the staff received an email from Texas Petroleum Investment (TPIC) regarding the release of the State Lease 340-B acreage at Belle Isle; in which a request was made to meet with the staff to discuss deferring the release of three portions on the lease. The meeting was held on June 5, 2017, and TPIC outlined their plans to develop approximately 700 acres which was subdivided into three non-contiguous portions; and,

NOW THEREFORE BE IT RESOLVED the Board grants TPIC'S request to defer the release of approximately seven hundred (700) acres on this portion of State Lease 340-B, Belle Isle, for one year; whereas all other non-producing acreage should be released within sixty (60) days.

NOW THEREFORE BE IT FURTHER RESOLVED the Board grants that within one year, any development on one of the three portions shall earn an additional six (6) months to develop each portion until all portions are in production. Failure to develop during the prescribed periods will require that all of non-producing acreage be released within sixty (60) days.

CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on July 12, 2017, 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
Louisiana State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-07-002
(NOMINATION AND TRACT REPORT)

Authority to advertise
Tracts for September 13,
2017 Lease Sale

WHEREAS, Mr. Emile Fontenot reported that 16 tracts had been nominated for the September 13, 2017 Mineral Lease Sale, and requests that same are to be advertised pending staff review;

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

That the State Mineral and Energy Board grant final approval to advertise all such tracts for the September 13, 2017 Mineral Lease Sale;

NOW, BE IT THEREFORE RESOLVED, that the State Mineral and Energy Board does hereby approve and authorize the advertising of all such tracts reviewed by the staff of the Office of Mineral Resources, as well as any tracts that have been 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 12th day of July 2017, 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

Non-Exclusive
Seismic Permit Fees

Resolution #17-07-003
(NOMINATION AND TRACT REPORT)

WHEREAS, La. R.S. 30:215 requires that the State Mineral and Energy Board (Board) at least annually set a per acre fee to be paid for non-exclusive permits to conduct seismic, geophysical and geological surveys upon state-owned lands and/or water bottoms; and

WHEREAS, La. R.S. 30:215 further requires that this fee be set based upon market value and fixed in a per acre amount of no more than Thirty (\$30.00) Dollars and no less than Five (\$5.00) Dollars; and

WHEREAS, the Board last met on July 13, 2016 for the purpose of setting the per acre fee to be paid for such permits; and

WHEREAS, the Board now is required to again set the per acre fee for such permits; and

WHEREAS, the Staff of the Office of Mineral Resources (OMR) has received and reviewed all information available for determining the fair market value for such permits; and

WHEREAS, OMR Staff offered the following recommendation for such fees for consideration:

That the State Mineral and Energy Board set fee of \$15.00 per acre, or \$1000, whichever is greater, for the nonexclusive seismic permits on state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission; that the State Mineral and Energy Board set a fee of \$200 per line mile, or \$1000, whichever is greater, for 2D seismic permits on either state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission.

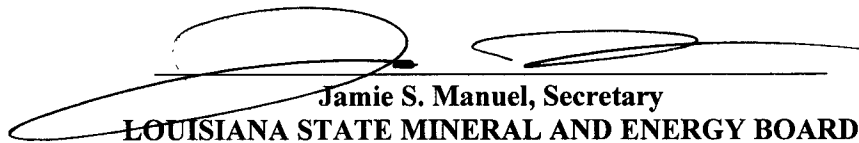
ON MOTION of ***Mr. Harris***, seconded by ***Mr. Hollenshead***, after discussion and careful consideration, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED:

That the State Mineral and Energy Board set fee of \$15.00 per acre, or \$1000, whichever is greater, for the nonexclusive seismic permits on state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission; that the State Mineral and Energy Board set a fee of \$200 per line mile, or \$1000, whichever is greater, for 2D seismic permits on either state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.


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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Brammer Engineering
Recoupment

RESOLUTION #17-07-04 (AUDIT REPORT)

WHEREAS, a letter of application was made by Brammer Engineering for a credit adjustment of \$492,504.18 for the Breton Sound Block 1 Field, State Lease Nos. 05025, 08522, 11584, 11999, A0272, and A0278 due to incorrect volumes and decimals paid from royalty due for the period of July 2003 through August 2008;

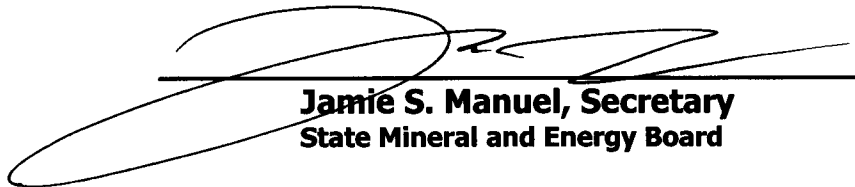
WHEREAS, the Mineral Income Division has verified that an overpayment in the amount of \$492,141.84 was made and that the applicant is entitled to a credit adjustment; and

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

NOW, BE IT THEREFORE RESOLVED that the Board does hereby authorize and direct the Mineral Income Director to issue a check in the amount of \$492,141.84 to Brammer Engineering 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 12th day of July, 2017, 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.



Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-07-005

(LEGAL & TITLE CONTROVERSY REPORT)

SOLA Energy Resources, LLC –
Request for final approval of
Operating Agreement on former
SL No 14988

WHEREAS, a request was made for final approval of an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC to create an operating tract on former State Lease No. 14988 located in Rapides Parish, Louisiana, for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons; and

WHEREAS, the Operating Agreement will allocate a State production interest to the State of Louisiana of 16.66667% before payout and 20% after payout, in and to the operating tract covering a portion containing one (1) acre, more or less, situated under Ten Mile Creek within the geographic confines of the AUS C RA SUQQ, with further particulars being stipulated in the instrument, duly advertised and appearing on Docket as Item No. 17-20; and


WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

ON MOTION of Ms. LeBlanc, 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 Board does hereby grant final approval of an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC to create an operating tract on former State Lease No. 14988 located in Rapides Parish, Louisiana, as stated above.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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 #17-07-006

(LEGAL & TITLE CONTROVERSY REPORT)

SOLA Energy Resources, LLC –
Request for final approval of
Operating Agreement on former
SL No 17064

WHEREAS, a request was made for final approval of an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC to create an operating tract on former State Lease No. 17064 located in Vernon Parish, Louisiana, for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons; and

WHEREAS, the Operating Agreement will allocate a State production interest of 25% before payout and 25.5% after payout, in and to the operating tract covering a portion containing 34.305 acres, more or less, identified as Tract 86 on Exhibit "A" to the unit survey plat for the AUS C RA SUJ, with further particulars being stipulated in the instrument, duly advertised and appearing on Docket as Item No. 17-21; and

WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

ON MOTION of Ms. LeBlanc, 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 Board does hereby grant final approval of an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC to create an operating tract on former State Lease No. 17064 located in Vernon Parish, Louisiana, as stated above.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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 #17-07-007

(LEGAL & TITLE CONTROVERSY REPORT)

SOLA Energy Resources, LLC –
Request for final approval of
Operating Agreement on former
SL No 15459

WHEREAS, a request was made for final approval of an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC to create an operating tract on former State Lease No. 15459 located in Vernon Parish, Louisiana, for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons; and

WHEREAS, the Operating Agreement will allocate a State production interest of 25% before payout and 25.5% after payout, in and to the operating tract covering a portion containing 8 acres, more or less, identified as Tract 5 on Exhibit "A" to the unit survey plat for the AUS C RA SUG, with further particulars being stipulated in the instrument, duly advertised and appearing on Docket as Item No. 17-22; and

WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

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

NOW THEREFORE, BE IT RESOLVED that the Board does hereby grant final approval of an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC to create an operating tract on former State Lease No. 15459 located in Vernon Parish, Louisiana, as stated above.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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 #17-07-008

(LEGAL & TITLE CONTROVERSY REPORT)

SOLA Energy Resources, LLC –
Request for final approval of
Operating Agreement on former
SL No 15448

WHEREAS, a request was made for final approval of an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC to create an operating tract on former State Lease No. 15448 located in Vernon Parish, Louisiana, for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons; and

WHEREAS, the Operating Agreement will allocate a State production interest of 25% before payout and 25.5% after payout, in and to the operating tract, covering a portion containing 41.15 acres, more or less, identified as Tract 2 on Exhibit "A" to the unit survey plat for the AUS C RA SUG, with further particulars being stipulated in the instrument, duly advertised and appearing on Docket as Item No. 17-23; and

WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

ON MOTION of Ms. LeBlanc, 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 Board does hereby grant final approval of an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC to create an operating tract on former State Lease No. 15448 located in Vernon Parish, Louisiana, as stated above.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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 #17-07-009

(LEGAL & TITLE CONTROVERSY REPORT)

SOLA Energy Resources, LLC –
Request for final approval of
Operating Agreement on former
SL No 14988

WHEREAS, a request was made for final approval of an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC to create an operating tract on former State Lease No. 14988 located in Rapides Parish, Louisiana, for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons; and

WHEREAS, the Operating Agreement will allocate a State production interest of 16.66667% before payout and 20% after payout, in and to the operating tract, covering a portion containing 7 acres, more or less, situated under Ten Mile Creek within the geographic confines of the AUS C RA SUWW, with further particulars being stipulated in the instrument, duly advertised and appearing on Docket as Item No. 17-24; and

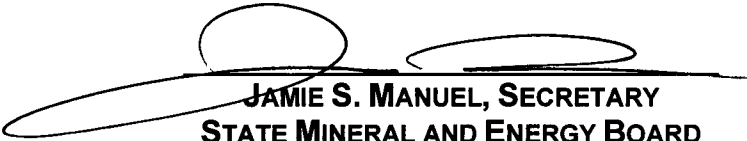
WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

ON MOTION of Ms. LeBlanc, 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 Board does hereby grant final approval of an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC to create an operating tract on former State Lease No. 14988 located in Rapides Parish, Louisiana, as stated above.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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 #17-07-010

(LEGAL & TITLE CONTROVERSY REPORT)

SOLA Energy Resources, LLC –
Request for final approval of
Operating Agreement on former
SL No 14990

