

MINUTES

STATE MINERAL AND ENERGY BOARD

LEASE SALE AND BOARD MEETING

JUNE 14, 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

June 14, 2017

A public meeting for the purpose of opening sealed bids was held on Wednesday, June 14, 2017, beginning at 8:30 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

Beverly Hodges - Undersecretary of the Department of Natural 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

Ms. Hodges presided over the meeting. She then read the letter of notification certifying the legal sufficiency of the advertisement of Tract Nos. 44731 through 44734 which were published for lease by the Board at today's sale.

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

Ms. Hodges stated that there were no tracts to be withdrawn from today's Lease Sale.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.

INLAND TRACTS

Tract 44731

Bidder	:	COASTAL LAND SERVICES, INC.
Primary Term	:	Three (3) years
Cash Payment	:	\$5,000.00
Annual Rental	:	\$312.50
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

Tract 44732

Bidder	:	TAYLOR-THANHEISER PRODUCTION, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$5,544.00
Annual Rental	:	\$2,772.00
Royalties	:	22.50000% on oil and gas
	:	22.50000% on other minerals
Additional Consideration	:	None

Tract 44733
(Portion Bid - 166.000 acres)

Bidder	:	HEP ENERGY, INC.
Primary Term	:	Three (3) years
Cash Payment	:	\$66,400.00
Annual Rental	:	\$33,200.00
Royalties	:	21.00000% on oil and gas
	:	21.00000% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 8:36 a.m.

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 14, 2017

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, June 14, 2017**, beginning at 9:32 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.

Mr. Paul Segura, Chairman, called the meeting to order. He then requested Ms. Beverly Hodges, Undersecretary of DNR, to call the roll for the purpose of establishing a quorum.

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

The following members of the Board were recorded as absent:

Robert D. Watkins
Johnny B. Bradberry

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

Also recorded as present were:

Stacey Talley – Business Analytics Specialist 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

* A motion was made Mr. Arnold to handle Item VII (B) as the first order of business. His motion was seconded by Ms. LeBlanc.

The first order of business was a request by J. Todd Hollenshead, Board Member, for the adoption of a resolution to begin the State Mineral and Energy Board meeting and Lease Sale with the Pledge of Allegiance.

Upon motion of Mr. Hollenshead, seconded by Mr. Haik, the Board voted unanimously to grant the request by J. Todd Hollenshead, Board Member, for the adoption of a resolution to begin the State Mineral and Energy Board meeting and Lease Sale with the Pledge of Allegiance. (No public comment was made at this time.)

The next order of business was the approval of the May 10, 2017 Minutes. A motion was made by Mr. Cordaro to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Ms. Michaud-Dugas 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 Staff Reports*:

- a) Lease Review Report
- b) Nomination and Tract Report
- c) Audit Report
- d) Legal and Title Controversy Report
- e) Docket Review Report

** Staff Reports and Resolutions will immediately follow this page.*

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Policy/Procedure
Re: State Mineral and Energy
Board Meeting

RESOLUTION # 17-06-001

(NEW BUSINESS)

WHEREAS, a request was made by J. Todd Hollenshead, Board Member, for the adoption of a resolution to begin the State Mineral and Energy Board meeting and Lease Sale with a recital of the Pledge of Allegiance; and

WHEREAS, the Pledge of Allegiance was originally composed in 1887, and was adopted by the United States Congress in 1942, with the current language being adopted in 1954; and

WHEREAS, the Pledge of Allegiance is recited at the opening of each session of the United States Congress, and of the Louisiana State Legislature, and prior to many local governmental meetings; and

WHEREAS, it is the desire of the State Mineral and Energy Board to begin each meeting with a pledge of allegiance to the United States and to its flag;

ON MOTION of Mr. Hollenshead, 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 will begin the State Mineral and Energy Board meeting and Lease Sale with a recital of the Pledge of Allegiance.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA, JR., CHAIRMAN
State Mineral and Energy Board

**A) LEASE REVIEW REPORT
June 14, 2017**

Lease Review Report

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

There were no leases brought before the Board.



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

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District Code 1 New Orleans- East

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Well ID	Block	Acres	Production	Reserve	Staff Review
00335C	GRAND BAY	4500 06/24/2014	130	900	JUN AR 5/31/17 DP AR - HBP - 8 UNITS, 9 VUS, 3 SL WELLS
01227	BRETON SOUND BLOCK 32		1570.27	1570.27	JUN AR 5/31/17 DP AR - HBP - 10 SL WELLS
02125	MAIN PASS BLOCK 35	221990-SL 2125-012 05/24/1998	10 49	389	JUN AR 5/31/17 DP AR - HBP - 1 UNIT
13287	MAIN PASS BLOCK 74	103.85 04/29/2011	92 35	92.35	JUN AR 5/31/17 DP AR - HBP - 1 UNIT
14564	LAKE FORTUNA	235.65 02/03/2004	295.27	295.27	JUN AR 5/31/17 DP AR - HBP - 1 UNIT, 1 SL WELL; PARTIALLY EXPIRED DUE TO GAP IN LEASE PRODUCTION; ROUTE SHEET STARTED
16170	MAIN PASS BLOCK 4	SL 16170	66 11	66.11	JUN AR 5/31/17 DP AR - HBP - 1 VU
16299	MAIN PASS BLOCK 4	SL 16170	62.425	62.425	JUN AR 5/31/17 DP AR - HBP - 1 VU
16300	MAIN PASS BLOCK 4	SL 16170	139.669	139.669	JUN AR 5/31/17 DP AR - HBP - 1 VU
16432	MAIN PASS BLOCK 25		100	885.27	JUN SAR 5/31/17 DP SAR - HBP - 2 SL WELLS
16692	MAIN PASS BLOCK 25	SL 16692	133 564	133 564	JUN AR 5/31/17 DP AR - HBP - 1 VU
16732	MAIN PASS BLOCK 4	SL 16170	85.437	85.437	JUN AR 5/31/17 DP AR - HBP - 1 VU
16819	MAIN PASS BLOCK 25	20.11 05/08/2002	83.22	83.22	JUN AR 5/31/17 DP AR - HBP - 1 VU
17942	BRETON SOUND BLOCK 53	32 13 01/20/2009	49 96	49.96	JUN AR 5/31/17 DP AR - HBP - 1 VU
18078	MAIN PASS BLOCK 26		148.65	148.65	JUN AR 5/31/17 DP QR - HBP - 1 SL WELL, LOW PRODUCTION
18165	EMPIRE	7.43 07/10/2015	230.57	230.57	JUN AR 5/31/17 DP AR - HBP - 1 VU
18549	BRETON SOUND BLOCK 53	378.55 03/11/2015	86.7	86.7	JUN SAR 5/31/17 DP SAR - HBP - 1 VU, LOW PRODUCTION
19050	BRETON SOUND BLOCK 53	184.48 03/11/2015	650.31	650.31	JUN SAR 5/31/17 DP SAR - HBP - 1 VU, LOW PRODUCTION
19051	BRETON SOUND BLOCK 53	VUD; 12/10/2014	110.22	110.22	JUN SAR 5/31/17 DP SAR - HBP - 1 VU, LOW PRODUCTION
19052	BRETON SOUND BLOCK 53	VUD; 12/10/2014	383.12	383.12	JUN SAR 5/31/17 DP SAR - HBP - 1 VU, LOW PRODUCTION
19080	BRETON SOUND BLOCK 53	VUD; 12/10/2014	20.17	20.17	JUN SAR 5/31/17 DP SAR - HBP - 1 VU, LOW PRODUCTION
19347	BRETON SOUND BLOCK	VUD;	2.24	2.24	JUN SAR 5/31/17 DP SAR - HBP



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Staff Reviews

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Well ID	Block	Acres	Lease Date	Production	Reserve	Comments
	53		12/10/2014			- 1 VU, LOW PRODUCTION
19669	BRETON SOUND BLOCK 53		VUD; 12/10/2014	137.39	137.39	JUN SAR 5/31/17 DP SAR - HBP - 1 VU, LOW PRODUCTION
20034	MAIN PASS BLOCK 46			0	495.89	JUN AR 6/1/17 DP LEASE EXPIRED - PRODUCTION GAP; ROUTE SHEET STARTED
20363	COQUILLE BAY			108	108	JUN AR 6/2/17 DP AR - HBP - 1 UNIT
20550	CHIPOLA , CHIPOLA, NORTH	59.257	04/27/2016	6.74	6.74	JUN AR 6/2/17 DP AR - HBP - 2 UNITS
20891	LAKE RACCOURCI , POINTE A LA HACHE		SL 20892	16.039	16.039	JUN SAR 6/1/17 DP SAR - HBP - 1 UNIT, WELL HAS BEEN SHUT IN AND PERMITTED TO P&A
21380	EAST COX BAY		U-3 RA SUA; 12/02/2014 1582 14-663	172.41	1003	JUNE PT 3/12/17- 6/2/17 DP AR - HBP - 2 UNITS, DD PAID 3/2/2017
21381				0	9	JUN. PT 3/12/17 6/1/17 DP LEASE EXPIRED - NO RENTAL; ROUTE SHEET STARTED
21562				0	71.47	JUN PT 3/11/2018 6/1/17 DP AR - HELD BY RENTAL PAID 3/8/2017
21563	BRETON SOUND BLOCK 49			18.6	18.6	JUN PT 3/11/2018 6/1/17 DP AR - HBP - 1 SL WELL
21564				0	73	JUN PT 3/11/2018 6/1/17 DP AR - HELD BY RENTAL PAID 2/6/2017
21660				0	52	JUN PT 3/9/2019 6/1/17 DP AR - HELD BY RENTAL PAID 3/6/2017



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Staff Reviews

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District Code 1W New Orleans- West

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Account #	Location	Lease / License / Permit	Productive Acreage	Reserve Acreage	Staff Review
00212A	LAKE WASHINGTON	249994-SL 212-002 01/14/2015	69.652	92	JUN. AR 6/1/17 DP AR - HBP - 8 UNITS, 2 VUS, 7 SL WELLS
00707	LAKE HERMITAGE	LAFOURCHE BASIN LEVEE DISTRICT	470	700	JUN. AR 6/1/17 DP AR - HBP - 1 UNIT, 1 VU
00978	SOUTH PASS BLOCK 24 , SOUTH PASS BLOCK 24 OFFSHORE(8453 7/97 , WEST DELTA BLOCK 52 , WEST DELTA BLOCK 53	8000 (S) RH SUH;SL 978 227-A-2 98-781	101.72	796.71	JUN. AR 6/1/17 DP AR - HBP - 2 UNITS, 1 SL WELL
00979	WEST DELTA BLOCK 53 , WEST DELTA BLOCK 55	322.96 04/04/2013	320	2882.58	JUN. AR 6/1/17 DP AR - HBP - 2 SL WELLS
01908	LEEVILLE	LWR 95 RR SUA; 01/18/2017 617-H-4 17-21	0	20.84	JUN. AR 6/14/17 SM&EB APP'D RESCINCTION OF RELEASE OF ACREAGE AND REINSTATE SL 1908 20.84 ACRES;; 5/24/17 JT PRELIM. 051987 U 95 RR SUA 4.3 PRODUCING ACRES;; 5/12/17 JT PRELIMINARY 051986 LWR 95 RR SUA 17 PRODUCING ACRES;; 4-6-17 JT REV 532423 L L 95 RR SU 316.56 AC;; 12/5/16 MEETING HELD WITH WHITE MARLIN TO DISCUSS REINSTATEMENT OF LEASE;; 6/15/15 RELEASED;; 3/30/16 MS AR, LEASE HAS EXPIRED, LAND DEPARTMENT HOLDING RELEASE UNTIL DUNE'S BANKRUPTCY IS SETTLED
03240	LAKE PALOURDE, EAST	CRIS 1 RB SUA;P R NORMAN B 06/20/2000 357-G-4	1.61	1 61	JUN. QR 6/1/17 DP QR - HBP - 1 UNIT, INTERMITTENT PRODUCTION
03734	BAYOU SEGNETTE	B SEG CELOTEX SU 07/01/1976	20.212	20.212	JUN. AR 6/1/17 DP AR - HBP - 1 UNIT
06024	LAKE ENFERMER	F2 RA SUA;LAF RLTY CO 09/16/2003 340-HH 03-659	17.66	17.66	JUN. AR 6/1/17 DP AR - HBP - 3 UNITS
14498	BAY MARCHAND BLOCK 2 OFFSHORE	VUA;	163.67	163.67	JUN. AR 6/1/17 DP AR - HBP - 1 UNIT
15310	BAY MARCHAND BLOCK 2 OFFSHORE	VUA;	16 43	16.43	JUN. AR 6/1/17 DP AR - HBP - 1 UNIT
15736	BAYOU SHERMAN , LAKE PALOURDE, EAST	.557 07/07/2015	2.32	2 32	JUN. AR 6/1/17 DP QR - HBP - 1 UNIT, INTERMITTENT PRODUCTION
15970	BAY MARCHAND BLOCK 2 OFFSHORE	VUA;	19 55	19.55	JUN. AR 6/1/17 DP AR - HBP - 1 UNIT
16255	BAY MARCHAND BLOCK 2 OFFSHORE	VUA;	53.33	53.33	JUN. AR 6/1/17 DP AR - HBP - 1 UNIT



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Table with columns: Lease No., Lease Name, Lease Date, Production Acre-fts, Original Acre-fts, and Lease Review Info. Rows include BAY MARCHAND BLOCK 2 OFFSHORE, GOLDEN MEADOW, TIGER PASS, DELTA FARMS, LAKE RACCOURCI, and BAY BATISTE.



