

# **MINUTES**

## **STATE MINERAL AND ENERGY BOARD**

### **LEASE SALE AND BOARD MEETING**

**JUNE 12, 2019**



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

**Opening of Bids**

**June 12, 2019**

A public meeting for the purpose of opening sealed bids was held on Wednesday, June 12, 2019, beginning at 8:32 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Emile Fontenot presided over the meeting. He then read the letter of notification certifying the legal sufficiency of the advertisement of Tract Nos. 45144 through 45168 which were published for lease by the Board at today's sale.

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

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 Fontenot stated that there were no tracts to be withdrawn from today's Lease Sale.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

Tract 45144  
(Portion Bid: 37.540 acres)

Bidder	:	Krewe Energy, LLC
Primary Term	:	Five (5) years
Cash Payment	:	\$7,695.70
Annual Rental	:	\$3,847.85
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 45145(1)  
(Portion Bid: 93.340 acres)

Bidder	:	Krewe Energy, LLC
Primary Term	:	Five (5) years
Cash Payment	:	\$19,134.70
Annual Rental	:	\$9,567.35
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 45145(2)  
(Portion Bid: 78.840 acres)

Bidder	:	Krewe Energy, LLC
Primary Term	:	Five (5) years
Cash Payment	:	\$16,162.20
Annual Rental	:	\$8,081.10
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 45148(1)

Bidder	:	Petroleum Partners, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$121,640.00
Annual Rental	:	\$60,820.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 45148(2)

Bidder	:	Petroleum Partners, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$152,050.00
Annual Rental	:	\$76,025.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 45167(1)

Bidder	:	Petroleum Partners, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$20,000.00
Annual Rental	:	\$10,000.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 45167(2)

Bidder	:	Petroleum Partners, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$16,000.00
Annual Rental	:	\$8,000.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 45168

Bidder	:	Cypress Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$16,000.00
Annual Rental	:	\$8,000.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 45142

Bidder	:	Cypress Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$82,627.50
Annual Rental	:	\$41,313.75
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

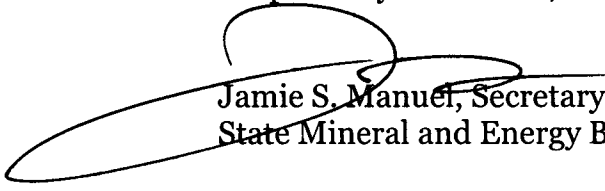
Tract 45143

Bidder	:	Vine Oil & Gas, LP
Primary Term	:	Three (3) years
Cash Payment	:	\$5,000.00
Annual Rental	:	\$2,500.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 8:43 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**  
**June 12, 2019**

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, June 12, 2019**, beginning at 9:37 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

**I. CALL TO ORDER**

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

**II. ROLL CALL**

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

**W. Paul Segura, Jr., Chairman**  
**Carol R. LeBlanc, Vice-Chair**  
**Beverly Hodges, Undersecretary**  
**Rochelle A. Michaud-Dugas**  
**Robert D. Watkins**  
**J. Todd Hollenshead**  
**Emile B. Cordaro**

The following members of the Board were recorded as absent:

**Theodore M. "Ted" Haik, Jr.**  
**Thomas L. Arnold, Jr.**  
**Kyle "Chip" Kline, Jr.**  
**Byron L. Lee**

Mr. Manuel announced that seven (7) members of the Board were present when the roll call was taken and that a quorum was established.

### **III. PLEDGE OF ALLEGIANCE**

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

### **IV. APPROVAL OF THE MAY 7<sup>TH</sup> & 8<sup>TH</sup>, 2019 MINUTES**

The Chairman stated that the first order of business was the approval of the May 7, 2019 and May 8, 2019 Minutes. A motion was made by Ms. LeBlanc to adopt the Minutes as submitted and to waive reading of same. Her motion was seconded by Mr. Cordaro and unanimously adopted by the Board. (No public comment was made at this time.)