WHEREAS, a request was made for final approval of an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC to create an operating tract on former State Lease No. 14990 located in Rapides Parish, Louisiana, for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons; and

WHEREAS, the Operating Agreement will allocate a State production interest of 16.66667% before payout and 20% after payout, in and to the operating tract, covering a portion containing 41.614 acres, more or less, identified as Tract 9 on Exhibit "A" to the unit survey plat for the AUS C RA SUOO, with further particulars being stipulated in the instrument, duly advertised and appearing on Docket as Item No. 17-25; and


WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

ON MOTION of Ms. LeBlanc, 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 Board does hereby grant final approval of an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC to create an operating tract on former State Lease No. 14990 located in Rapides Parish, Louisiana, as stated above.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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 #17-07-011

Allen Brothers – Request for final
approval of Operating Agreement –
State Lease 3170 & B1063

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, a request was made for final approval of an Operating Agreement by and between the State Mineral and Energy Board and Allen Brothers to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons; and

WHEREAS, a liquidated damage upfront payment, in addition to money previously paid and allocated to State Lease Nos. 3170 and B1063 for the period of October 1, 2010 through December 31, 2016, placed this Operating Agreement in a paid-out status, duly advertised and appearing on Docket as Item No. 17-26; and

WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

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

NOW THEREFORE, BE IT RESOLVED that the Board does hereby grant final approval of an Operating Agreement by and between the State Mineral and Energy Board and Allen Brothers as stated above.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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 #17-07-012

(LEGAL & TITLE CONTROVERSY REPORT)

Hilcorp Energy I, LP, et al –
Final approval of
Communitization Agreement,
SL Nos 2227 and 17203

WHEREAS, a request for final approval of a Communitization Agreement by Hilcorp Energy I, L.P., Plaquemines Oil & Development Company, Mark Delesdernier Heirs, et al, the State Mineral and Energy Board for and on behalf of the State of Louisiana and the United States Bureau of Land Management, to create a 158.24 acre unit, more or less, identified as the MQ RB SUA Unit, being attributable to State Lease Nos. 2227 and 17203 and the remaining acreage being attributable to private ownership and Federal Leases, Plaquemines Parish, Louisiana, with further particulars stipulated in the instrument, duly advertised and appearing on Docket as item No. 17-27; and

WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

ON MOTION of Ms. LeBlanc, 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 Board does hereby grant final approval of a Communitization Agreement by Hilcorp Energy, I, L.P., Plaquemines Oil & Development Company, Mark Delesdernier Heirs, et al, the State Mineral and Energy Board for and on behalf of the State of Louisiana and the United States Bureau of Land Management, as stated above.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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 #17-07-013

(LEGAL & TITLE CONTROVERSY REPORT)

Hilcorp Energy Co., Hilcorp
Energy I, L.P., et al – Request
for final approval of Settlement,
Receipt, & Release

WHEREAS, a request for final approval of a Settlement, Receipt, and Release among Hilcorp Energy Company, Hilcorp Energy I, L.P., (collectively referred to as “Hilcorp”), Apache Louisiana Minerals LLC (“ALM”), and the State of Louisiana (the “State”), acting through its agent, the Louisiana State Mineral and Energy Board, regarding Units CC 11 RD SUA and 19-21 RA SUA, affecting State Lease No. 20459 and the former Anvil Island in Lake Washington Field, Plaquemines Parish, Louisiana, with further particulars stipulated in the instrument; and

WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

ON MOTION of Mr. Haik, 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 Board does hereby approve the request for final approval of a Settlement, Receipt, and Release among Hilcorp Energy Company, Hilcorp Energy I, L.P., (collectively referred to as “Hilcorp”), Apache Louisiana Minerals LLC (“ALM”), and the State of Louisiana (the “State”), acting through its agent, the Louisiana State Mineral and Energy Board, as stated above.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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 #17-07-014

(LEGAL & TITLE CONTROVERSY REPORT)

Kepeco Operating, Inc -
Unleased State Acreage,
Demand for Past & Present
Royalties, Authority to File Suit
If Demands Not Met

WHEREAS, request by Technical and Legal Staff to authorize the Attorney General's Office to place Kepeco Operating, Inc. ("Kepeco") on demand for past and present royalty due on unleased State waterbottom acreage in the WX B RA SUI; Greer Well No. 3, West Searcy Field, LaSalle Parish, Louisiana, and, in the event the demand not be met, authority granted to file suit against Kepeco for past and present revenue from production due.

WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

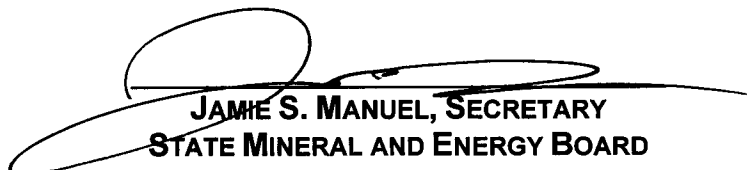
ON MOTION of Mr. Harris, seconded by Mr. Hollenshead, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby approve the request by the Technical and Legal Staff to place Kepeco on demand for past and present royalty due on unleased State waterbottom acreage in the WX B RA SUI, Greer Well No. 3, West Searcy Field, LaSalle Parish, Louisiana;

BE IT FURTHER RESOLVED that the Board further grants authority to the Attorney General's Office to file suit against Kepeco in the event the demand is not met, for past and present revenue from production due.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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 #17-07-015

(LEGAL & TITLE CONTROVERSY REPORT)

Request for New Timeline Schedule to Review Remaining Articles of New Draft Lease Form

WHEREAS, the Staff of the Office of Mineral Resources presented an update regarding a proposed revision to the Lease Form Compilation Process and Timeline of Article Groups to the State Mineral and Energy Board;

WHEREAS, the Staff of the Office of Mineral Resources recommended that the Board grant authority to the newly appointed Assistant Secretary Jamie Manuel to submit a new timeline schedule for review of the remaining articles of the proposed new lease form to the Board at the August 9, 2017, Board Meeting for Board approval.

ON MOTION of Mr. Haik, seconded by Mr. Watkins, after discussion and careful consideration of the foregoing, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board hereby grants authority to the newly appointed Office of Mineral Resources Assistant Secretary, Jamie Manuel, to submit a new timeline schedule for the Board's approval at the August 9, 2017 Board Meeting of the remaining articles of the proposed new lease form.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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 #17-07-016

(DOCKET)

On motion of Mr. Haik, 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 July 12, 2017 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Vermilion Parish Police Jury, dated May 18, 2017, awarded to Dunn Exploration Company, LLC, covering lands located in Section 18, Township 12 South, Range 3 East, Vermilion Parish, Louisiana, consisting of Tract 1 containing 0.618 acres and Tract 2 containing 2.0 acres, said Tract 1 and Tract 2 containing 2.618 acres, more or less, with further contractual obligations being more enumerated in the instrument.

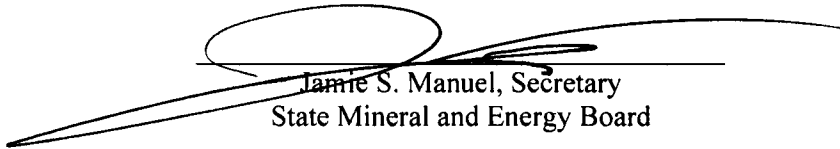
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title 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 12th day of July, 2017, 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 #17-07-017

(DOCKET)

On motion of Mr. Haik, 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 July 12, 2017 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Cameron Parish School Board, dated April 10, 2017, awarded to United World Energy Corporation, covering lands located in Section 16, Township 12 South, Range 6 West, Cameron Parish, Louisiana, containing approximately 40 acres, more or less, with further contractual obligations being more enumerated in the instrument.

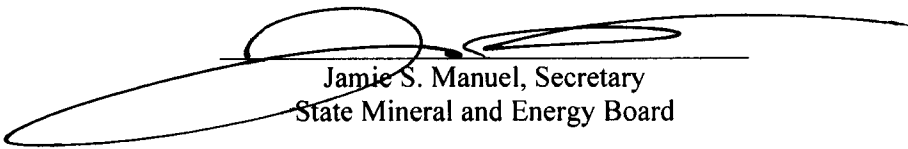
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title 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 12th day of July, 2017, 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 #17-07-018 (DOCKET)

On motion of Mr. Haik, 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 July 12, 2017 Meeting be approved, said instrument being an Assignment from Colson Properties, Ltd. to Gulf Coast Working Partners, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 15202, 15155 and 15726, Calcasieu Parish, Louisiana, with further particulars being stipulated in the instrument.

Gulf Coast Working Partners, 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;

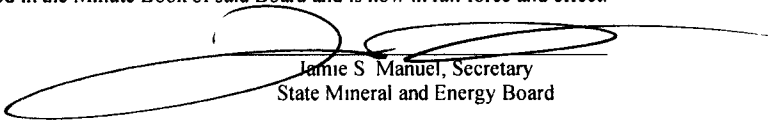
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 12th day of July, 2017, 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 #17-07-019 (DOCKET)

On motion of Mr. Haik, 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 July 12, 2017 Meeting be approved, said instrument being an Assignment from Flat Rock Energy, Inc to Gulf Coast Working Partners, L L C , of all of Assignor's right, title and interest in and to State Lease Nos. 15202 and 15726, Calcasieu Parish, Louisiana, with further particulars being stipulated in the instrument.