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Parcel No.	Acres	Block	Location	Release Date	Production/Acres	Tract No./Acres	Regen. Cat. / Remarks
00340C	5		RABBIT ISLAND	SL 340 RABBIT ISLAND DA	0	4051	JUN. LRC 5/30/17 AW ON RELEASE SCHEDULE
00340C	5		RABBIT ISLAND ONSHORE	SL 340 RABBIT ISLAND DA	0	4051	JUN. LRC 5/30/17 AW ON RELEASE SCHEDULE
00340C	2		RABBIT ISLAND	SL 340 RABBIT ISLAND DA	160	2601	JUN. LRC 5/30/17 AW ON RELEASE SCHEDULE; PARTIAL RELEASE OF APPROX 1000 ACRES (EST.)
00340C	2		RABBIT ISLAND ONSHORE	SL 340 RABBIT ISLAND DA	160	2601	JUN. LRC 5/30/17 AW ON RELEASE SCHEDULE; PARTIAL RELEASE OF APPROX 1000 ACRES (EST.)
00340C	3		RABBIT ISLAND	SL 340 RABBIT ISLAND DA	260	3333	JUN. LRC 5/30/17 AW ON RELEASE SCHEDULE; PARTIAL RELEASE OF APPROX. 100 ACRES (EST.); HBP IN 1 UNIT (VUA; SL 340 RI)
00340C	3		RABBIT ISLAND ONSHORE	SL 340 RABBIT ISLAND DA	260	3333	JUN. LRC 5/30/17 AW ON RELEASE SCHEDULE; PARTIAL RELEASE OF APPROX 100 ACRES (EST.); HBP IN 1 UNIT (VUA; SL 340 RI)
00340C	4		RABBIT ISLAND	SL 340 RABBIT ISLAND DA	374.51	4732	MAR. LRC 5/30/17 AW ON RELEASE SCHEDULE; HBP IN 1 UNIT (VUB; SL 20534)
00340C	4		RABBIT ISLAND ONSHORE	SL 340 RABBIT ISLAND DA	374.51	4732	MAR. LRC 5/30/17 AW ON RELEASE SCHEDULE; HBP IN 1 UNIT (VUB; SL 20534)
00340C	1		RABBIT ISLAND	SL 340 RABBIT ISLAND DA	1093	5000	JUN. LRC 5/30/17 AW ON RELEASE SCHEDULE; PARTIAL RELEASE OF APPROX 1000 ACRES (EST.)
00340C	1		RABBIT ISLAND ONSHORE	SL 340 RABBIT ISLAND DA	1093	5000	JUN. LRC 5/30/17 AW ON RELEASE SCHEDULE; PARTIAL RELEASE OF APPROX. 1000 ACRES (EST.)
00341			BATEMAN LAKE	BAL SU	1000	1000	JUN. AR 5/30/17 AW HBP IN 1 UNIT (BAL SU)
03584			PATTERSON	PA C-A-1 SU 02/01/1995	55	55	JUN. AR 5/30/17 AW HBP IN 1 UNIT (MA 1 RA SUA)
05683			DEER ISLAND, DEER ISLAND, WEST	CL&F 21 07/08/2009	1.36	18.6	JUN. AR 5/30/17 AW HBP IN 1 UNIT (12800 RB VUA)
14851			SHIP SHOAL BLOCK 65	VUB;SL 14796	210	210	JUN. AR 5/30/17 AW HBP IN 1 UNIT (VUB) AND LEASE WELL
16046			RAMOS	OPERC 5 RA SUA;CM THIBODAUX CO	1.7	17	JUN. AR 5/30/17 AW HBP IN 2 UNITS (OPERC B RB SUA & OPERC 3 RB SUA)



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

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District Code 2 Lafayette

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Review ID	Reviewer	Project Name, Activity	Productive Acreage	Residual Acreage	Review Date
		389-H 98-570			
16049	RAMOS	OPERC 5 RA SUA;CM THIBODAUX CO	62.3	62.3	JUN. AR 5/30/17 AW HBP IN 2 UNITS (OPERC B RB SUA & OPERC 3 RB SUA)
		389-H 98-570			
16051	RAMOS	OPERC 5 RA SUA;CM THIBODAUX CO	36.5	36.5	JUN. AR 5/30/17 AW HBP IN 2 UNITS (OPERC B RB SUA & OPERC 3 RB SUA)
		389-H 98-570			
16121	CAILLOU ISLAND	D12 RA VUA;SL 16121 02/12/2003	160	218.29	JUN AR 5/30/17 AW HBP IN 1 UNIT (D12 RA VUA) AND LEASE WELL
17309	SHIP SHOAL BLOCK 67		279.97	279.97	JUN. AR 5/30/17 AW HBP IN LEASE WELL
18614	BAYOU CARLIN	152.411 09/01/2010	20.589	20.589	DEC. AR 5/30/17 AW HBP IN 1 UNIT (MA 7 RD SUA)
19570	LAPEYROUSE	2.162 02/07/2011	838	.838	JUN. AR 5/30/17 AW HBP IN 1 UNIT (7450 RB SUA)
20893	LAKE RACCOURCI	277.44 04/23/2015	84.56	84.56	JUN. AR 5/30/17 AW HBP IN 1 UNIT (N-3A RA SUA)
20894	LAKE RACCOURCI	21.17 04/23/2015	6.83	6.83	JUN AR 5/30/17 AW HBP IN 1 UNIT (N-3A RA SUA)
21383	BAY ST ELAINE		331.11	331.11	JUNE PT 3/12/17 5/30/17 AW HBP IN LEASE WELL, CURRENTLY SHUT-IN
21662	LAPEYROUSE	FF-GG RA SUA; 11/01/2016 416-GGG 16-443	37.95	49	JUN PT 3/9/2019 5/30/17 AW HBP IN 1 UNIT (FF-GG RA SUA)



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District Code 3 Lake Charles- North

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Well Number	Location	Productive Interval	Productive Average	Reservoir Average	Assigned for Review
05849	ELM GROVE	HA RA SU139;CAPLIS 23 H 02/24/2015 361-L-147 15-92	580	580	JUN. AR 5/18/17 AR - 100% HBP. 40 PRODUCING UNIT LUW'S
06003	REDOAK LAKE	99.285 03/27/1993	112.608	112.608	JUN. AR 5/18/17 SR AR - 100% HBP 1 PRODUCING UNIT LUW'S. 1 PRODUCING WELLS
06708	ELM GROVE	HA RA SUEE;FRIERSON BROS 32 H 11/10/2009 361-L-66 09-1187	70.65	70.65	JUN. AR 5/18/17 SR AR - 100% HBP 7 PRODUCING UNIT LUW'S. 24 PRODUCING WELLS
08086	SIMSBORO, WEST	HOSS RA SUI;LUDLEY 08/01/1980 327-B-2 80-412	39	39	JUN. AR 5/18/17 SR AR - 100% HBP 1 PRODUCING UNIT LUW. 1 PRODUCING WELLS
08936	CADDO PINE ISLAND	CAPI VIV RA SU 03/01/1993	4.45	4.45	JUN. AR 5/18/17 SR AR - 100% HBP 1 PRODUCING UNIT RESERVOIR WIDE LUW 12 PRODUCING WELLS
09312	CASPIANA	HA RA SUM;EVANS 4H 191-H-13 08-1047	2.88	2.88	JUN. AR 5/18/17 SR AR - 100% HBP. 2 PRODUCING UNIT LUW'S. 16 PRODUCING WELLS
13045	GAHAGAN	HA RA SUX;MICIOTTO 16 H 03/16/2010 909-H-7 10-275	110	110	JUN. AR 5/18/17 SR AR - 100% HBP 3 PRODUCING UNIT LUW'S. 4 PRODUCING WELLS
16125	ELM GROVE	HA RA SU137;HUTCHINSON 9 02/24/2015 361-L-147 15-94	8	8	JUN. AR 5/18/17 SR AR - 100% HBP. 2 PRODUCING UNIT LUW'S. 9 PRODUCING WELLS
16420	ELM GROVE	HA RA SU136;FRANKS 30-16-12 H 06/28/2011 361-L-105 11-340	50.394	50.394	JUN. AR 5/18/17 SR AR - 100% HBP. 5 PRODUCING UNIT LUW'S. 20 PRODUCING WELLS
16677	ELM GROVE	HA RA SU125;WIGGINS ETUX 35 H 06/08/2010 361-L-90 10-598	17.731	17.731	JUN. AR 5/18/17 SR AR - 100% HBP. 2 PRODUCING UNIT LUW'S 2 PRODUCING WELLS
16826	ROUTH POINT	WX C2 RA SUA;COLEMAN 02/12/2004	.5	.5	JUN. AR 5/18/17 SR AR - 100% HBP. 1 PRODUCING UNIT LUW'S. 1 PRODUCING WELLS
17313	ROUTH POINT	128.9 03/01/2004	48.1	48.1	JUN. AR 5/18/17 SR AR - 100% HBP. 2 PRODUCING UNIT LUW'S. 6 PRODUCING WELLS
17329	CONVERSE	HA RA SUC;BSM 31 H 04/07/2009 501-G 09-376	37.35	37.35	JUN. AR 5/18/17 SR AR - 100% HBP 4 PRODUCING UNIT LUW'S. 4 PRODUCING WELLS. LUW 615875 HAS NOT RECEIVED ROYALTY PYMT SINCE 4/2012. (SEE SUPPLEMENT)
17914	RED RIVER-BULL BAYOU , THORN LAKE	HA RA SUCC;BETHARD CORP 13 H 05/11/2010	13.985	13.985	JUN. AR 5/18/17 SR AR - 100% HBP. 5 PRODUCING UNIT LUW'S. 10 PRODUCING WELLS



Louisiana Department of Natural Resources (DNR)

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Well ID	Location	Operator	Producing Acreage	Production Acreage	Production	Notes
			1145-B-30 10-532			
18181	ELM GROVE	HA RA SUYY;SCHMIDT 5-16-10 H 01/05/2010 361-L-71 10-8	589	589		JUN AR 5/18/17 SR AR - 100% HBP. 2 PRODUCING UNIT LUW'S. 5 PRODUCING WELLS
18858	SHREVEPORT	85.13 03/17/2010	373.87	373.87		JUN. AR 5/18/17 SR AR - 100% HBP. VUA. 2 PRODUCING WELLS
19306	DIXIE	CV RA SUI;FRANKS 19 04/24/2007 1505 07-368	49 817	50 141		JUN. AR 5/18/17 SR AR - 2 PRODUCING UNIT LUW'S 3 PRODUCING WELLS NEED ASSIGNMENT/MERGER TO CHANGE OWNERSHIP TO PROCESS PR 7-11-12
19483	ELM GROVE	HA RA SU118;MAGNOLIA POINT LANDS 38 H 05/04/2010 361-L-81 10-501	100	100		JUN. AR 5/18/17 SR AR - 100% HBP. 1 PRODUCING UNIT LUW. 1 PRODUCING WELLS
19576	BAYOU SAN MIGUEL	JUR RA SUM;OLYMPIA MINERALS 6 01/23/2008 1513 08-65	177	177		JUN. AR 5/18/17 SR AR - 100% HBP. 1 PRODUCING UNIT LUW. 1 PRODUCING WELLS
19581	ROSELAND	30.7 06/01/2009	37.8	37.8		JUN. AR 5/18/17 SR AR - 100% HBP. 1 PRODUCING UNIT LUW. 1 PRODUCING WELLS
19692	WOODARDVILLE	HA RA SUHH;BRENDA JONES 5 12/09/2008 990-D-5 08-1816	8 31	8.31		JUN. AR 5/18/17 SR AR - 100% HBP. 2 PRODUCING UNIT LUWS. 3 PRODUCING WELLS
19693	WOODARDVILLE	HA RA SU79;L L GOLSON 9 H 12/15/2009 990-D-29 09-1316	35	35		JUN. AR 5/18/17 SR AR - 100% HBP. 3 PRODUCING UNIT LUWS. 3 PRODUCING WELLS
19694	BRACKY BRANCH , MARTIN , WOODARDVILLE	8.349 07/18/2014	32 651	32.651		JUN. AR 5/18/17 SR AR 100% HBP - 3 PRODUCING LUW'S. 3 PRODUCING WELLS
19836	BRACKY BRANCH	28.998 02/25/2010	8.002	8.002		JUN. AR 5/18/17 SR AR 100% HBP - 1 VUA. 1 PRODUCING WELL
20030	CEDAR GROVE	108 05/10/2012	329	329		JUN. AR 5/18/17 SR AR - 100% HBP. 2 PRODUCING UNIT LUWS. 2 PRODUCING WELLS
20036	BRACKY BRANCH , WOODARDVILLE	HA RA SUDD;MC TRUST B ETAL 28H 04/13/2010 917-L-11 10-410	44	44		JUN. AR 5/18/17 SR AR - 100% HBP. 4 PRODUCING UNIT LUWS. 4 PRODUCING WELLS
20037	BRACKY BRANCH , RED RIVER-BULL BAYOU	HA RA SUDD;MC TRUST B ETAL 28H 04/13/2010 917-L-11 10-410	25	25		JUN. AR 5/18/17 SR AR - 100% HBP. 4 PRODUCING UNIT LUWS. 11 PRODUCING WELLS
20078	THORN LAKE	HA RA SUZ;CLINTON 11-14-12 H 01/19/2010 1145-B-25 10-88	40	40		JUN. AR SAL OMR MANAGED WLF 5/18/17 SR AR - 100% HBP. 1 PRODUCING UNIT LUW. 5 PRODUCING WELL



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: June 15, 2017 3:27 PM

District Code 3 Lake Charles- North

Get Review Date June 14, 2017

Well ID	Area	HA RA SUT; BOWLIN 35-16-16 H 01/27/2009 270-MM-10	Productive Acreage	Present Acreage	Plugged to Reform
20084	GREENWOOD-WASKOM	HA RA SUT; BOWLIN 35-16-16 H 01/27/2009 270-MM-10	33.34	33.34	JUN. AR 5/18/17 SR AR - 100% HBP. 1 PRODUCING UNIT LUW. 1 PRODUCING WELL
20156	RED RIVER-BULL BAYOU	36.183 05/16/2014	49.817	49.817	JUN. AR 5/18/17 SR AR 100% HBP- 4 PRODUCING UNIT LUWS. 4 PRODUCING WELLS
20881	ELM GROVE	HA RA SUPP; 02/10/2009 361-L-24 09-132	19	19	JUN. AR 5/18/17 SR AR - 100% HBP 2 PRODUCING UNIT LUW. 2 PRODUCING WELL
20884	CATAHOULA LAKE	317 05/28/2013	40	40	JUN. AR 5/18/17 SR AR - 100% HBP. 1 PRODUCING UNIT LUW. 1 PRODUCING WELL



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: June 15, 2017 3:27 PM

District Code 3S Lake Charles- South
Get Review Date June 14, 2017

Table with columns: District Code, Block Name, Lease Activity, Productive Acreage, Present Acreage, and Staff Review. Rows include West Cameron Block 17, White Lake, West, Lake Arthur, South, Kings Bayou, Lockport, Vermilion Block 16, and Lac Blanc.