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

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

### **VI. STAFF REPORTS**

- a) Lease Review Report**  
presented by Jason Talbot, Geology Supervisor  
and Charles Bradbury, Engineering Supervisor  
Geology, Engineering & Land Division
- b) Nomination and Tract Report**  
presented by Emile Fontenot, Petroleum Lands Director  
Geology, Engineering & Land Division
- c) Audit Report**  
presented by Rachel Newman, Audit Director  
Mineral Income Division
- d) Legal and Title Controversy Report**  
presented by Emile Fontenot, Petroleum Lands Director  
Geology, Engineering & Land Division
- e) Docket Review Report**  
presented by Emile Fontenot, Petroleum Lands Director  
Geology, Engineering & Land Division

**a) LEASE REVIEW REPORT**  
**June 12, 2019**  
 (Resolution No(s). 19- 06-001)

**I. GEOLOGICAL AND ENGINEERING STAFF REVIEW**

According to the SONRIS database, there are 1,167 active State Leases containing approximately 488,975 acres. Since the last Lease Review Report, the Geological and Engineering Division reviewed 105 leases covering approximately 22,415 acres for lease maintenance and development issues.

**II. BOARD REVIEW**

There were no State Lease items to report to the Board.

**III. FORCE MAJEURE**

1. Biglane Operating Company requests Recognition of a Force Majeure condition affecting State Lease 4778 due to flooding conditions of the Mississippi River. This request is late and under the 2005 policy, the Board must decide whether to recognize the force majeure after the fact. The Staff recommends Recognition of the Force Majeure event for the period of January 1, 2019 through September 11, 2019, at which time the matter will be revisited by the Board, or until flood waters recede to allow restoration of production operations. Upon motion of Ms. Michaud-Dugas, seconded by Ms. LeBlanc, the Board deferred recognition of this force majeure request until July 10, 2019.
  
2. Due to flooding in Louisiana the staff requests an extension of Recognition of Force Majeure for the following operators and state leases for a period of 90 days or until the September 11, 2019 State Mineral and Energy Board Meeting. Upon motion of Mr. Cordaro, seconded by Ms. Michaud-Dugas, the Board approved an extension of Recognition of Force Majeure for the following operators and state leases for a period of 90 days or until the September 11, 2019 State Mineral and Energy Board Meeting. **(Resolution No. 19-06-001)**

Operator	State Lease	Parish
Tensas Delta Exploration Company LLC	4775, 4945	La Salle
Kepeco Operating Inc.	18951	La Salle
Falcon V, LLC	4746, 5021, A0382	East Baton Rouge
Wagner Oil Company	3797	Iberville



**b) NOMINATION AND TRACT REPORT**

**June 12, 2019**

(Resolution No(s). 19-06-002)

The Board heard the report of Mr. Emile Fontenot on Wednesday June 12, 2019 relative to nominations received in the Office of Mineral Resources for the August 14, 2019 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of Ms. Leblanc, duly seconded by Mr. Watkins, the Board granted authority to the staff to advertise all such tracts as have been received by the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report. **(Resolution No. 19-06-002)**

**c) AUDIT REPORT**  
**June 12, 2019**

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

No action required.

**d) LEGAL & TITLE REPORT**

**June 12, 2019**

(Resolution No(s). 19-06-003, 19-06-004 & 19-06-014)

The first matter considered by the State Mineral and Energy Board (Board) was a request from Wooldridge Land & Cattle LLC (Wooldridge) to negotiate with Staff for an Operating Agreement affecting five (5) acres of unleased State owned lands (B1072, formerly State Lease No. 6375) in the Caddo Pine Island Field, Caddo Parish, Louisiana, and to take the acreage out of commerce until September 11, 2019 or until the Operating Agreement is conected, whichever occurs first.