Gulf Coast Working Partners, 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,

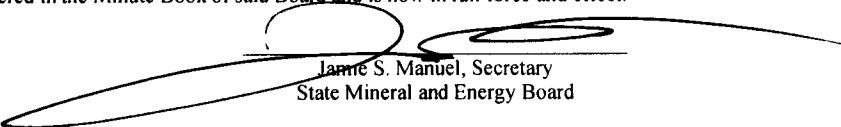
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 12th day of July, 2017, 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 #17-07-020 (DOCKET)

On motion of Mr. Haik, 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 July 12, 2017 Meeting be approved, said instrument being an Assignment and Correction of Assignment from Thomas J Adair LLC #2 to Boschetti Energy Holdings LLC, of all of Assignor's right, title and interest in and to State Lease Nos 6111, 6629, 7028 and 13920, DeSoto Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said leases cover all subsurface depths from the top of the Haynesville Shale Formation and below, with further particulars being stipulated in the instrument

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

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

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

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

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

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

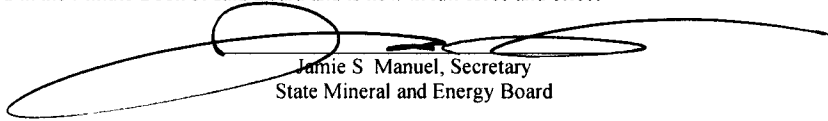
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of July, 2017, 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 #17-07-021 (DOCKET)

On motion of Mr. Haik, 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 July 12, 2017 Meeting be approved, said instrument being an Assignment from Talos Gulf Coast Onshore LLC, Howard Energy Co., Inc , Knight Resources, LLC and LLOLA, L.L.C to Houston Energy, L.P , an undivided 23 75% of 8/8ths interest in and to State Lease Nos 21137 and 21206, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument

Talos Gulf Coast Onshore 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.

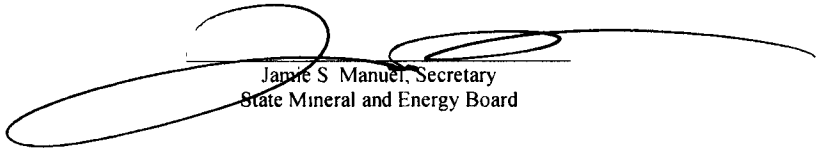
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 12th day of July, 2017, 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 #17-07-022

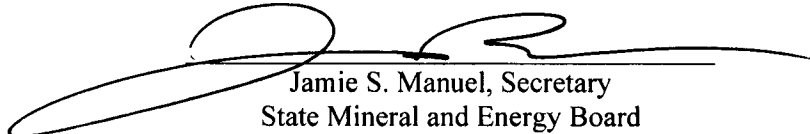
(DOCKET)

On motion of Mr. Haik, 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 July 12, 2017, Meeting be approved, said instrument being a Correction of Resolution No. 14 from the May 10, 2017 Meeting, being an Assignment from Shoreline Southeast LLC to SLF SL Purchaser, LLC, whereas said resolution read..."Lafourche Parish", Louisiana and is hereby being corrected to read..."Plaquemines Parish, Louisiana", affecting State Lease Nos. 19472, 19743 and 20198, Plaquemines Parish, 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 July, 2017, 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 #17-07-023

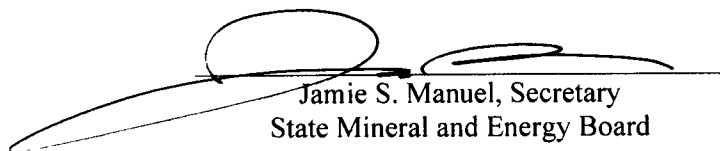
(DOCKET)

On motion of Mr. Haik, 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 July 12, 2017, Meeting be approved, said instrument being a Correction of Resolution No. 2 from the September 14, 2016 Meeting, being an Assignment from Dune Properties, Inc. to White Marlin Oil and Gas Company, LLC, whereas State Lease No. 1908 was omitted from said resolution and is hereby being added, affecting State Lease Nos. 1908, 18816, 20783, 20972 and 20973, Lafourche Parish, 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 July, 2017, 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

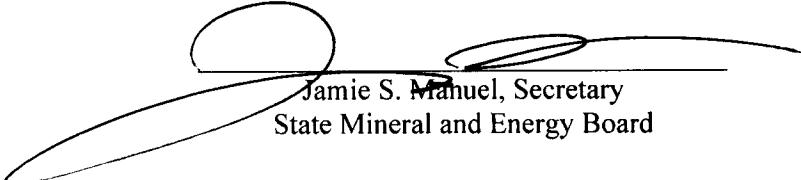
Resolution #17-07-024
(DOCKET)

On motion of Mr. Haik, 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 July 12, 2017, Meeting be approved, said instrument being a Correction of Resolution No. 6 from the February 10, 2016 Meeting, being an Assignment from EPL of Louisiana, LLC to Whitney Oil & Gas, LLC, whereas the following language was omitted from said Resolution and is hereby being added..."**INSOFAR AND ONLY INSOFAR AS** from the surface to 13,010'(shallow rights) **AND ALSO** 50% right, title and interest **INSOFAR AND ONLY INSOFAR** below 13,010' and below (deep rights), affecting State Lease Nos. 998, 999, 1007, 1008, 1009, 1010, 1011, 1012, 1388, 1924, 15016 and 17203, 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 12th day of July, 2017, 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 #17-07-025

(DOCKET)

On motion of Mr. Haik, 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 July 12, 2017 Meeting be approved, said instrument being a Stipulation and Assignment from Marquis Resources, LLC to Krewe Energy, LLC, of all of Assignor's right, title and interest in and to State Lease No. 2383, Jefferson and Lafourche Parishes, Louisiana, with further particulars being stipulated in the instrument