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: June 15, 2017 3:27 PM

District Code 3S Lake Charles- South
 Get Review Date June 14, 2017

Parcel No.	Tract	Acres	Activity	Productive Acreage	Reserve Acreage	Flagged for Review
18091	LAC BLANC	1759.78 06/08/2009		444.29	444.29	JUN AR 5/30/17 AW HBP IN 1 UNIT (SD RA SUA)
18092	LAC BLANC	199.1 06/08/2009		96.59	96.59	JUN AR 5/30/17 AW HBP IN 1 UNIT (SD RA SUA)
18864	CHENEYVILLE, WEST	25.111 06/24/2009		43.889	43.889	JUN AR 5/30/17 AW HBP IN 1 UNIT (AUS C RA SUT)
18984	KROTZ SPRINGS	5.98 12/01/2010		15.02	15.02	JUN AR 5/30/17 AW HBP IN 2 UNITS (SP RC SUB & SP RA SUC)
18985	KROTZ SPRINGS	35 05/10/2010		12.63	12.63	JUN AR 5/30/17 AW HBP IN 1 UNIT (SP RB SUA)
19098	WEST CAMERON BLOCK 1	10.16 10/01/2007		3.55	3.55	JUNE AR 5/30/17 AW HBP IN 1 UNIT (9850 RA SUA)
20546	WELSH	CRIS H 1 RD SUA;SL 13944 06/02/1992 679-JJ-8 92-210		1	1	JUN. AR TAX ADJUDICATED 5/30/17 AW HBP IN 1 UNIT (CRIS H1 RD SUA)
20578	DEEP LAKE	15100 RB SUA;SL 20139 01/07/2014 243-R-1 14-2		96.94	97	JUN AR 5/30/17 AW HBP IN 2 UNITS (15100 RB SUA & 15400 RB SUA)
20579	DEEP LAKE	16.78 03/31/2016		27.22	27.22	JUN. AR ROCKEFELLER WMA; 5/30/17 AW HBP IN 2 UNITS (15100 RB SUA & 15400 RB SUA)
20580	DEEP LAKE	119.49 03/31/2016		62.51	62.51	JUN AR ROCKEFELLER WMA, 5/30/17 AW HBP IN 2 UNITS (15100 RB SUA & 15400 RB SUA)
21550	ELBA	L WX RA SUH;WERLIEN ET AL 02/28/0180 1085 80-92		19.8	19.8	MAY PT 02/11/2018; 5/30/17 AW HBP IN 1 UNIT (L WX RA SUH)
129				22,262.718	48,977.417	

b) NOMINATION AND TRACT REPORT
June 14, 2017

The Board heard the report of Mr. Emile Fontenot **presented at 9:37 a.m.** on Wednesday June 14, 2017 relative to nominations received in the Office of Mineral Resources for the August 9, 2017 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Arnold**, duly seconded by **Mr. Haik**, the Board granted authority to the staff to advertise all such tracts as have been reviewed by the State Land Office and the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report presented by Mr. Fontenot.

OMR Staff is requesting authority to accept a nomination(s) containing approximately 1773.00 state acres for the September 13, 2017 Mineral Lease Sale for an Exclusive Geophysical Agreement Type III (EGA) in the Manila Village Field, Jefferson Parish, Louisiana. On motion of **Mr. Arnold**, duly seconded by **Ms. LeBlanc**, the board voted unanimously to accept nomination(s) for the September 13, 2017 Mineral Lease Sale for an Exclusive Geophysical Agreement Type III (EGA) in the Manila Village Field, Jefferson Parish, Louisiana.

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Exclusive Geophysical Agreement
Type III, Manila Village Field,
Jefferson Parish, Louisiana

Resolution #17-06-002
(NOMINATION AND TRACT REPORT)

WHEREAS, the Staff presented to the Board a request to accept nominations on approximately 1773.00 state acres for an upcoming lease sale, for an Exclusive Geophysical Agreement Type III (EGA), in the Manila Village Field, Jefferson Parish, Louisiana, for the following minimum terms: \$45.00 per acre seismic fee for the initial 18 month permit; \$400.00 per acre Bonus, \$200.00 per acre Rentals and 22.5% Royalty on acreage selected; 50 acres for the mandatory lease acreage requirement, 50% of unleased state acreage for the maximum lease acreage selection under the EGA. As additional consideration the potential bidder(s) may offer a copy of the final processed data over the entire 3-D survey at the time its bid(s) are submitted.

ON MOTION of *Mr. Arnold*, seconded by *Ms. LeBlanc*, the following Resolution was offered and adopted:

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

NOW, BE IT THEREFORE RESOLVED, that the State Mineral and Energy Board does hereby approve Staff's request to accept nominations on said acreage for an Exclusive Geophysical Agreement Type III in the Manila Village Field, Jefferson Parish, Louisiana and authorize Staff to advertise the 1773.00 acres with the aforementioned terms.

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 14th day of June, 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.



W. Paul Segura, Jr., Chairman
LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-003
(NOMINATION AND TRACT REPORT)

Authority to advertise
Tracts for August 9, 2017
Lease Sale

WHEREAS, Mr. Emile Fontenot reported that 13 tracts had been nominated for the August 9, 2017 Mineral Lease Sale, and requests that same are to be advertised pending staff review;

ON MOTION of *Mr. Arnold*, seconded by *Mr. Haik*, 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 August 9, 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 State Land Office and the staff of the Office of Mineral Resources, as well as any tracts that have been previously advertised and rolled over, and to otherwise approve the Nomination and Tract Report.

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 14th day of June 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.



W. Paul Segura, Jr., Chairman
LOUISIANA STATE MINERAL AND ENERGY BOARD

c) AUDIT REPORT
June 14, 2017

The first matter on the audit report was a penalty waiver request from Energy XXI GOM, LLC.

Staff recommended a 75% penalty waiver based up on protocol. Upon motion of Mr. Hollenshead, seconded by Mr. Haik, with one objection by Mr. Arnold, the Board voted that no penalty be waived.

The second matter on the audit report was a recoupment request from Shell Trading (US) Company.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Hollenshead, the Board voted unanimously to approve the recoupment request of \$356,660.54.

The third matter on the audit report was the election of the June 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.

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Penalty Waiver
Energy XXI GOM, LLC

RESOLUTION #17-06-004 (AUDIT REPORT)

WHEREAS, pursuant to La. R.S. 30:136.A (1) (c), the Office of Mineral Resources (OMR) staff is authorized to audit information relevant to the computation of royalties including appropriate records, report or other information; and

WHEREAS, the State Mineral and Energy Board caused an audit to be performed of state royalty payments made by Energy XXI GOM, LLC in the Grand Isle Block 16, Main Pass Block 74, and West Delta Block 54 fields; State Lease Nos. 797, 799, 6706, 6894, 17379, and 17380 which audit revealed that Energy XXI GOM, LLC owed the state \$264,182.35 in underpayment of royalty and \$150,737.58 in interest and penalty for a total of \$414,919.93; and

WHEREAS, Energy XXI GOM, LLC remitted payment of \$335,012.20 for the outstanding principal and interest and made letter of application for reduction of penalties assessed in the amount of \$79,907.73 that were the result of incorrect royalty payments; and

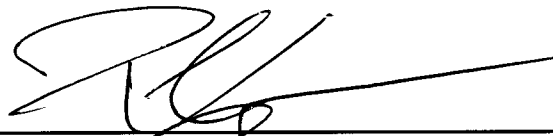
WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration and in accordance with State Mineral and Energy Board established protocol, recommended that the foregoing request for a reduction of penalties be approved and that seventy-five percent (75%) of the penalty be waived;

ON MOTION of Mr. Hollenshead, seconded by Mr. Haik, after discussion and careful consideration the following recommendation was offered and adopted by the Board with Mr. Arnold objecting:

THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby deny the request of Energy XXI GOM, LLC. for a reduction of the penalties assessed in the amount of \$79,907.73.

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 14th day of June 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.



**W. Paul Segura Jr., Chairman
State Mineral and Energy Board**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Shell Trading Company
Recoupment

RESOLUTION #17-06-005 (AUDIT REPORT)

WHEREAS, a letter of application was made by Shell Trading Company for a credit adjustment of \$356,660.54 for the Hackberry, East Field, State Lease No. 00050 for failure to deduct severance taxes paid from royalty due for the period of January 2013 through October 2013;

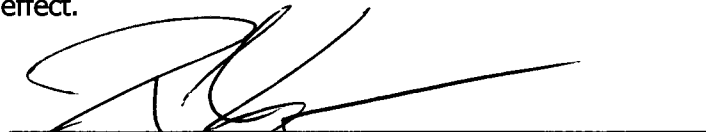
WHEREAS, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended the foregoing request be approved by the State Mineral and Energy Board;

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, BE IT THEREFORE RESOLVED that the Board does hereby authorize and direct the Mineral Income Director to effectuate the credit adjustment of \$356,660.54 to Shell Trading Company 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 14th day of June, 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.



**W. Paul Segura Jr., Chairman
State Mineral and Energy Board**

d) LEGAL AND TITLE CONTROVERSY REPORT

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 being stipulated in the instrument. This item was duly advertised and appeared on Docket as Item No. 17-11.
- 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 being stipulated in the instrument. This item was duly advertised and appeared on Docket as Item No. 17-12.
- 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 being stipulated in the instrument. This item was duly advertised and appeared on Docket as Item No. 17-13.
- 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 being stipulated in the instrument. This item was duly advertised and appeared on Docket as Item No. 17-14.
- 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 being stipulated in the instrument. This item was duly advertised and appeared on Docket as Item No. 17-15.
- 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 being stipulated in the instrument. This item was duly advertised and appeared on Docket as Item No. 17-16.

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, 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 other 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. 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. This item was duly advertised and appeared on Docket as Item No. 17-17.

Upon motion of Mr. Arnold, seconded by Mr. Harris, 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 by the Attorney General's Office for final approval of a confidential settlement agreement and release between the State of Louisiana, various plaintiffs, L.D. Miguez, et al, and PetroQuest Energy, LLC, et al, whereas said parties have reached a settlement in the matter related to various mineral interests claimed by the State and private parties entitled L.D. Miguez, et al v. State of Louisiana, Docket No. C-99694, 15th Judicial District Court, Vermilion Parish, Louisiana, affecting State Lease No. 20181, with further particulars being stipulated in the instrument. This item was duly advertised and appeared on Docket as Item No. 17-18.

Upon motion of Mr. Arnold, seconded by Mr. Haik, the State Mineral and Energy Board approved the Attorney General's Office request for final approval of the above listed confidential settlement agreement and release. No comments were made by the public.

The fourth matter considered by the Board was a request for final approval of a Compromise Agreement by and between the State of Louisiana, the "State Signatories", as listed on Page 1 of the Agreement, and the Ward-McIlhenny Signatories", as listed on Exhibit "A", whereas said parties have reached a settlement in the matter related to a wildlife management area and various mineral interests entitled Charles S. Reily, et al. v. State of Louisiana, Docket No. 81-42886-1, 15th Judicial District Court, Vermilion Parish, Louisiana, claimed by the State of Louisiana and private parties in Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument. This item was duly advertised and appeared on Docket as Item No. 17-19.

Upon motion of Mr. Arnold, seconded by Ms. Michaud-Dugas, and by unanimous vote of the Board, the State Mineral and Energy Board adopted the Legal Staff's recommendation for final approval of the above stated Compromise Agreement. No comments were made by the public.

The fifth matter considered by the Board was a request by White Marlin Oil & Gas Company, LLC (White Marlin) to the State Mineral and Energy Board acknowledging the fact of the execution and recordation by the lessees of the Rescindment, Annulment and Cancellation of Mistaken Release of Oil and Gas Lease of State Lease No. 1908 and request to recognize that the erroneous "Full Release of State Lease 1908" dated April 20, 2015, has no effect on State Lease No. 1908.

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, and by unanimous vote of the Board, the State Mineral and Energy Board adopted Staff's recommendation to acknowledge the execution and recordation of the Rescindment, Annulment and Cancellation of Mistaken Release of Oil and Gas Lease of State Lease No. 1908. The Board further recognizes that the erroneous "Full Release of State Lease 1908" dated April 20, 2015, has no effect on State Lease No. 1908. No comments were made by the public.

The sixth matter considered by the Board was a request by Staff for the State Mineral and Energy Board to direct the Attorney General's Office to place Ardenco, LLC (Ardenco) on demand for outstanding liquidated damage assessment in the amount of \$28,200.00 for failure to register as a leaseholder of state leases.