Upon motion of Mr. Watkins, seconded by Ms. Michaud-Dugas, and by unanimous vote of the Board, the Board voted to approve the request to allow Staff to negotiate for an Operating Agreement on the above listed acreage and to remove the acreage from commerce until September 11, 2019, or until the Operating Agreement is conected, whichever occurs first. There were no comments from the public. (Resolution No. 19-06-014)

The second matter considered by the Board was a review and request for approval by the Board of the final edits to Articles 4, 6, 8, 11, 13, 15, and 19 of the cProposed New Lease Form.

Upon motion of Mr. Hollenshead, seconded by Mr. Watkins, and by unanimous vote of the Board, the Board voted to preliminarily approve the final edits to Articles 4, 6, 8, 11, 13, 15, and 19 of the Proposed New Lease Form. There were no comments from the public. (Resolution No. 19-06-003)

The third matter brought before the Board for consideration was a discussion of Articles 10, 16, 18, 20, 21, 22 and 23 of the Proposed New Lease Form.

This matter was deferred to the July 10, 2019 Board Meeting. There were no comments from the public.

The fourth matter considered by the Board was an update on the Royalty Reduction Program Resolution for review and possible vote by the Board.

Upon motion of Mr. Watkins, seconded by Ms. LeBlanc, and by unanimous vote of the Board, the Board voted to grant a continuance in the review of the Royalty Reduction

State Mineral and Energy Board  
Regular Meeting  
June 12, 2019  
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Program Resolution and hereby declared full support of Staff's actions in moving forward in the drafting of the Royalty Reduction Program Resolution. Public comments were received from Pat Theophilus of Theophilus Oil, Gas and Land Services, Inc. and Joey Landry of Cypress Energy Corporation. (Resolution No. 19-06-004)

**e) DOCKET REVIEW REPORT**  
**June 12, 2019**  
(Resolution No(s). 19-06-005 thru 19-06-013)

The Board heard the report from Emile Fontenot on Wednesday, June 12, 2019, relative to the following:

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

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

- Category B: State Lease Transfers  
Approve Docket Item Nos. 1 through 8  
(Resolution Nos. 19-06-005 through 19-06-012)
- Category C: Advertised Proposals  
Approve Docket Item Nos. 19-14  
(Resolution No. 19-06-013)

## **VII. EXECUTIVE SESSION**

The Chairman stated that the next order of business was discussions in Executive Session to consider matters before the Board which were confidential in nature. Upon motion of Ms. Michaud-Dugas, seconded by Mr. Watkins, the Board Members went into Executive Session at 10:47 a.m.

Upon motion of Ms. LeBlanc, seconded by Ms. Michaud-Dugas, the Board reconvened in open session at 11:21 a.m. for consideration of the following matters discussed in Executive Session:

- a. A discussion and request by Staff for authority to make an offer to Wooldridge Land & Cattle, LLC regarding the terms of an Operating Agreement involving five (5) acres of unleased State owned lands in Section 17, Township 20 North, Range 15 West, Caddo Pine Island Field, Caddo Parish, Louisiana

Action was taken by the Board on this matter during discussion of the Legal & Title Report.

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

## **VIII. AWARDING OF LEASES**

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

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

1. Award a lease on a portion of Tract No. 45144 (37.540 acres) to Krewe Energy, LLC
2. Award a lease on a portion of Tract No. 45145 (93.340 acres) to Krewe Energy, LLC
3. Award a lease on a portion of Tract No. 45145 (78.840 acres) to Krewe Energy, LLC
4. Award a lease on Tract No. 45148 (60.82 acres) to Petroleum Partners, L.L.C.
5. Award a lease on Tract No. 45167 (8 acres) to Petroleum Partners, L.L.C.
6. Award a lease on Tract No. 45168 (20 acres) to Cypress Energy Corporation

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

This concluded the awarding of the leases.

#### **IX. NEW BUSINESS**

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

No new business was presented.