Krewe Energy, 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,

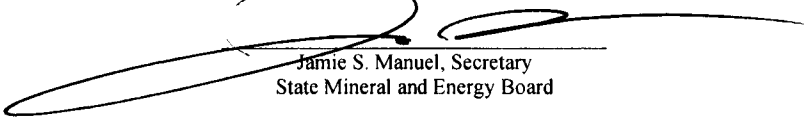
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 12th day of July, 2017, 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 #17-07-026 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 9 from the July 12, 2017 Meeting be approved, said instrument being an Assignment from Shoreline Southeast LLC to Krewe Energy, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 2453, 18010, 18997, 19487, 19864 and 20102, Jefferson and Lafourche Parishes, Louisiana, with further particulars being stipulated in the instrument.

Krewe Energy, 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 on 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,

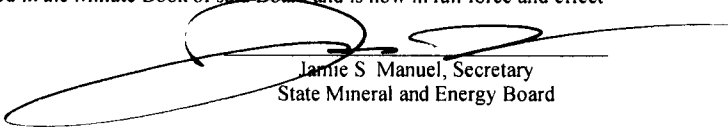
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 12th day of July, 2017, 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 #17-07-027

(DOCKET)

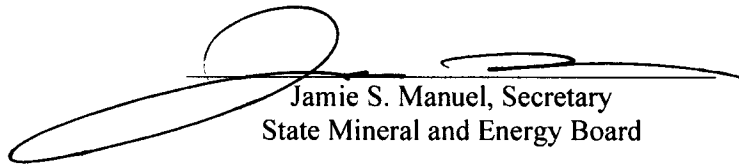
On motion of Mr. Haik, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-20 from the July 12, 2017, Meeting be approved, said instrument 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 16.66667% before payout and 20% after payout, in and to the operating tract, covering a portion of former State Lease No. 14988, containing 1 acre, more or less, Rapides Parish, Louisiana, situated under Ten Mile Creek within the geographic confines of the AUS C RA SUQQ, with further particulars being stipulated in the instrument.

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 12th day of July, 2017 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 #17-07-028

(DOCKET)

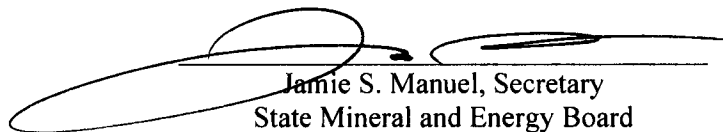
On motion of Mr. Haik, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-21 from the July 12, 2017, Meeting be approved, said instrument 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 and 25.5% after payout, in and to the operating tract, covering a portion of former State Lease No. 17064, containing 34.305 acres, more or less, Vernon Parish, Louisiana, identified as Tract No. 86 on Exhibit "A" the unit survey plat for the AUS C RA SUJ, with further particulars being stipulated in the instrument.

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 12th day of July, 2017 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 #17-07-029
(DOCKET)**

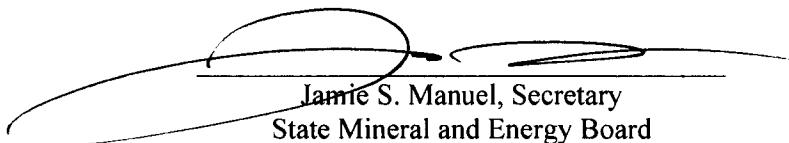
On motion of Mr. Haik, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-22 from the July 12, 2017, Meeting be approved, said instrument 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 and 25.5% after payout, in and to the operating tract, covering a portion of former State Lease No. 15459, containing 8 acres, more or less, Vernon Parish, Louisiana, identified as Tract No. 5 on Exhibit A the unit survey plat for the AUS C RA SUG, with further particulars being stipulated in the instrument.

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 12th day of July, 2017 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 #17-07-030

(DOCKET)

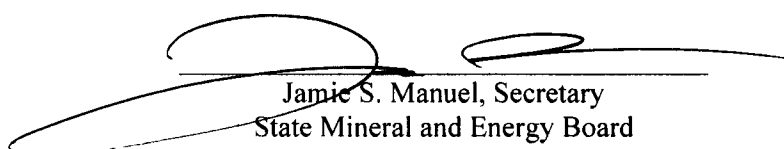
On motion of Mr. Haik, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-23 from the July 12, 2017, Meeting be approved, said instrument 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 and 25.5% after payout, in and to the operating tract, covering a portion of former State Lease No. 15448, containing 41.15 acre, more or less, Vernon Parish, Louisiana, identified as Tract No. 2 on Exhibit A the unit survey plat for the AUS C RA SUG, with further particulars being stipulated in the instrument.