Upon motion of Mr. Arnold, seconded by Ms. LeBlanc, and by unanimous vote of the Board, the State Mineral and Energy Board approved Staff's request to direct the Attorney General's Office to place Ardenco, LLC on demand as stated above. The Board further authorizes Staff to file suit against Ardenco, LLC should the collection of debt not be paid pursuant to the terms of the demand letter. No comments were made by the public.

The seventh matter considered by the Board was a request by Staff for the State Mineral and Energy Board to authorize the Attorney General's Office to place Hilcorp Energy I, L.P. (Hilcorp) on demand for outstanding liquidated damage assessment in the amount of \$31,000.00 for failure to timely release a portion of State Lease No. 15736.

Upon motion of Mr. Arnold, seconded by Mr. Haik, and by unanimous vote of the Board, the State Mineral and Energy Board approved Staff's request to direct the Attorney General's Office to place Hilcorp Energy I, L.P. on demand as stated above. The Board further authorizes Staff and the Attorney General's Office to file suit against Hilcorp Energy I, L.P. in the event the collection of debt is not paid pursuant to the terms of the demand letter. No comments were made by the public.

The eighth matter considered by the Board was a request from Staff to authorize the Attorney General's Office to place Pledger Operating, LLC on demand for non-performance and for cancellation of State Lease No. 17315, and to authorize the Attorney General's Office to collect \$100.00 per day for failure to timely release State Lease No. 17315.

Upon motion of Mr. Arnold, seconded by Mr. Harris, and by unanimous vote of the Board, the State Mineral and Energy Board approved Staff's request to authorize the Attorney General's Office to place Pledger Operating, LLC on demand as stated above. The Board further authorizes Staff and the Attorney General's Office to file suit against Pledger Operating,

LLC in the event Pledger Operating, LLC is noncompliant during the time requested in the demand letter. No comments were made by the public.

The ninth matter considered by the Board was a request by Staff for authority to negotiate with Hunt Oil Company, Fieldwood Energy Offshore, LLC, and Sandridge Energy Offshore, LLC (collectively referred to as "Hunt, et al") for a settlement agreement covering approximately 0.338 unleased state acres being identified as Lots 16, 30, 35 and 39 within the L CRIS 1 RB SUA; K F Stewart No. 1 Well Stella Field, in Plaquemines Parish, Louisiana.

Upon motion of Mr. Haik, seconded by Ms. Michaud-Dugas, and by unanimous vote of the Board, the State Mineral and Energy Board approved Staff's request for authority to negotiate the aforementioned settlement agreement with Hunt, et al. No comments were made by the public.

The tenth matter considered by the Board was a request by LLOX, L.L.C. to the State Mineral and Energy Board for authorization to escrow funds from the first date of production, August 7, 2016; said funds derived from production on disputed acreage lying within the 9400 BIG T RC SUA located in Manila Village Field, Jefferson Parish, Louisiana. Further, LLOX, L.L.C. requests the Board extend the escrow authority to January 10, 2018.

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, and by unanimous vote of the Board, the State Mineral and Energy Board approved the request by LLOX, L.L.C. to escrow funds as stated above. The Board further approves LLOX, L.L.C.'s request to extend escrow to January 10, 2018. No comments were made by the public.

The eleventh matter considered by the Board was the Staff's suggested changes to Paragraph A of the rewrite to Article 17 entitled "Title Disputes" as requested by the State Mineral and Energy Board at the May 10, 2017 Board Meeting in Resolution #17-05-010.

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, and by unanimous vote of the Board, the State Mineral and Energy Board granted approval to Staff to publish suggested changes to Paragraph A of the rewrite to Article 17 entitled "Title Disputes". No comments were made by the public.

The twelfth matter considered by the Board was a report from Staff to the State Mineral and Energy Board on the second tranche of the Proposed State Mineral Lease Form article reports and public comments.

- a. A rewrite on Article 1 entitled "Bonus" in the Proposed State Mineral Lease Form for the Board's comments and review.

Upon motion of Mr. Haik, seconded by Mr. Harris, and by unanimous vote of the Board, the State Mineral and Energy Board accepted the clean version of the Staff's rewrite of Article 1 entitled "Bonus" in the Proposed State Mineral Lease Form as submitted to the Board. No comments were made by the public.

- b. A rewrite on Article 2 entitled “Primary Term” in the Proposed State Mineral Lease Form for the Board’s comments and review.

Upon motion of Mr. Arnold, seconded by Mr. Haik, and by unanimous vote of the Board, the State Mineral and Energy Board accepted the Staff’s rewrite of Article 2 entitled “Primary Term” in the Proposed State Mineral Lease Form as submitted to the Board. No comments were made by the public.

- c. A rewrite on Article 12 entitled “Lessor’s Rights” in the Proposed State Mineral Lease Form for the Board’s comments and review.

Upon motion of Mr. Haik, seconded by Mr. Arnold, and by unanimous vote of the Board, the State Mineral and Energy Board accepted the Staff’s revisions of Article 12 entitled “Lessor’s Rights” in the Proposed State Mineral Lease Form as submitted to the Board. No comments were made by the public.

- d. A rewrite on Article 8 entitled “Lessee Reporting” in the Proposed State Mineral Lease Form for the Board’s comments and review.

After thorough review and commentary between the Staff and the Board, upon motion of Mr. Haik, seconded by Mr. Hollenshead, and by unanimous vote of the Board, the State Mineral and Energy Board approved the insertion of the words “and all” after the word “any” in the first line of the second paragraph in Section A of Article 8 entitled “Lessee Reporting” in the Proposed State Mineral Lease Form. No comments were made by the public.

Further, a second motion was made by Mr. Haik, seconded by Mr. Cordaro, and by unanimous vote of the Board, the State Mineral and Energy Board approved the insertion of the words “submitted under this Article that is” after the word “Records” and before the words “not already part of the public domain.” in the third paragraph in Section A of Article 8 entitled “Lessee Reporting” in the Proposed State Mineral Lease Form. No comments were made by the public.

- e. A rewrite on Article 25 entitled “Conflict” in the Proposed State Mineral Lease Form for the Board’s comments and review.

Upon motion of Mr. Haik, seconded by Mr. Harris, and by unanimous vote of the Board, the State Mineral and Energy Board accepted the Staff’s rewrite of Article 25 entitled “Conflict” in the Proposed State Mineral Lease Form as submitted to the Board. No comments were made by the public.

- f. A rewrite on Article 21 entitled “Indemnity and Hold Harmless” in the Proposed State Mineral Lease Form for the Board’s comments and review.

Upon motion of Mr. Haik, seconded by Mr. Michaud-Dugas, and by unanimous vote of the Board, the State Mineral and Energy Board adopted the clean version of the Staff's rewrite of Article 21 entitled "Indemnity and Hold Harmless" in the Proposed State Mineral Lease Form as submitted to the Board. No comments were made by the public.

- g. A rewrite on Article 20 entitled "Notices" in the Proposed State Mineral Lease Form for the Board's comments and review.

Upon motion of Mr. Harris, seconded by Mr. Hollenshead, and by unanimous vote of the Board, the State Mineral and Energy Board accepted the clean version of the Staff's rewrite of Article 20 entitled "Notices" in the Proposed State Mineral Lease Form as submitted to the Board. No comments were made by the public.

- h. A recommendation by the Staff on Article 22 entitled "No Warranty of Title" in the Proposed State Mineral Lease Form for the Board's comments and review.

By unanimous vote, the State Mineral and Energy Board accepted Staff's recommendations to remove Article 22 entitled "No Warranty of Title" in the Proposed State Mineral Lease Form as submitted to the Board. No comments were made by the public.

- i. A rewrite on Article 15 entitled "Financial Security" in the Proposed State Mineral Lease Form for the Board's comments and review.

After thorough review and commentary between the Staff and the Board, upon motion of Mr. Arnold, seconded by Mr. Haik, and by unanimous vote of the Board, the State Mineral and Energy Board deferred the review of Staff's rewrite of Article 15 entitled "Financial Security" in the Proposed State Mineral Lease Form to the third tranche of articles at the July 12, 2017 Board Meeting. No comments were made by the public.

- j. A rewrite on Article 5 entitled "Force Majeure" in the Proposed State Mineral Lease Form for the Board's comments and review.

Upon motion of Mr. Haik, seconded by Mr. Harris, and by unanimous vote of the Board, the State Mineral and Energy Board accepted the clean version of the Staff's revised language of Article 5 entitled "Force Majeure" in the Proposed State Mineral Lease Form as submitted to the Board. Written comments were received from Thomas Smart of the Onebane Law Firm dated May 8, 2017 in reference to this Article and are attached and made part of these minutes.

- k. A rewrite on the section entitled "Recitals" in the Proposed State Mineral Lease Form for the Board's comments and review.

Upon motion of Mr. Haik, seconded by Mr. Arnold, and by unanimous vote of the Board, the State Mineral and Energy Board deferred the acceptance of Staff's rewrite of the section entitled "Recitals" in the Proposed State Mineral Lease Form to the presentation of the third tranche of articles at the July 12, 2017 Board Meeting. Written comments were received from Thomas Smart of the Onebane Law Firm dated May 8, 2017 in reference to this Article and are attached and made part of these minutes.

- I. A rewrite on the section entitled "Signature" in the Proposed State Mineral Lease Form for the Board's comments and review.

Upon motion of Mr. Arnold, seconded by Mr. Haik, and by unanimous vote of the Board, the State Mineral and Energy Board approved the clean version of the Staff's rewrite of the section entitled "Signature" in the Proposed State Mineral Lease Form as submitted to the Board. No comments were made by the public.

Staff asked the Board for authority to revise the third tranche of Articles of the Proposed State Mineral Lease Form to be presented to the Board at the July 12, 2017 State Mineral and Energy Board Meeting from those previously approved in Resolution No. 17-04-008, adopted at its April 12, 2017 meeting.

Upon motion of Mr. Haik, seconded by Mr. Arnold, and by unanimous vote of the Board, the State Mineral and Energy Board granted authority to the Staff to revise the list of the third tranche of Articles of the Proposed State Mineral Lease Form to be presented to the Board at the July 12, 2017 State Mineral and Energy Board Meeting. No comments were made by the public.

* At the close of Docket Review, the Legal and Title Controversy Committee was briefly revisited when Staff asked the Board authorize the online publishing of the third tranche of Articles of the Proposed State Mineral Lease Form.

Upon motion of Mr. Arnold, seconded by Mr. Haik, and by unanimous vote of the Board, the State Mineral and Energy Board granted authority to the Staff to publish online the third tranche of Articles of the Proposed State Mineral Lease Form to be presented to the Board at the July 12, 2017 State Mineral and Energy Board Meeting. No comments were made by the public.

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-006

(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. 17-11; 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. 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 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-007

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

(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 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. 17-12; 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. 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 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-008

(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. 17-13; 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 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-009

(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. 17-14; 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. 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 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-010

(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. 17-15; 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. 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 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-011

(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. 17-16; 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. 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 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-012

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. 17-17; 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. Harris, 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 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-013

(LEGAL & TITLE CONTROVERSY REPORT)

L D Miguez, et al &
PetroQuest Energy, LLC, et al
- Final approval of settlement
agreement - SL No 20181

WHEREAS, a request by the Attorney General's Office for final approval of a confidential settlement agreement and release between the State of Louisiana, various plaintiffs, L.D. Miguez, et al, and PetroQuest Energy, LLC, et al; and

WHEREAS, the parties have reached a settlement in the matter related to various mineral interests claimed by the State and private parties entitled L.D. Miguez, et al v. State of Louisiana, Docket No. C-99694, 15th Judicial District Court, Vermilion Parish, Louisiana, affecting State Lease No. 20181, with further particulars being stipulated in the instrument, duly advertised and appearing on Docket as Item No. 17-18; 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. Haik, 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 to the Attorney General's Office of a confidential settlement agreement and release between the State of Louisiana, various plaintiffs, L.D. Miguez, et al, and PetroQuest Energy, LLC, et al, 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 14th day of June, 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.