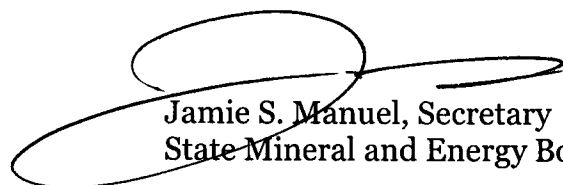
#### **X. ANNOUNCEMENTS**

Mr. Manuel stated that the six (6) leases awarded totaled \$196,632.60 for the June 12, 2019 Lease Sale bringing the fiscal year total to \$14,194,150.81.

#### **XI. ADJOURNMENT**

The Chairman then stated there being no further business to come before the Board, upon motion of Ms. Michaud-Dugas, seconded by Ms. Hodges, the meeting was adjourned at 11:25 a.m.

Respectfully Submitted,



Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #19-06-001  
(LEASE REVIEW)**

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 (SMEB):

**WHEREAS**, Mr. Bradbury of the Office of Mineral Resources made a report to request an extension of force majeure recognition for the following state leases and an operating agreement operated by four companies mentioned below, as a result from ongoing flood conditions in Louisiana:

<b>Operator</b>	<b>State Lease</b>	<b>Parish</b>
Tensas Delta Exploration Company LLC	4775, 4945	La Salle
Kepeco Operating Inc.	18951	La Salle
Falcon V, LLC	4746, 5021, A0382	East Baton Rouge
Wagner Oil Company	3797	Iberville

**WHEREAS**, Mr. Bradbury requested that the force majeure extension be granted until the September 11, 2019 Board meeting or until the force majeure condition abates whichever occurs first.

**NOW THEREFORE BE IT RESOLVED**, that the State Mineral and Energy Board, in consideration of the facts stated herein, by these present, does hereby extend recognition of the force majeure event affecting State Leases 3797, 4746, 4775, 4945, 5021 and 18951 and Operating Agreement A0382 until the September 11, 2019 meeting, or until such time lessees restore production to the leases. The Board requires that all Lessees submit to the staff monthly updates due no later than the first (1<sup>st</sup>) of each month. The Board will reserve its rights to review and reconsider whether additional action is necessary at the September 11, 2019 meeting. Furthermore, the Board requires that the Lessees continue in a due diligent manner, to mitigate or negate the effect of said events that caused the force majeure.

**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 June 12, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
Louisiana State Mineral and Energy Board



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Authority to advertise  
Tracts for August 14,  
2019 Lease Sale

**Resolution #19-06-002**  
**(NOMINATION AND TRACT REPORT)**

**WHEREAS**, Mr. Emile Fontenot reported that one (1) tract(s) were nominated for the August 14, 2019 Mineral Lease Sale, and requested that same be advertised pending staff review;

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

That the State Mineral and Energy Board grant approval to advertise all such tract(s) for the August 14, 2019 Mineral Lease Sale;

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

**CERTIFICATE**

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 12th day of June 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #19-06-003

(LEGAL & TITLE CONTROVERSY REPORT)

SMEB Review of  
Proposed New  
Lease Form Articles  
4, 6, 8, 11, 13,  
15 and 19

**WHEREAS**, there was a discussion of Articles 4, 6, 8, 11, 13, 15 and 19 of the Proposed New Lease Form for the consideration of the State Mineral and Energy Board (Board); and

**WHEREAS**, after careful consideration by the State Mineral and Energy Board on this matter, a decision has been reached;

**NOW, THEREFORE BE IT RESOLVED**, upon motion of Mr. Hollenshead, seconded by Mr. Watkins, and by unanimous vote of the State Mineral and Energy Board, the Board does hereby accept, in principle, Articles 4, 6, 8, 11, 13, 15 and 19 of the Proposed New Lease Form as written.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12<sup>th</sup> day of June, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
\_\_\_\_\_  
**JAMIE S. MANUEL, SECRETARY**  
**STATE MINERAL AND ENERGY BOARD**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #19-06-004

(LEGAL & TITLE CONTROVERSY REPORT)

Draft Royalty  
Reduction Program  
Resolution

**WHEREAS**, pursuant to La. R.S. 30:129, the State Mineral and Energy Board ("Board") has full supervision of all State Mineral Leases and is authorized to take all appropriate action to assure that all undeveloped or nonproducing State lands and water bottoms are reasonably and prudently explored, developed, and produced for the public good; and