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 12th day of July, 2017 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 #17-07-031

(DOCKET)

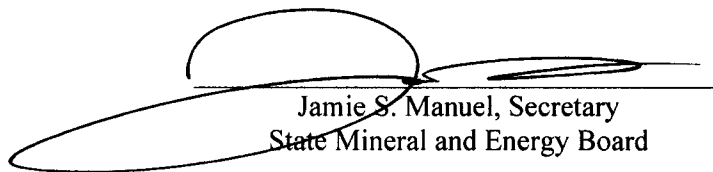
On motion of Mr. Haik, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-24 from the July 12, 2017, Meeting be approved, said instrument 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 16.66667% before payout and 20% after payout, in and to the operating tract, covering a portion of former State Lease No. 14988, containing 7 acre, more or less, Rapides Parish, Louisiana, situated under Ten Mile Creek within the geographic confines of the AUS C RA SUWW, with further particulars being stipulated in the instrument.

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 12th day of July, 2017 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 #17-07-032
(DOCKET)

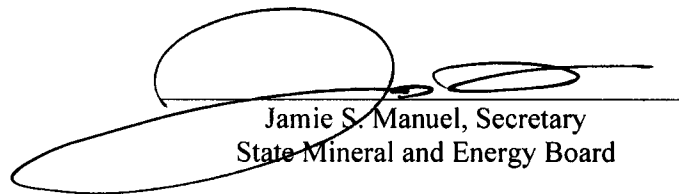
On motion of Mr. Haik, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-25 from the July 12, 2017, Meeting be approved, said instrument 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 16.66667% before payout and 20% after payout, in and to the operating tract, covering a portion of former State Lease No. 14990, containing 41.614 acres, more or less, Rapides Parish, Louisiana, identified as Tract 9 on Exhibit A the unit survey plat for the AUS C RA SUOO, with further particulars being stipulated in the instrument.

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 12th day of July, 2017 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 #17-07-033

(DOCKET)

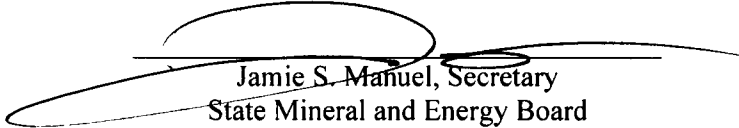
On motion of Mr. Haik, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-26 from the July 12, 2017, Meeting be approved, said instrument an Operating Agreement by and between the State Mineral and Energy Board and Allen Brothers, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, Operator agrees to pay a Liquidated Damage Up Front Payment in addition to money previously paid and allocated to SL 3170 and Unleased Acreage tract designated No. B1063 for the period of October 1, 2010 through December 31, 2016 placing this Agreement in paid-out status. Beginning January 1, 2017 Operator agrees to pay the State the State Production Interest (SPI) equal to 32% until December 31, 2026. At which time on January 1, 2027 the SPI will be reduced to 25% until this Agreement expires under its own terms, in and to the operating tract, covering a portion of former State Lease No. 3170, containing 20.0 acres, more or less, said tract is all that part of Ferry Lake situated in the West Half of the Southwest Quarter of Section 34, T21N, R16W and lying below the elevation 173.09' Mean Gulf Level, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

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 12th day of July, 2017 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 #17-07-034

(DOCKET)

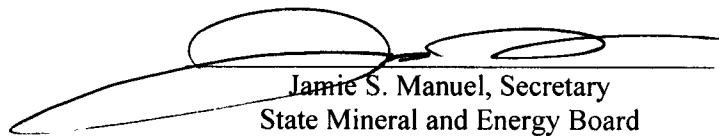
On motion of Mr. Haik, seconded by Mr. Hollenshead, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-27 from the July 12, 2017, Meeting be approved, said instrument a Communitization Agreement presented by Hilcorp Energy, I, L.P., Plaquemines Oil & Development Company, Mark Delesdernier Heirs, et al, the State Mineral and Energy Board for and on behalf of the State of Louisiana and the United States Bureau of Land Management, to create a 158.24 acre unit, more or less, identified as the MQ RB SUA Unit, being attributable to State Lease Nos. 2227 and 21687 and the remaining acreage being attributable to private ownership and Federal Leases, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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 12th day of July, 2017 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 #17-07-035

(DOCKET)


On motion of Mr. Haik, 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. 17-28 from the July 12, 2017, Meeting be approved, said instrument a Settlement and Release by and between Hilcorp Energy Company, Hilcorp Energy I, L.P., Apache Louisiana Minerals LLC and the State of Louisiana, acting through its agent, the Louisiana State Mineral & Energy Board regarding units CC 11 RD SUA and 19-21 RA SUA and affecting State Lease No. 20459 and the former Anvil Island in Lake Washington Field, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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 12th day of July, 2017 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

Re: BHP v. Ernest H. Turner
Docket No. 145647, 26th
Judicial District Court, Bossier
Parish, State of Louisiana

RESOLUTION # 17-07-036

(EXECUTIVE SESSION)

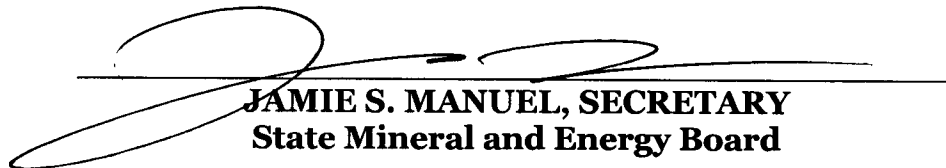
WHEREAS, a discussion was held in Executive Session regarding the litigation entitled: BHP v. Ernest H. Turner, Docket No. 145647, 26th Judicial District Court, Bossier Parish, State of Louisiana;