**W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-014

Ward-McIlhenny – Final
approval of Compromise
Agreement

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, a request for final approval of a Compromise Agreement by and between the State of Louisiana, the “State Signatories”, as listed on Page 1 of the Agreement, and the Ward-McIlhenny Signatories”, as listed on Exhibit “A”; and

WHEREAS, the parties have reached a settlement in the matter related to a wildlife management area and various mineral interests entitled Charles S. Reily, et al. v. State of Louisiana, Docket No. 81-42886-1, 15th Judicial District Court, Vermilion Parish, Louisiana, claimed by the State of Louisiana and private parties in Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument, duly advertised and appearing on Docket as Item No. 17-19; and

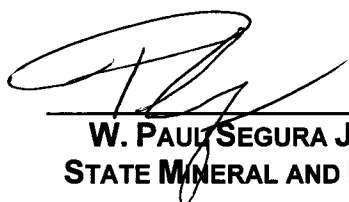
WHEREAS, the Legal Staff for the Office of Mineral Resources, upon thorough review and consideration, recommended that the foregoing request be approved by the Board;

ON MOTION of Mr. Arnold, seconded by 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 a Compromise Agreement by and between the State of Louisiana, the “State Signatories”, as listed on Page 1 of the Agreement, and the Ward-McIlhenny Signatories”, as listed on Exhibit “A”, 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 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-015

(LEGAL & TITLE CONTROVERSY REPORT)

White Marlin Oil & Gas Company, LLC – Rescindment, Annulment & Cancellation of Mistaken Release – SL No. 1908

WHEREAS, a request by White Marlin Oil & Gas Company, LLC to the State Mineral and Energy Board to acknowledge the execution and recordation by the lessees of the Rescindment, Annulment and Cancellation of Mistaken Release of Oil and Gas Lease of State Lease No. 1908; and

FURTHER, White Marlin Oil & Gas Company, LLC requests that the State Mineral and Energy Board recognize that the erroneous "Full Release of State Lease 1908" dated April 20, 2015, has no effect on State Lease No. 1908; and


WHEREAS, the Staff for 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 acknowledge the execution and recordation by the lessees of the Rescindment, Annulment and Cancellation of Mistaken Release of Oil and Gas Lease of State Lease No. 1908 and recognize that the erroneous "Full Release of State Lease 1908" dated April 20, 2015, has no effect on State Lease No. 1908.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-016

(LEGAL & TITLE CONTROVERSY REPORT)

Ardenco, LLC
Liquidated Damages
Re Failure to Re-Register

WHEREAS, a request was made by Staff for the State Mineral and Energy Board to direct the Attorney General's Office to place Ardenco, LLC on demand for outstanding liquidated damage assessment in the amount of \$28,200.00 for failure to register as a leaseholder of state leases; 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 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 direct the Attorney General's Office to place Ardenco, LLC on demand for outstanding liquidated damage assessment in the amount of \$28,200.00 for failure to register as a leaseholder of state leases;

BE IT FURTHER RESOLVED that the Board further authorizes Staff to file suit against Ardenco, LLC should the collection of debt not be paid pursuant to the terms of the demand letter.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-017

(LEGAL & TITLE CONTROVERSY REPORT)

Hilcorp Energy I, L.P. -
Liquidated Damages
Re Failure to Timely
Release SL #15736

WHEREAS, a request was made by Staff for the State Mineral and Energy Board to authorize the Attorney General's Office to place Hilcorp Energy I, L.P. on demand for outstanding liquidated damage assessment in the amount of \$31,000.00 for failure to timely release a portion of State Lease No. 15736; 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. 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 direct the Attorney General's Office to place Hilcorp Energy I, L.P. on demand for outstanding liquidated damage assessment in the amount of \$31,000.00 for failure to timely release a portion of State Lease No. 15736;

BE IT FURTHER RESOLVED that the Board further authorizes Staff and the Attorney General's Office to file suit against Hilcorp Energy I, L.P. in the event the collection of debt is not paid pursuant to the terms of the demand letter.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-018

(LEGAL & TITLE CONTROVERSY REPORT)

Pledger Operating, LLC -
Non-performance &
Cancellation of SL 17315

WHEREAS, a request was made by Staff for the State Mineral and Energy Board to authorize the Attorney General's Office to place Pledger Operating, LLC on demand for non-performance and for cancellation of State Lease No. 17315, and to authorize the Attorney General's Office to collect \$100.00 per day for failure to timely release State Lease No. 17315; 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;

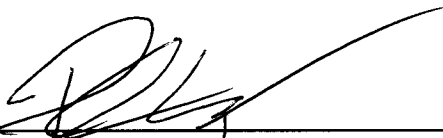
ON MOTION of Mr. Arnold, seconded by Mr. Harris, the following Resolution was offered and unanimously adopted by the State Mineral and Energy Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby authorize the Attorney General's Office to place Pledger Operating, LLC on demand as stated above;

BE IT FURTHER RESOLVED that the Board further authorizes Staff and the Attorney General's Office to file suit against Pledger Operating, LLC in the event Pledger Operating, LLC is noncompliant during the time requested in the demand letter. No comments were made by the public.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-019

(LEGAL & TITLE CONTROVERSY REPORT)

Hunt Oil Company, Fieldwood Energy Offshore, LLC, & Sandridge Energy Offshore, LLC – Authority to negotiate settlement agreement

WHEREAS, a request by Staff for authority to negotiate with Hunt Oil Company, Fieldwood Energy Offshore, LLC, and Sandridge Energy Offshore, LLC for a settlement agreement covering approximately 0.338 unleased state acres being identified as Lots 16, 30, 35 and 39 within the L CRIS 1 RB SUA; K F Stewart No. 1 Well Stella Field, in Plaquemines Parish, Louisiana; 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. 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 approve Staff's request for authority to negotiate with Hunt Oil Company, Fieldwood Energy Offshore, LLC, and Sandridge Energy Offshore, LLC for a settlement agreement, 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 14th day of June, 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.



**W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-020

(LEGAL & TITLE CONTROVERSY REPORT)

LLOX, L L C - Escrow funds from 8/7/16 -- 9400 BIG T RC SUA

WHEREAS, pursuant to La. R.S. 30:121, the State Mineral and Energy Board (Board) shall administer the State of Louisiana's (State) proprietary interest in the minerals in and upon the lands and water bottoms belonging to the State or the title to which is in the public trust; and

WHEREAS, pursuant to La. R.S. 30:124, the Board has authority to lease such lands and water bottoms for the development and production of minerals, oil, gas or alternative energy sources; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State, and is authorized to take any action necessary to protect the interests of the State and enter into agreements or amend leases in the manner most beneficial to the State; and

WHEREAS, disputes regarding the ownership of minerals to which the State claims title periodically occur and Lessees are required to promptly notify the Office of Mineral Resources (OMR) of adverse claims by any individual or entity not a party to a State Lease; and

WHEREAS, by Resolution #15-06-016, dated June 10, 2015, the Board continued the practice of permitting Lessees to request authority to escrow royalties on title disputed lands under lease by the State; and

WHEREAS, by Resolution #17-02-009 dated February 8, 2017, LLOX, L.L.C. (LLOX) was granted authority to escrow funds derived from production on disputed acreage lying within the 9400 BIG T RC SUA located in Manila Village Field, Jefferson Parish, Louisiana, and LLOX was granted authority to escrow royalties until the August 9, 2017 Board Meeting; and

WHEREAS, LLOX now requests that the Board allow them to escrow funds from the first date of production, August 7, 2016; said funds derived from production on disputed acreage lying within the 9400 BIG T RC SUA located in Manila Village Field, Jefferson Parish, Louisiana;

WHEREAS, LLOX further requests the Board extend the escrow authority to January 10, 2018; and

WHEREAS, it is advantageous to the State for the Board to grant this request for escrow authority for a fixed duration of time, as an alternative to litigation, during which the adverse claim will be evaluated by the interested parties and effort made to negotiate an amicable resolution; and

WHEREAS, in response to this request for escrow authority, OMR Staff offered the following recommendation for consideration by the Board:

That the Board approve the request to allow LLOX to escrow funds from the first date of production, August 7, 2016; said funds derived from production on disputed acreage lying within the 9400 BIG T RC SUA located in Manila Village Field, Jefferson Parish, Louisiana, and authority to escrow royalties in accordance with the Board's protocol be granted until the January 10, 2018 Board Meeting or the date of the next meeting of the Board thereafter, should it not meet that month, unless settlement is reached prior to that time.

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

RESOLUTION #17-06-020
(LEGAL & TITLE CONTROVERSY REPORT)

NOW THEREFORE, BE IT RESOLVED that the Board hereby approves the request by LLOX to escrow funds from the first date of production, August 7, 2016; said funds derived from production on disputed acreage lying within the 9400 BIG T RC SUA located in Manila Village Field, Jefferson Parish, Louisiana;

BE IT FURTHER RESOLVED, that the Board hereby grants LLOX authority to escrow royalties in accordance with the Board's protocol until the January 10, 2018 Board Meeting or the date of the next meeting of the Board thereafter, should it not meet that month unless settlement is reached prior to that time.

- 1) Lessee is hereby authorized to suspend the direct payment of royalties to OMR on the disputed acreage related to the title disputed acreage within 9400 BIG T RC SUA, Manila Village Field, Jefferson Parish, Louisiana, along with other properties belonging to the Coffin, et al and Purcell, et al groups;
- 2) The escrow authority extended hereby is effective as of August 7, 2016, and continuing through the January 2018 Board meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties time to evaluate and resolve the adverse claim;
- 3) The escrow authority extended hereby is contingent upon Lessee's compliance with the standard escrow procedure and requirements established by OMR;
- 4) The deposit of royalties into the escrow account shall be accepted by the Board as the royalty payments required by the State Lease, and Lessee shall not be held in default of payment of its royalty obligation owed the State as long as deposits are timely and properly made as required by the State Lease into the escrow account; and
- 5) The Board reserves the right to audit the royalty payments deposited into the escrow account and further reserves all audit rights authorized by the State Lease.

BE IT FURTHER RESOLVED:

- 1) Lessee shall continue to maintain a separate, interest bearing escrow account at a FDIC insured financial institution having a presence in the State of Louisiana;
- 2) Throughout the extended escrow period, Lessee shall continue to timely provide fully completed SR-9 Reports (and any other requested documents) to OMR;
- 3) Throughout the extended escrow period, Lessee shall continue to timely deposit the properly calculated and reported royalty payments attributable to the disputed acreage into the escrow account;
- 4) Throughout the extended escrow period, Lessee shall continue to provide documentation (copies of deposited checks, deposit receipts or monthly bank statements) of the timely deposit of royalty payments into the escrow account;
- 5) Throughout the extended escrow period, Lessee shall continue to cooperate, in good faith, with OMR's efforts to negotiate a royalty sharing agreement or other amicable resolution of the title dispute with the adverse claimant(s);
- 6) If the ownership/title dispute is amicably resolved prior to expiration of the extended escrow period, the royalty payments on deposit and interest thereon accumulating in the escrow account shall be timely distributed in accordance with the negotiated resolution;
- 7) If the ownership/title dispute is not amicably resolved prior to expiration of the authorized escrow extension, Lessee shall, within fifteen (15) calendar days of expiration:
 - a) Resume direct payment of royalties to OMR and transfer all royalty payments, including interest, on deposit in the escrow account to OMR; or
 - b) Invoke a concursus proceeding, transfer all royalty payments, including interest, on deposit in the escrow account into the Registry of the Court and continue the direct payment of royalties into the Registry of the Court through adjudication of the dispute;
- 8) Lessee shall not transfer nor release any funds, including interest, on deposit in the escrow account authorized by this Resolution without the knowledge and written approval of OMR; and

RESOLUTION #17-06-020
(LEGAL & TITLE CONTROVERSY REPORT)

- 9) All charges and expenses in connection with the creation and maintenance of the escrow account authorized hereby are to be borne by Lessee.


BE IT FURTHER RESOLVED that Lessee is obligated to strictly comply with the requirements applicable to escrow authority in accordance with the requirements set forth herein and as required by OMR. Lessee's failure to:

- 1) Timely create the escrow account; or
- 2) Timely deposit royalty payments into the escrow account; or
- 3) Timely provide required reports and documentary proof of deposits; or
- 4) Timely invoke a concursus proceeding or resume direct payment of royalties to OMR upon expiration of the escrow authority;

may result in the escrow authority granted hereby being rendered null and void *ab initio* by the Board, thus subjecting Lessee to the penalties and interest authorized by law and the State Lease.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 2017 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.



**W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-021

Proposed New Lease Form -
Article 17 Title Disputes

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:124, the State Mineral and Energy Board (hereinafter referred to as "the Board") is authorized to lease, for the development and production of minerals, lands and water bottoms belonging to the State or the title to which is in public trust; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State and has the authority to take any action necessary regarding such leases for purposes of protecting the interest of the State; and

WHEREAS, pursuant to La. R.S. 30:132, the Attorney General is the attorney for the Board; and

WHEREAS, pursuant to La. R.S. 30:135, the Department of Natural Resources, through the Office of Mineral Resources, shall provide the necessary staff functions to assist the Board; and

WHEREAS, the Staff of the Office of Mineral Resources, the Department of Natural Resources Legal Division and the Attorney General's Office (all collectively referred to hereinafter as "Advisory Group") reviewed the August 2016 draft Lease in order to simplify and improve it; and

WHEREAS, at its April 12, 2017 meeting, the Board adopted Resolution No. 17-04-008, which set forth the dates on which the Board would consider the Advisory Group's recommended revisions, if any, to particular articles within the August 2016 draft Lease form; and

WHEREAS, the Advisory Group, after thorough review and consideration, submitted to the Board its rewrite to the August 2016 draft of Paragraph A of Article 17 entitled "Title Disputes" as requested by the State Mineral and Energy Board in Resolution #17-05-010; and

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 State Mineral and Energy Board does hereby grant approval to Staff to publish suggested changes to Paragraph A of the rewrite to Article 17 entitled "Title Disputes".