**WHEREAS**, due to the current status of leasing and drilling activity within the State of Louisiana, the Board hereby continues the matter brought before it on this date for the review of the Royalty Reduction Program Resolution; and

**WHEREAS**, after careful consideration by the Board, a decision has been reached.

**NOW, THEREFORE BE IT RESOLVED**, upon motion of Mr. Watkins, seconded by Ms. LeBlanc, and by unanimous vote of the Board, the State Mineral and Energy Board does hereby declare a continuance in the review of the Royalty Reduction Program Resolution and hereby declares full support of Staff's actions in moving forward in the drafting of the Royalty Reduction Program Resolution.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12<sup>th</sup> day of June, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
**STATE MINERAL AND ENERGY BOARD**

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #19-06-005 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the June 12, 2019 meeting be approved, said instrument being an Assignment from Anchor Land & Exploration, LLC to The Lafayette Exploration Company, LLC, affecting State Lease No. 21902, Acadia Parish, Louisiana, with further particulars being stipulated in the instrument.

The Lafayette Exploration Company, 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;

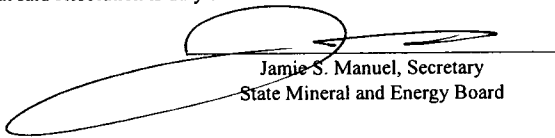
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 June, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #19-06-006

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the June 12, 2019 meeting be approved, said instrument being an Assignment from Chaney Co., L.L.C. to Vivian Investments, L.L.C., of 49% of 100% interest of Assignor's right, title and interest in and to State Lease Nos. 8935, 8936 and 10334, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

Vivian Investments, 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 non-signatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;

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

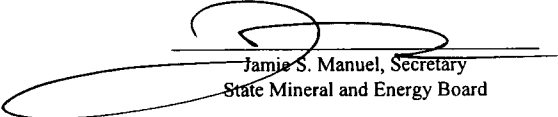
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman 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 June, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #19-06-007 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the June 12, 2019 meeting be approved, said instrument being an Assignment from Castex Energy 2016, LP to Castex E&P LLC, an undivided 1% of 8/8ths interest in and to State Lease Nos. 21608, 21615 and 21616, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

Castex E&P 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;

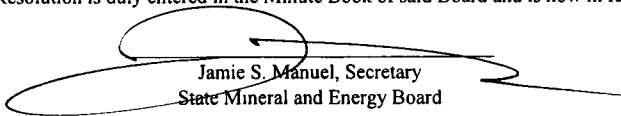
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 June, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #19-06-008

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the June 12, 2019 meeting be approved, said instrument being an Assignment from Crescent Resources, L.L.C. to LLOLA, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos 21790, 21840 and 21841, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

LLOLA, 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 June, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #19-06-009 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the June 12, 2019 meeting be approved, said instrument being an Assignment from Sundown Energy, LP to Potash, L.L.C., of all of Assignor's right, title and interest in and to State Lease No 508, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Potash, 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;

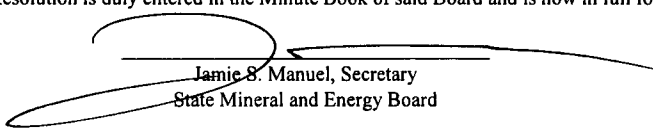
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 June, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #19-06-010 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the June 12, 2019 meeting be approved, said instrument being an Assignment from EnergyQuest II, LLC to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease Nos. 329 and 340, Lafourche and St. Mary Parishes, Louisiana, with further particulars being stipulated in the instrument.