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

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

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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

Re: Hilcorp Energy v. State,
Docket No. 60827
25th Judicial District Court,
Plaquemines Parish
State of Louisiana

RESOLUTION # 17-07-037

(EXECUTIVE SESSION)

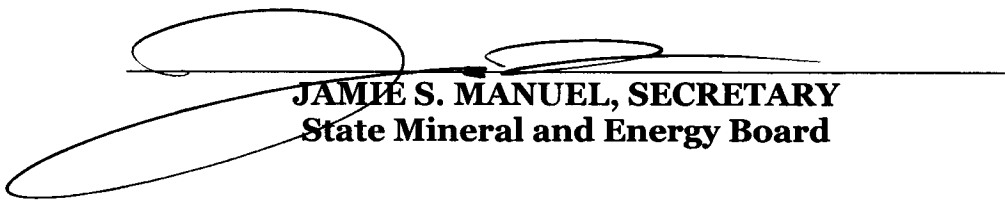
WHEREAS, a discussion was held in Executive Session regarding the litigation entitled: Hilcorp Energy v. State, Docket No. 60827, 25th Judicial District Court, Plaquemines Parish, State of Louisiana;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to propose a settlement offer to the private party, Louisiana Fruit, 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 12th day of July, 2017 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

Re: SMEB demand captioned
"Liquidated damage
assessment, Prometheus
Development, Inc., State Lease
No. 17339"

RESOLUTION # 17-07-038

(EXECUTIVE SESSION)

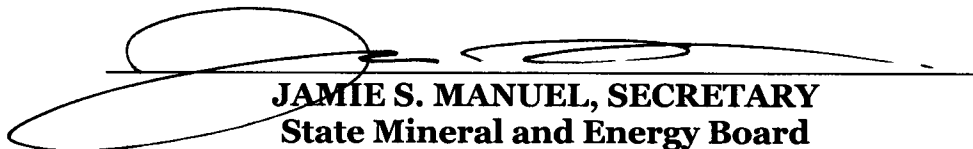
WHEREAS, a discussion was held in Executive Session regarding the SMEB demand captioned "Liquidated damage assessment, Prometheus Development, Inc., State Lease No. 17339";

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to file suit for enforcement of the liquidated damage assessment as discussed in Executive Session.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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 # 17-07-039

(EXECUTIVE SESSION)

Re: SMEB demand captioned
"Liquidated damage
assessment, Sealy Energy
Resources, L.L.C.,
State Lease Nos. 17126, 17734,
18245, 18276"


WHEREAS, a discussion was held in Executive Session regarding the SMEB demand captioned "Liquidated damage assessment, Sealy Energy Resources, L.L.C., State Lease Nos. 17126, 17734, 18245, 18276";

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to file suit for enforcement of the liquidated damage assessment as discussed in Executive Session.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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

Re: Settlement of outstanding
audit issues with
ChevronTexaco, Texaco E&P
Inc. and Unocal

RESOLUTION # 17-07-040

(EXECUTIVE SESSION)

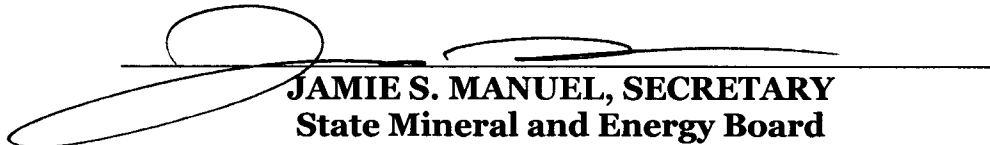
WHEREAS, a discussion was held in Executive Session regarding settlement of outstanding audit issues with ChevronTexaco, Texaco E&P Inc. and Unocal;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to enter into a settlement with Chevron on the Unocal portion of the audit, on the principal amount only, as discussed in Executive Session.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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

Re: Settlement of outstanding
audit issues with Tana
Exploration Company, LLC

RESOLUTION # 17-07-041

(EXECUTIVE SESSION)

WHEREAS, a discussion was held in Executive Session regarding settlement of outstanding audit issues with Tana Exploration Company, LLC;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to settle on the principal amount as discussed in Executive Session, with the specific exclusion of interest and penalties from the settlement, with those two latter issues to be resolved after further investigation and analysis at a later date.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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

Board Policy Resolution
Re: Meeting Minutes

RESOLUTION # 17-07-042

(NEW BUSINESS)

WHEREAS, a request was made by Theodore M. Haik, Jr., Board Member, to implement a policy wherein OMR Staff would provide the Board with a copy of the previous month's Minutes two (2) weeks in advance of the next forthcoming meeting to allow the Board adequate time to review the proposed Minutes prior to Board approval;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby implement a policy wherein OMR Staff shall provide the Board with a copy of the previous month's Minutes two (2) weeks in advance of the next forthcoming meeting to allow the Board adequate time to review the proposed Minutes prior to Board approval.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2017 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