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-022

Proposed New Lease Form -
Article 1 Title Disputes

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:124, the State Mineral and Energy Board (hereinafter referred to as "the Board") is authorized to lease, for the development and production of minerals, lands and water bottoms belonging to the State or the title to which is in public trust; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State and has the authority to take any action necessary regarding such leases for purposes of protecting the interest of the State; and

WHEREAS, pursuant to La. R.S. 30:132, the Attorney General is the attorney for the Board; and

WHEREAS, pursuant to La. R.S. 30:135, the Department of Natural Resources, through the Office of Mineral Resources, shall provide the necessary staff functions to assist the Board; and

WHEREAS, the Staff of the Office of Mineral Resources, the Department of Natural Resources Legal Division and the Attorney General's Office (all collectively referred to hereinafter as "Advisory Group") reviewed the August 2016 draft Lease in order to simplify and improve it; and

WHEREAS, at its April 12, 2017 meeting, the Board adopted Resolution No. 17-04-008, which set forth the dates on which the Board would consider the Advisory Group's recommended revisions, if any, to particular articles within the August 2016 draft Lease form; and

WHEREAS, the Advisory Group, after thorough review and consideration, submitted to the Board its rewrite to the August 2016 draft of Article 1 entitled "Bonus" as requested by the State Mineral and Energy Board; and

ON MOTION of Mr. Haik, seconded by Mr. Harris, 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 accept the clean version of the Staff's rewrite to the August 2016 draft of Article 1 entitled "Bonus", as submitted by the Advisory Group.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-023

Proposed New Lease Form -
Article 2 Primary Term

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:124, the State Mineral and Energy Board (hereinafter referred to as "the Board") is authorized to lease, for the development and production of minerals, lands and water bottoms belonging to the State or the title to which is in public trust; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State and has the authority to take any action necessary regarding such leases for purposes of protecting the interest of the State; and

WHEREAS, pursuant to La. R.S. 30:132, the Attorney General is the attorney for the Board; and

WHEREAS, pursuant to La. R.S. 30:135, the Department of Natural Resources, through the Office of Mineral Resources, shall provide the necessary staff functions to assist the Board; and

WHEREAS, the Staff of the Office of Mineral Resources, the Department of Natural Resources Legal Division and the Attorney General's Office (all collectively referred to hereinafter as "Advisory Group") reviewed the August 2016 draft Lease in order to simplify and improve it; and

WHEREAS, at its April 12, 2017 meeting, the Board adopted Resolution No. 17-04-008, which set forth the dates on which the Board would consider the Advisory Group's recommended revisions, if any, to particular articles within the August 2016 draft Lease form; and


WHEREAS, the Advisory Group, after thorough review and consideration, submitted to the Board its rewrite to the August 2016 draft of Article 2 entitled "Primary Term"; and

ON MOTION of Mr. Arnold, 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 accept the Staff's rewrite to the August 2016 draft of Article 2 entitled "Primary Term", as submitted by the Advisory Group.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-024

Proposed New Lease Form -
Article 12 Lessor's Rights

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:124, the State Mineral and Energy Board (hereinafter referred to as "the Board") is authorized to lease, for the development and production of minerals, lands and water bottoms belonging to the State or the title to which is in public trust; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State and has the authority to take any action necessary regarding such leases for purposes of protecting the interest of the State; and

WHEREAS, pursuant to La. R.S. 30:132, the Attorney General is the attorney for the Board; and

WHEREAS, pursuant to La. R.S. 30:135, the Department of Natural Resources, through the Office of Mineral Resources, shall provide the necessary staff functions to assist the Board; and

WHEREAS, the Staff of the Office of Mineral Resources, the Department of Natural Resources Legal Division and the Attorney General's Office (all collectively referred to hereinafter as "Advisory Group") reviewed the August 2016 draft Lease in order to simplify and improve it; and

WHEREAS, at its April 12, 2017 meeting, the Board adopted Resolution No. 17-04-008, which set forth the dates on which the Board would consider the Advisory Group's recommended revisions, if any, to particular articles within the August 2016 draft Lease form; and

WHEREAS, the Advisory Group, after thorough review and consideration, submitted to the Board its rewrite to the August 2016 draft of Article 12 entitled "Lessor's Rights"; and

ON MOTION of Mr. Haik, seconded by Mr. Arnold, 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 accept the Staff's revisions to the August 2016 draft of Article 12 entitled "Lessor's Rights", as submitted by the Advisory Group.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



**W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Proposed New Lease Form -
Article 8 Lessee Reporting

RESOLUTION #17-06-025

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:124, the State Mineral and Energy Board (hereinafter referred to as "the Board") is authorized to lease, for the development and production of minerals, lands and water bottoms belonging to the State or the title to which is in public trust; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State and has the authority to take any action necessary regarding such leases for purposes of protecting the interest of the State; and

WHEREAS, pursuant to La. R.S. 30:132, the Attorney General is the attorney for the Board; and

WHEREAS, pursuant to La. R.S. 30:135, the Department of Natural Resources, through the Office of Mineral Resources, shall provide the necessary staff functions to assist the Board; and

WHEREAS, the Staff of the Office of Mineral Resources, the Department of Natural Resources Legal Division and the Attorney General's Office (all collectively referred to hereinafter as "Advisory Group") reviewed the August 2016 draft Lease in order to simplify and improve it; and

WHEREAS, at its April 12, 2017 meeting, the Board adopted Resolution No. 17-04-008, which set forth the dates on which the Board would consider the Advisory Group's recommended revisions, if any, to particular articles within the August 2016 draft Lease form; and

WHEREAS, the Advisory Group, after thorough review and consideration, submitted to the Board its rewrite to the August 2016 draft of Article 8 entitled "Lessee Reporting"; and

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


BE IT RESOLVED that the State Mineral and Energy Board does hereby approve the insertion of the words "and all" after the word "any" in the first line of the second paragraph in Section A to the August 2016 draft of Article 8 entitled "Lessee Reporting";

FURTHER, ON MOTION of Mr. Haik, seconded by Mr. Cordaro, the following 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 insertion of the words "submitted under this Article that is" after the word "Records" and before the words "not already part of the public domain." In the third paragraph in Section A to the August 2016 draft of Article 8 entitled "Lessee Reporting;

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



**W. PAUL SEBURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-026

Proposed New Lease Form -
Article 25 Conflict

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:124, the State Mineral and Energy Board (hereinafter referred to as "the Board") is authorized to lease, for the development and production of minerals, lands and water bottoms belonging to the State or the title to which is in public trust; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State and has the authority to take any action necessary regarding such leases for purposes of protecting the interest of the State; and

WHEREAS, pursuant to La. R.S. 30:132, the Attorney General is the attorney for the Board; and

WHEREAS, pursuant to La. R.S. 30:135, the Department of Natural Resources, through the Office of Mineral Resources, shall provide the necessary staff functions to assist the Board; and

WHEREAS, the Staff of the Office of Mineral Resources, the Department of Natural Resources Legal Division and the Attorney General's Office (all collectively referred to hereinafter as "Advisory Group") reviewed the August 2016 draft Lease in order to simplify and improve it; and

WHEREAS, at its April 12, 2017 meeting, the Board adopted Resolution No. 17-04-008, which set forth the dates on which the Board would consider the Advisory Group's recommended revisions, if any, to particular articles within the August 2016 draft Lease form; and

WHEREAS, the Advisory Group, after thorough review and consideration, submitted to the Board its rewrite to the August 2016 draft of Article 25 entitled "Conflict"; and

ON MOTION of Mr. Haik, seconded by Mr. Harris, 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 accept the Staff's rewrite to the August 2016 draft of Article 25 entitled "Conflict", as submitted by the Advisory Group.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



**W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-027

Proposed New Lease Form -
Article 21 Indemnity and
Hold Harmless

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:124, the State Mineral and Energy Board (hereinafter referred to as "the Board") is authorized to lease, for the development and production of minerals, lands and water bottoms belonging to the State or the title to which is in public trust; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State and has the authority to take any action necessary regarding such leases for purposes of protecting the interest of the State; and

WHEREAS, pursuant to La. R.S. 30:132, the Attorney General is the attorney for the Board; and

WHEREAS, pursuant to La. R.S. 30:135, the Department of Natural Resources, through the Office of Mineral Resources, shall provide the necessary staff functions to assist the Board; and

WHEREAS, the Staff of the Office of Mineral Resources, the Department of Natural Resources Legal Division and the Attorney General's Office (all collectively referred to hereinafter as "Advisory Group") reviewed the August 2016 draft Lease in order to simplify and improve it; and

WHEREAS, at its April 12, 2017 meeting, the Board adopted Resolution No. 17-04-008, which set forth the dates on which the Board would consider the Advisory Group's recommended revisions, if any, to particular articles within the August 2016 draft Lease form; and

WHEREAS, the Advisory Group, after thorough review and consideration, submitted to the Board its rewrite to the August 2016 draft of Article 21 entitled "Indemnity and Hold Harmless"; and

ON MOTION of Mr. Haik, seconded by Mr. Harris, 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 adopt the clean version of the Staff's rewrite to the August 2016 draft of Article 21 entitled "Indemnity and Hold Harmless", as submitted by the Advisory Group.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



**W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-028

Proposed New Lease Form -
Article 20 Notices

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:124, the State Mineral and Energy Board (hereinafter referred to as "the Board") is authorized to lease, for the development and production of minerals, lands and water bottoms belonging to the State or the title to which is in public trust; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State and has the authority to take any action necessary regarding such leases for purposes of protecting the interest of the State; and

WHEREAS, pursuant to La. R.S. 30:132, the Attorney General is the attorney for the Board; and

WHEREAS, pursuant to La. R.S. 30:135, the Department of Natural Resources, through the Office of Mineral Resources, shall provide the necessary staff functions to assist the Board; and

WHEREAS, the Staff of the Office of Mineral Resources, the Department of Natural Resources Legal Division and the Attorney General's Office (all collectively referred to hereinafter as "Advisory Group") reviewed the August 2016 draft Lease in order to simplify and improve it; and

WHEREAS, at its April 12, 2017 meeting, the Board adopted Resolution No. 17-04-008, which set forth the dates on which the Board would consider the Advisory Group's recommended revisions, if any, to particular articles within the August 2016 draft Lease form; and

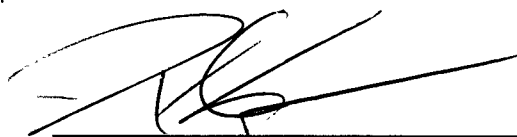
WHEREAS, the Advisory Group, after thorough review and consideration, submitted to the Board its rewrite to the August 2016 draft of Article 20 entitled "Notices"; and

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 accepted the clean version of the Staff's rewrite to the August 2016 draft of Article 20 entitled "Notices", as submitted by the Advisory Group.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-029

Proposed New Lease
Form - Article 22 No
Warranty of Title

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:124, the State Mineral and Energy Board (hereinafter referred to as "the Board") is authorized to lease, for the development and production of minerals, lands and water bottoms belonging to the State or the title to which is in public trust; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State and has the authority to take any action necessary regarding such leases for purposes of protecting the interest of the State; and

WHEREAS, pursuant to La. R.S. 30:132, the Attorney General is the attorney for the Board; and

WHEREAS, pursuant to La. R.S. 30:135, the Department of Natural Resources, through the Office of Mineral Resources, shall provide the necessary staff functions to assist the Board; and

WHEREAS, the Staff of the Office of Mineral Resources, the Department of Natural Resources Legal Division and the Attorney General's Office (all collectively referred to hereinafter as "Advisory Group") reviewed the August 2016 draft Lease in order to simplify and improve it; and

WHEREAS, at its April 12, 2017 meeting, the Board adopted Resolution No. 17-04-008, which set forth the dates on which the Board would consider the Advisory Group's recommended revisions, if any, to particular articles within the August 2016 draft Lease form; and

WHEREAS, the Advisory Group, after thorough review and consideration, submitted to the Board its recommendation to remove Article 22 entitled "No Warranty of Title" from the August 2016 draft; and

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 accept the Staff's recommendations to remove Article 22 entitled "No Warranty of Title" from the August 2016 draft.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-030

Proposed New Lease
Form - Article 15
Financial Security

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:124, the State Mineral and Energy Board (hereinafter referred to as "the Board") is authorized to lease, for the development and production of minerals, lands and water bottoms belonging to the State or the title to which is in public trust; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State and has the authority to take any action necessary regarding such leases for purposes of protecting the interest of the State; and

WHEREAS, pursuant to La. R.S. 30:132, the Attorney General is the attorney for the Board; and

WHEREAS, pursuant to La. R.S. 30:135, the Department of Natural Resources, through the Office of Mineral Resources, shall provide the necessary staff functions to assist the Board; and

WHEREAS, the Staff of the Office of Mineral Resources, the Department of Natural Resources Legal Division and the Attorney General's Office (all collectively referred to hereinafter as "Advisory Group") reviewed the August 2016 draft Lease in order to simplify and improve it; and

WHEREAS, at its April 12, 2017 meeting, the Board adopted Resolution No. 17-04-008, which set forth the dates on which the Board would consider the Advisory Group's recommended revisions, if any, to particular articles within the August 2016 draft Lease form; and


WHEREAS, the Advisory Group, after thorough review and consideration, submitted to the Board its recommendation to remove Article 15 entitled "Financial Security" from the August 2016 draft; and

ON MOTION of Mr. Arnold, 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 defer the review of Staff's rewrite of Article 15 entitled "Financial Security" in the Proposed State Mineral Lease Form to the third tranche of articles at the July 12, 2017 Board Meeting.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-031

Proposed New Lease Form -
Article 5 Force Majeure

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:124, the State Mineral and Energy Board (hereinafter referred to as "the Board") is authorized to lease, for the development and production of minerals, lands and water bottoms belonging to the State or the title to which is in public trust; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State and has the authority to take any action necessary regarding such leases for purposes of protecting the interest of the State; and

WHEREAS, pursuant to La. R.S. 30:132, the Attorney General is the attorney for the Board; and

WHEREAS, pursuant to La. R.S. 30:135, the Department of Natural Resources, through the Office of Mineral Resources, shall provide the necessary staff functions to assist the Board; and

WHEREAS, the Staff of the Office of Mineral Resources, the Department of Natural Resources Legal Division and the Attorney General's Office (all collectively referred to hereinafter as "Advisory Group") reviewed the August 2016 draft Lease in order to simplify and improve it; and

WHEREAS, at its April 12, 2017 meeting, the Board adopted Resolution No. 17-04-008, which set forth the dates on which the Board would consider the Advisory Group's recommended revisions, if any, to particular articles within the August 2016 draft Lease form; and

WHEREAS, the Advisory Group, after thorough review and consideration, submitted to the Board its rewrite to the August 2016 draft of Article 5 entitled "Force Majeure"; and

ON MOTION of Mr. Haik, seconded by Mr. Harris, 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 accept the clean version of the Staff's rewrite to the August 2016 draft of Article 5 entitled "Force Majeure", as submitted by the Advisory Group.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