Texas Petroleum Investment Company 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;

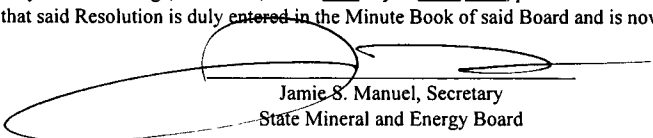
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 June, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #19-06-011

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 7 from the June 12, 2019 meeting be approved, said instrument being a Correction of that certain Assignment from Exxon Mobil Corporation to Forza Operating, LLC, dated effective October 10, 2015, whereas said parties agree that the Exhibit "A-1" and Exhibit "A-2" presently attached to the Assignment is deleted therefrom in its entirety and is hereby replaced with the Exhibit "A-1" and Exhibit "A-2" attached hereto, affecting State Lease No. 14589, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

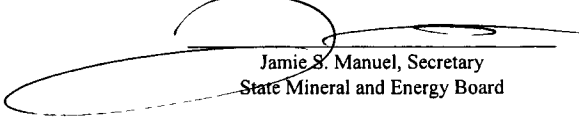
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman 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 12<sup>th</sup> day of June, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #19-06-012 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 8 from the June 12, 2019 meeting be approved, said instrument being an Assignment from Energy XXI Onshore, LLC to Fieldwood Onshore LLC, of an undivided 50% of all of Assignor's right, title and interest in and to State Lease No. 21789, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument

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

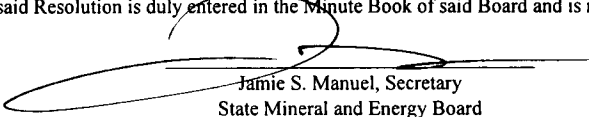
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 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 June, 2019, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #19-06-013

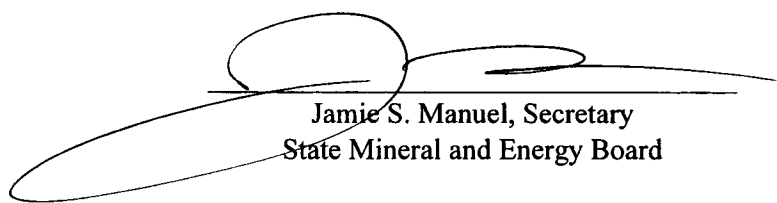
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 19-14 from the June 12, 2019 meeting be approved, said instrument a Communitization Agreement by and between Hilcorp Energy I, L.P., Plaquemines Oil & Development Company, Entech Enterprises, Inc., and the State Mineral and Energy Board on behalf of the State of Louisiana, to create a 208.61 acre unit, more or less, identified as the "10600 RB SUA", affecting State Lease Nos. 2565, 2566 and 21729, Burrwood Field, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12<sup>th</sup> day of June, 2019 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #19-06-014

(LEGAL & TITLE CONTROVERSY REPORT)

Wooldridge Land & Cattle LLC  
request to negotiate Operating  
Agreement on B1072,  
former SL No. 6375

**WHEREAS**, a request by Wooldridge Land & Cattle LLC (Wooldridge) to the State Mineral and Energy Board (Board) to authorize Staff to negotiate terms of an Operating Agreement covering approximately five (5) acres of unleased State acreage, more or less, being former State Lease No. 6375 (B1072) located in the Caddo Pine Island Field, Caddo Parish, Louisiana.

**WHEREAS**, Staff recommended that the Board grant authority to Staff to negotiate an Operating Agreement with Wooldridge, to remove the acreage from commerce and make unavailable for leasing until September 11, 2019, unless an Operating Agreement is confected and approved by the Board, whichever occurs first;

**ON MOTION** of Mr. Watkins, seconded by Ms. Michaud-Dugas, 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 does hereby approve the foregoing request by Wooldridge to negotiate an Operating Agreement as stated above;

**BE IT FURTHER RESOLVED** that the Board does hereby remove the acreage from commerce, making it unavailable for leasing until the September 11, 2019 Board Meeting, or until an Operating Agreement is confected and approved by the Board, whichever occurs first.

## 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 June, 2019 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.

  
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**JAMIE S. MANUEL, SECRETARY**  
**STATE MINERAL AND ENERGY BOARD**