**W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-032

Proposed New Lease
Form - Recitals

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:124, the State Mineral and Energy Board (hereinafter referred to as "the Board") is authorized to lease, for the development and production of minerals, lands and water bottoms belonging to the State or the title to which is in public trust; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State and has the authority to take any action necessary regarding such leases for purposes of protecting the interest of the State; and

WHEREAS, pursuant to La. R.S. 30:132, the Attorney General is the attorney for the Board; and

WHEREAS, pursuant to La. R.S. 30:135, the Department of Natural Resources, through the Office of Mineral Resources, shall provide the necessary staff functions to assist the Board; and

WHEREAS, the Staff of the Office of Mineral Resources, the Department of Natural Resources Legal Division and the Attorney General's Office (all collectively referred to hereinafter as "Advisory Group") reviewed the August 2016 draft Lease in order to simplify and improve it; and

WHEREAS, at its April 12, 2017 meeting, the Board adopted Resolution No. 17-04-008, which set forth the dates on which the Board would consider the Advisory Group's recommended revisions, if any, to particular articles within the August 2016 draft Lease form; and

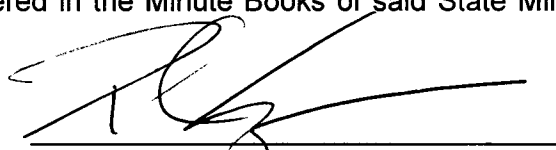
WHEREAS, the Advisory Group, after thorough review and consideration, submitted to the Board its rewrite to the August 2016 draft of the section entitled "Recitals"; and

ON MOTION of Mr. Haik, seconded by Mr. Arnold, 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 defer the acceptance of Staff's rewrite of the section entitled "Recitals" in the Proposed State Mineral Lease Form to the third tranche of articles at the July 12, 2017 Board Meeting.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-033

Proposed New Lease Form -
Signature

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:124, the State Mineral and Energy Board (hereinafter referred to as "the Board") is authorized to lease, for the development and production of minerals, lands and water bottoms belonging to the State or the title to which is in public trust; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State and has the authority to take any action necessary regarding such leases for purposes of protecting the interest of the State; and

WHEREAS, pursuant to La. R.S. 30:132, the Attorney General is the attorney for the Board; and

WHEREAS, pursuant to La. R.S. 30:135, the Department of Natural Resources, through the Office of Mineral Resources, shall provide the necessary staff functions to assist the Board; and

WHEREAS, the Staff of the Office of Mineral Resources, the Department of Natural Resources Legal Division and the Attorney General's Office (all collectively referred to hereinafter as "Advisory Group") reviewed the August 2016 draft Lease in order to simplify and improve it; and

WHEREAS, at its April 12, 2017 meeting, the Board adopted Resolution No. 17-04-008, which set forth the dates on which the Board would consider the Advisory Group's recommended revisions, if any, to particular articles within the August 2016 draft Lease form; and

WHEREAS, the Advisory Group, after thorough review and consideration, submitted to the Board its rewrite to the August 2016 draft of the section entitled "Signature"; and

ON MOTION of Mr. Arnold, 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 approve the clean version of the Staff's rewrite to the August 2016 draft of the section entitled "Signature", as submitted by the Advisory Group.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Proposed New Lease Form -
Third Tranche Revision

RESOLUTION #17-06-034

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:124, the State Mineral and Energy Board (hereinafter referred to as "the Board") is authorized to lease, for the development and production of minerals, lands and water bottoms belonging to the State or the title to which is in public trust; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State and has the authority to take any action necessary regarding such leases for purposes of protecting the interest of the State; and

WHEREAS, pursuant to La. R.S. 30:132, the Attorney General is the attorney for the Board; and

WHEREAS, pursuant to La. R.S. 30:135, the Department of Natural Resources, through the Office of Mineral Resources, shall provide the necessary staff functions to assist the Board; and

WHEREAS, the Staff of the Office of Mineral Resources, the Department of Natural Resources Legal Division and the Attorney General's Office (all collectively referred to hereinafter as "Advisory Group") reviewed the August 2016 draft Lease in order to simplify and improve it; and

WHEREAS, at its April 12, 2017 meeting, the Board adopted Resolution No. 17-04-008, which set forth the dates on which the Board would consider the Advisory Group's recommended revisions, if any, to particular articles within the August 2016 draft Lease form; and


WHEREAS, the Advisory Group, after thorough review and consideration, requested that the Board grant authority to the Advisory Group to revise the list of the third tranche of Articles of the Proposed State Mineral Lease Form to be presented to the Board at the July 12, 2017 State Mineral and Energy Board Meeting; and

ON MOTION of Mr. Haik, seconded by Mr. Arnold, 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 authorize the Advisory Group to revise the list of the third tranche of Articles of the Proposed State Mineral Lease Form to be presented to the Board at the July 12, 2017 State Mineral and Energy Board Meeting.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



**W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD**

e) DOCKET REPORT
June 14, 2017

The Board heard the report of Emile Fontentot on Wednesday, June 14, 2017, 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 14

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 4

for the June 14, 2017 Mineral Lease Sale. Based upon the staff's recommendation, on motion of **Mr. Arnold**, duly seconded by **Mr. Harris**, the Board voted unanimously to accept the following recommendations:

Category B: State Lease Transfers
Approve Docket Item Nos. 1 through 9, Approve Docket Item No. 10 subject to the approval of the Governor of Louisiana and Approve Nos. 11 through 14.

Category D: Advertise Proposals
Approve Docket Item Nos. 17-11 through 17-19, upon recommendation of the Legal and Title Controversy Review.

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-035 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 14, 2017 Meeting be approved, said instrument being an Assignment from Shoreline Southeast LLC to Hilcorp Energy I, L.P., of all of Assignor's right, title and interest in and to State Lease Nos. 724, 12036 and 12499, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

Hilcorp Energy I, L.P. 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,

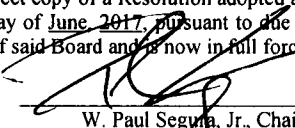
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 14th day of June, 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.



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-036 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 14, 2017 Meeting be approved, said instrument being an Assignment from RCWI, L.P. to Falcon V, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 4746, 5021 and 5024, East and West Baton Rouge Parishes, Louisiana, with further particulars being stipulated in the instrument.

Falcon V, 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;

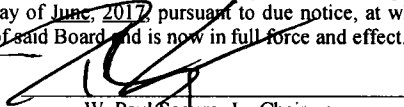
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 14th day of June, 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.


W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-037

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 14, 2017 Meeting be approved, said instrument being an Assignment from White Sands Land Services, L.L.C. to PetroGulf III, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 21721 and 21722, Acadia and Lafayette Parishes, Louisiana, with further particulars being stipulated in the instrument.

PetroGulf III, 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;

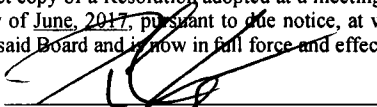
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 14th day of June, 2017, pursuant to the 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.



W. Paul Segura, Jr, Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-038

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 14, 2017 Meeting be approved, said instrument being an Assignment from Duncan Oil Partners, LLC to Raymond T. Duncan Oil Properties, Ltd., of all of Assignor's right, title and interest in and to State Lease No. 18935, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Helis Oil & Gas Company, 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;

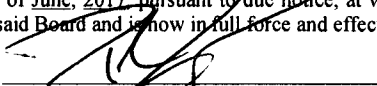
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 14th day of June, 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.



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-039

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 14, 2017 Meeting be approved, said instrument being an Assignment from Energy Equity Company to PA Prospect Corporation, of all of Assignor's right, title and interest in and to State Lease Nos. 13893 and 14357, Cameron Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to the depths identified for the AMPH B RA SUB, with further particulars being stipulated in the instrument.

PA Prospect Corporation 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;

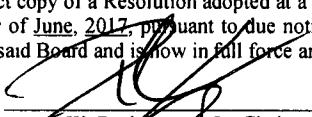
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 14th day of June, 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



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-040 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 14, 2017 Meeting be approved, said instrument being an Assignment from BASA Resources, Inc. to PPI SPV Sub, LLC, of all of Assignor's right, title and interest in and to State Lease No. 14889, Bienville Parish, Louisiana, with further particulars being stipulated in the instrument.

PPI SPV Sub, 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 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;

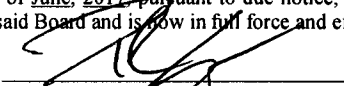
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 14th day of June, 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.



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-041

(DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 14, 2017 Meeting be approved, said instrument being an Assignment from Ironstone Energy, LLC and AFP Exploration, Inc. to Evangeline Natural Resources, LLC, of all of Assignor's right, title and interest in and to State Lease No. 483, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

Evangeline Natural Resources, 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;

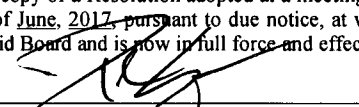
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 14th day of June, 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.



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-042 (DOCKET)

On motion of Mr. Arnold, seconded by Mr. Harris, 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 14, 2017 Meeting be approved, said instrument being an Assignment from The Harvest Group LLC, Harvest Oil & Gas, LLC and LOBO Operating, Inc. to Energy Reserves Group II, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 1227, 1268, 3762, 3763, 11188, 11189, 15536, 16392, 16393, 16432, 16442, 16443, 16543, 16569, 16570, 16594, 16610, 16664, 16692, 16819, 16890, 17156, 17303, 17621, 17623, 17624, 17762, 17763, 17764, 17765, 17766, 18078, 19967, 20034, 20433, 20436, 21562, 21563 and 21645, Plaquemines, St. Bernard and Vermilion Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

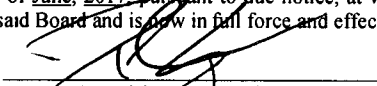
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of June, 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.



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-043 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 9 from the June 14, 2017 Meeting be approved, said instrument being a Change of Name whereby Energy Reserves Group II, LLC is changing its name to LOBO Oil and Gas, LLC, affecting State Lease Nos. 1227, 1268, 3762, 3763, 11188, 11189, 15536, 16392, 16393, 16432, 16442, 16443, 16543, 16569, 16570, 16594, 16610, 16664, 16692, 16819, 16890, 17156, 17303, 17621, 17623, 17624, 17762, 17763, 17764, 17765, 17766, 18078, 19967, 20034, 20433, 20436, 21562, 21563 and 21645, Plaquemines, St. Bernard and Vermilion Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

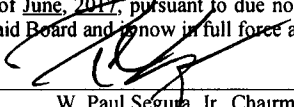
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman 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 14th day of June, 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.



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-044 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10 from the June 14, 2017 Meeting be approved subject to the approval of the Governor, said instrument being an Assignment from Harvest Oil & Gas LLC to LOBO Oil and Gas, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 195 and 335, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

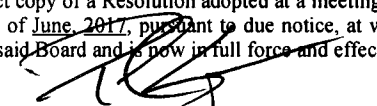
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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


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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of June, 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.


W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

Approved as per Executive Order JBE 2016-28
John Bel Edwards, Governor

By: 
W. Paul Segura, Jr.
Chairman, State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-045

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11 from the June 14, 2017 Meeting be approved, said instrument being an Assignment from Roloheck Enterprises LLC to Conn Energy Group, LLC, of all of Assignor's right, title and interest in and to State Lease No. 21397, Beauregard and Calcasieu Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

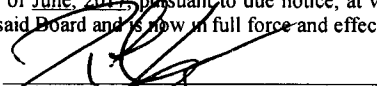
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of June, 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.


W. Paul Seguta, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-046

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 12 from the June 14, 2017 Meeting be approved, said instrument being an Assignment from Shoreline Southeast LLC to Sibley Petroleum Investments, LLC, of all of Assignor's right, title and interest in and to State Lease Nos 1685, 2376, 3584, 16212 and 16505, Jefferson Davis, Plaquemines and St. Mary Parishes, Louisiana, with further particulars being stipulated in the instrument.

Sibley Petroleum Investments, 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;

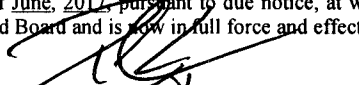
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 14th day of June, 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.



W. Paul Ségura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-047

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13 from the June 14, 2017 Meeting be approved, said instrument being an Assignment from Sibley Petroleum Investments, LLC to Hilcorp Energy I, L.P., of all of Assignor's right, title and interest in and to State Lease Nos. 1685, 3584 and 16212, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

Hilcorp Energy I, L.P. 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;

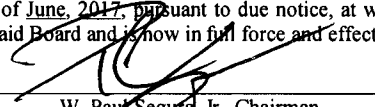
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 14th day of June, 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.



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

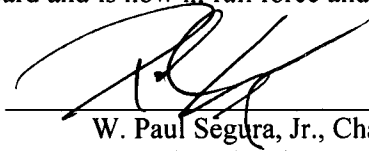
Resolution #17-06-048
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 14 from the June 14, 2017, Meeting be approved, said instrument being a Correction of Resolution No. 27 from the March 8, 2017 Meeting being an Assignment from Century Exploration New Orleans LLC to Upstream Exploration, LLC, whereas State Lease No. 19394 was inadvertently added to said resolution and is hereby being deleted, affecting State Lease No. 19394, 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 14th day of June, 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.



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-049
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-11 from the June 14, 2017, Meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the state a state production interest equal to 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 the Executive Officer 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 14th day of June, 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.



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-050
(DOCKET REVIEW COMMITTEE)

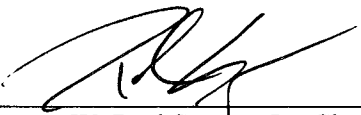
On motion of Mr. Arnold, seconded by Mr. Harris, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-12 from the June 14, 2017, Meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the state a state production interest equal to 25% before payout 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 the Executive Officer 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 14th day of June, 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.



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-051
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-13 from the June 14, 2017, Meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the state a state production interest equal to 25% before payout 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 the Executive Officer 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 14th day of June, 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.



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-052
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-14 from the June 14, 2017, Meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the state a state production interest equal to 25% before payout 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 the Executive Officer 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 14th day of June, 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.



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-053
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-15 from the June 14, 2017, Meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the state a state production interest equal to 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 the Executive Officer 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 14th day of June, 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.



W. Paul Seguta, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-054
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-16 from the June 14, 2017, Meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board and SOLA Energy Resources, LLC, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the state a state production interest equal to 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 the Executive Officer 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 14th day of June, 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.



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-055
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-17 from the June 14, 2017, Meeting be approved, said instrument being 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 the Executive Officer 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 14th day of June, 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.



W. Paul Segufa, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #17-06-056
(DOCKET REVIEW COMMITTEE)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-18 from the June 14, 2017, Meeting be approved, said instrument being a Settlement and Release by and between the State of Louisiana, acting through the State Mineral and Energy Board and PetroQuest Energy, LLC, whereas said parties have reached a settlement in the matter related to various mineral interests claimed by the State and private parties entitled *L.D. Miguez, et al v. State of Louisiana*, Docket No.C-99694, 15th Judicial District Court, Vermilion Parish, Louisiana, affecting State Lease No. 20181, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

BE IT FURTHER RESOLVED that the Executive Officer 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 14th day of June, 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.



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #17-06-057
(DOCKET REVIEW COMMITTEE)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17-19 from the June 14, 2017, Meeting be approved, said instrument a Compromise Agreement by and between the State of Louisiana, the "State Signatories", as listed on Page 1 of the Agreement, and the "Ward-McIlhenny Signatories", as listed on Exhibit "A", whereas said parties have reached a settlement in the matter related to a wildlife management area and various mineral interests entitled *Charles S. Reily, et al. v. State of Louisiana*, Docket No. 81-42886-I, 15th Judicial District Court, Vermilion Parish, Louisiana, claimed by the State of Louisiana and private parties in Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

BE IT FURTHER RESOLVED that the Executive Officer 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 14th day of June, 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.



W. Paul Segura, Jr., Chairman
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #17-06-058

Proposed New Lease Form -
Publish Third Tranche Online

(LEGAL & TITLE CONTROVERSY REPORT)

WHEREAS, pursuant to La. R.S. 30:124, the State Mineral and Energy Board (hereinafter referred to as "the Board") is authorized to lease, for the development and production of minerals, lands and water bottoms belonging to the State or the title to which is in public trust; and

WHEREAS, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State and has the authority to take any action necessary regarding such leases for purposes of protecting the interest of the State; and

WHEREAS, pursuant to La. R.S. 30:132, the Attorney General is the attorney for the Board; and

WHEREAS, pursuant to La. R.S. 30:135, the Department of Natural Resources, through the Office of Mineral Resources, shall provide the necessary staff functions to assist the Board; and

WHEREAS, the Staff of the Office of Mineral Resources, the Department of Natural Resources Legal Division and the Attorney General's Office (all collectively referred to hereinafter as "Advisory Group") reviewed the August 2016 draft Lease in order to simplify and improve it; and

WHEREAS, at its April 12, 2017 meeting, the Board adopted Resolution No. 17-04-008, which set forth the dates on which the Board would consider the Advisory Group's recommended revisions, if any, to particular articles within the August 2016 draft Lease form; and

WHEREAS, the Advisory Group, after thorough review and consideration, requested that the Board grant authority to the Advisory Group to publish online the third tranche of Articles for the Proposed State Mineral Lease Form; and

ON MOTION of Mr. Arnold, 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 authorize the Advisory Group to publish online the third tranche of Articles of the Proposed State Mineral Lease Form to be presented to the Board at the July 12, 2017 State Mineral and Energy Board Meeting.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA JR., CHAIRMAN
STATE MINERAL AND ENERGY BOARD

Upon motion of Mr. Haik, seconded by Mr. Arnold, the Board recessed the meeting for a short break at 11:52 a.m.

At 12:00 p.m., Mr. Carter left the meeting and was no longer a part of the established quorum.

Upon motion of Mr. Arnold, seconded by Mr. Harris, the Board reconvened in open session at 12:07 p.m.

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. Arnold, seconded by Mr. Harris, the Board Members went into Executive Session at 12:09 p.m.

At 12:12 p.m., Mr. Harris left the meeting and was no longer a part of the established quorum.

Upon motion of Mr. Arnold, seconded by Mr. Harris, the Board reconvened in open session at 12:29 p.m. for consideration of the following matters discussed in Executive Session:

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

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

b) A discussion regarding the litigation entitled: BHP Billiton Petroleum Properties NA LP vs. Hosier Properties LLC, et al, Docket No. 587839, Division A, 1st Judicial District Court, Caddo Parish, State of Louisiana

Upon motion of Mr. Arnold, seconded by Ms. Michaud-Dugas, the Board voted unanimously to grant authority to the Attorney General's office to negotiate pursuant to the terms discussed in Executive Session. No comments were made by the public.

c) A discussion regarding the litigation entitled: Yuma Exploration & Production Co. Inc. v. State Mineral Board of the State of La., et al., Docket No. 55,891, Division B, 25th Judicial District Court, Plaquemines Parish, State of Louisiana

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, the Board voted unanimously to grant authority to the Attorney General's office to accept the counteroffer of Yuma Exploration & Production Co. Inc. as discussed in Executive Session. No comments were made by the public.

d) A discussion regarding an offer of a compromise via Communitization Agreement by Hilcorp affecting State Lease Nos. 2227 and 21687, in the MQ RB SUA, West Delta Block 83 Field, Plaquemines Parish, Louisiana

Upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Board voted unanimously to grant Staff the authority to accept the terms as discussed in Executive Session and to advertise the Communitization Agreement. No comments were made by the public.

e) A discussion regarding the litigation entitled: M&M Almond, L.L.C. and Wilkinson-Almond Land Co., L.L.C. v. State of Louisiana, Docket No. 36168, 39th Judicial District Court, Red River Parish, State of Louisiana

Upon motion of Mr. Arnold, seconded by Ms. Michaud-Dugas, the Board voted unanimously to grant authority to the Attorney General's office to counteroffer as per the terms 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

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

g) Technical Briefing on Bids

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

* Executive Session Resolution(s) will immediately follow this page.

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION # 17-06-059

(EXECUTIVE SESSION)

BHP Billiton Petroleum
Properties NA LP vs. Hosier
Properties LLC, et al,
Docket No. 587839,
Division A, 1st JDC, Caddo
Parish, State of Louisiana

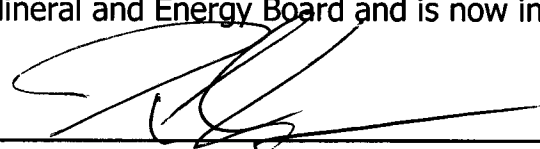
WHEREAS, a discussion was held in Executive Session regarding the litigation entitled: BHP Billiton Petroleum Properties NA LP vs. Hosier Properties LLC, et al, Docket No. 587839, Division A, 1st Judicial District Court, Caddo Parish, State of Louisiana;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to negotiate pursuant to the terms 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 14th day of June, 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.



W. PAUL SEGURA, JR., CHAIRMAN
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION # 17-06-060

(EXECUTIVE SESSION)

Yuma Exploration & Production
Co. Inc. v. State Mineral Board
of the State of La., et al.
Docket No. 55,891 Division B
25th JDC, Plaquemines Parish
State of Louisiana


WHEREAS, a discussion was held in Executive Session regarding the litigation entitled: Yuma Exploration & Production Co. Inc. v. State Mineral Board of the State of La., et al., Docket No. 55,891, Division B, 25th Judicial District Court, Plaquemines Parish, State of Louisiana;

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 State Mineral and Energy Board does hereby grant authority to the Attorney General's office to accept the counteroffer of Yuma Exploration & Production Co. Inc. 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 14th day of June, 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.



W. PAUL SEGURA, JR., CHAIRMAN
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Communitization
Agreement by Hilcorp
Re: SL #s 2227 & 21687
Plaquemines Parish, LA

RESOLUTION # 17-06-061

(EXECUTIVE SESSION)

WHEREAS, a discussion was held in Executive Session regarding an offer of a compromise via Communitization Agreement by Hilcorp affecting State Lease Nos. 2227 and 21687, in the MQ RB SUA, West Delta Block 83 Field, Plaquemines Parish, Louisiana;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant Staff the authority to accept the terms as discussed in Executive Session and to advertise the Communitization Agreement.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA, JR., CHAIRMAN
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION # 17-06-062

(EXECUTIVE SESSION)

M&M Almond, L.L.C. and
Wilkinson-Almond Land Co.,
L.L.C. v. State of Louisiana
Docket No. 36168
39th JDC Red River Parish
State of Louisiana

WHEREAS, a discussion was held in Executive Session regarding the litigation entitled: M&M Almond, L.L.C. and Wilkinson-Almond Land Co., L.L.C. v. State of Louisiana, Docket No. 36168, 39th Judicial District Court, Red River Parish, State of Louisiana;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to counteroffer as per the terms 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 14th day of June, 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.



W. PAUL SEGURA, JR., CHAIRMAN
State Mineral and Energy Board

RESOLUTION

Policy/Procedure
RE: DRAFT RESOLUTIONS

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION # 17-06-063

(NEW BUSINESS)

ON MOTION OF Mr. Haik, duly seconded by Ms. LeBlanc, the following Resolution was offered and adopted by the State Mineral and Energy Board ("Board"),

WHEREAS, pursuant to La. R.S. 30:121(D), the Board shall administer, as the agent for the State of Louisiana (State), its proprietary interest in minerals; and

WHEREAS, in order to fulfill its fiduciary duties, La. R.S. 30:129 grants the Board full supervision of all mineral leases granted by the State, the authority to take any action for the protection of the interests of the State and to enter into agreements or to amend leases in whatever manner may most benefit the State; and

WHEREAS, pursuant to La. R.S. 30:209(4)(a), the Board is authorized to enter into operating agreements whereby the state receives a share of revenues from the production of oil, gas, and other minerals after deduction of costs; and

WHEREAS, pursuant to the above referenced authorities, the Board has previously adopted the "Lease for Oil, Gas and Other Liquid or Gaseous Minerals - Louisiana State Lease Form Revised 2000" (hereinafter referred to as the Lease Form) and "Operating Agreement Form (Revised August 2013)" (hereinafter referred to as the Operating Agreement Form), both attached hereto as Exhibits A and B, respectively.

NOW, THEREFORE, BE IT RESOLVED, that prior to consideration by the Board of any revision(s) to the language of the Lease Form or the Operating Agreement Form, the Office of Mineral Resources staff shall present a draft resolution to the Board for its consideration that would reflect said revision to the language of the Lease Form or the Operating Agreement Form; and

BE IT FURTHER RESOLVED that this resolution shall not go into effect until January 1, 2018.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of June, 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.



W. PAUL SEGURA, JR. , CHAIRMAN
State Mineral and Energy Board

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

Mr. Miller stated that Staff recommends that the bids on Tracts 44732 and 44733 be accepted and that the bid on Tract 44731 be rejected and opened to the floor for oral bidding.

Upon motion by Mr. Arnold, seconded by Mr. Haik, the Board unanimously voted to:

1. Accept the bid and award a lease on Tract 44732 to Taylor-Thanheiser Production, LLC
2. Accept the bid and award a lease on a portion of Tract 44733, said portion being 166.000 acres more particularly described in said bid and outlined on accompanying plat, to HEP Energy, Inc.
3. Reject the bid on Tract 44731 for improper bid and extend the Agenda to include oral bidding from the floor. (Note: An oral bid was submitted and subsequently awarded on this tract to Coastal Land Services, Inc.)

Mr. Ronald Schwarz representing Coastal Land Services, Inc. came forward and offered the following:

Tract 44731

Bidder	:	COASTAL LAND SERVICES, INC.
Primary Term	:	Three (3) years
Cash Payment	:	\$5,000.00
Annual Rental	:	\$2,500.00
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

There being no other bidders on this tract, upon motion by Mr. Arnold, seconded by Ms. LeBlanc, and based on Staff's recommendations, the Board unanimously voted to award a lease on Tract 44731 to Coastal Land Services, Inc.

The three (3) 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.

a. A request by Theodore M. Haik, Jr., Board Member, for the adoption of a resolution regarding OMR Staff's presentation of draft resolutions to the Board regarding revisions to the language of the Lease Form and the Operating Agreement Form.

Upon motion of Mr. Haik, seconded by Ms. LeBlanc, the Board voted unanimously to adopt a resolution regarding OMR Staff's presentation of draft resolutions to the Board regarding revisions to the language of the Lease Form and the Operating Agreement Form.

b. A request by J. Todd Hollenshead, Board Member, for the adoption of a resolution to begin the State Mineral and Energy Board meeting and Lease Sale with the Pledge of Allegiance.

This item was handled at the beginning of the meeting and upon motion of Mr. Hollenshead, seconded by Mr. Haik, the Board voted unanimously to grant this request.

The following announcements were then made:

Ms. Hodges stated that there were three (3) leases awarded covering 196 acres for a cash payment of \$76,944.00 with an average acre price of \$392.57 for the June 14, 2017 Lease Sale. Ms. Hodges further stated that the 2016-2017 fiscal year total is \$1,950,623.00.

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Arnold, seconded by Ms. Michaud-Dugas, the meeting was adjourned at 12:45 p.m.

Respectfully Submitted,



W. PAUL SEGURA, JR., CHAIRMAN
State Mineral and Energy Board