

# **MINUTES**

## **STATE MINERAL AND ENERGY BOARD**

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

**JUNE 8, 2011**

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on Wednesday, June 8, 2011, beginning at 11:03 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

Mr. W. Paul Segura, Jr., acting as Chairman in the absence of Chairman Scott A. Angelle, called the meeting to order. He then requested Ms. Stacey Talley, Deputy Assistant Secretary, to call the roll for the purpose of establishing a quorum.

W. Paul Segura, Jr., Vice-Chairman  
Thomas L. Arnold, Jr.  
Emile B. Cordaro  
John C. "Juba" Diez  
Robert "Michael" Morton  
Thomas W. Sanders  
Helen G. Smith

The following members of the Board were recorded as absent:

Scott A. Angelle, Chairman  
Bay E. Ingram  
Darryl D. Smith  
Garret Graves

Ms. Talley announced that seven (7) members of the Board were present and that a quorum was established.

Also recorded as present were:

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

The Chairman then stated that the next order of business was the approval of the May 11, 2011 Minutes. A motion was made by Mr. Arnold to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Sanders and unanimously adopted by the Board. (No public comment was made at this time.)

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

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

Mr. Cordaro addressed the matter of the force majeure resolution passed by the Lease Review Committee. He made a motion to amend the sixth paragraph to include at the end that force majeure is in effect provided that they also amend to include the other required clauses that the Board has previously directed. At this time, a discussion took place regarding Mr. Cordaro's amended motion.

Mr. Arnold then made a motion to amend his original motion to adopt all the committee recommendations with the exception of the Lease Review Committee recommendations. His motion was seconded by Ms. Smith and unanimously adopted by the Board. (No public comment was made at this time.)

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

The Chairman then announced that the Board would recess its regular meeting at 11:19 a.m. and go into executive session for technical briefing in order to consider matters before the Board which were confidential in nature. A motion was made by Mr. Arnold, seconded by Ms. Smith, and unanimously adopted by the Board.

During the technical briefing, the Board conferred with staff personnel concerning the merit of the bids that were submitted and opened earlier today at a public meeting\*, based on geological, engineering and other confidential data and analyses available to the Board and staff, after which, upon motion of Mr. Arnold, seconded by Mr. Sanders, and unanimously adopted by the Board, the Board reconvened in open session at 11:32 a.m.

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

At this time, Mr. Charles Bradbury, Petroleum Engineer in the Office of Mineral Resources, addressed the Board regarding the force majeure resolution taken up previously in the Lease Review Committee meeting and further discussed in the Board meeting.

Mr. Cordaro then made a motion to amend his original motion to include certain language in Paragraph 6 of the force majeure resolution to read after in effect "provided that they also amend to include the other required clauses the Board has previously directed" and to adopt the remaining Lease Review Committee recommendations. His motion was seconded by Mr. Arnold 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 awarding of the leases. Based upon recommendations announced by Mr. Victor Vaughn, the following action was then taken by the Board. Leases awarded were conditioned on tract descriptions being accurate, overlapped prior leases being subtracted from acreage bid on, acreage amount being verified and agreed between bidder and state and portion bids verified as being located within advertised boundary of tracts. (No public comment was made at this time.)

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42081 to Classic Petroleum, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42082 to Matador Resources Company.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42083 to Classic Petroleum, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to reject all bids (5) on Tract 42088 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42091 to Endeavor Natural Gas, LP.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42093 to El Paso E&P Company, L.P.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 42097, said portion being 155.39 acres more particularly described in said bid and outlined on accompanying plat, to Mack Energy Co.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 42099, said portion being 85.39 acres more particularly described in said bid and outlined on accompanying plat, to Castex Energy 2005, LP.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on another portion of Tract 42099, said portion being 721.94 acres more particularly described in said bid and outlined on accompanying plat, to TRI-C RESOURCES, LLC. The following options were then awarded pertaining to Tract No. 42099:

Option 1 to Castex Energy 2005, LP on 174.71 acres. Acreage would involve approximately 160 acres which does not conflict with the first two bids that were awarded.

Option 2 to Square Mile Energy, L.L.C. on 210.44 acres. Acreage would involve approximately 132 acres.

Option 3 to Square Mile Energy, L.L.C. on 273.15 acres. Acreage would involve approximately 1 acre.

Option 4 to Square Mile Energy, L.L.C. on 175.90 acres. Acreage would involve approximately 145 acres.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 42101, said portion being 203.73 acres more particularly described in said bid and outlined on accompanying plat, to Square Mile Energy, L.L.C.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on another portion of Tract 42101, said portion being 173.67 acres more particularly described in said bid and outlined on accompanying plat, to Square Mile Energy, L.L.C.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on another portion of Tract 42101, said portion being 19.65 acres more particularly described in said bid and outlined on accompanying plat, to Square Mile Energy, L.L.C.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 42104, said portion being 209.255 acres more particularly described in said bid and outlined on accompanying plat, to Hilcorp Energy I, L.P. a Texas Limited Partnership.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 42108, said portion being 30.00 acres more particularly described in said bid and outlined on accompanying plat, to Hilcorp Energy I, L.P.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 42109, said portion being 444.773 acres more particularly described in said bid and outlined on accompanying plat, to Hilcorp Energy I, L.P.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42111 to QEP Energy Company.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42112 to QEP Energy Company.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42113 to QEP Energy Company.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42114 to Classic Petroleum, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42115 to Bruce Faillace, LLC.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42116 to Anadarko E & P Company, L.P.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42117 to Anadarko E & P Company, L.P.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42118 to New Century Exploration, Inc.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42119 to MMB ENERGY, L.L.C.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 42123, said portion being 88.00 acres more particularly described in said bid and outlined on accompanying plat, to Patrick L. Donohue Petroleum Properties, Inc.

This concluded the awarding of the leases.

The Chairman stated that the PowerPoint Presentation scheduled for today would probably be rescheduled for the next meeting.

The following announcements were then made:

Ms. Talley stated that "the results of today's Lease Sale in total bonuses was \$2,287,876.93 which brings the fiscal year total to approximately \$43.4 million dollars.

In addition, we have agendas in the back of the room for the conference that will be held in late August. Each of the Board members has received a copy and any of the Board members who would like to attend, please let Mary Beth know."

The Chairman then stated there being no further business to come before the Board, upon motion of Ms. Smith, seconded by Mr. Sanders, the meeting was adjourned at 11:42 a.m.

Respectfully submitted,



Victor M. Vaughn  
Executive Officer  
State Mineral and Energy Board

**THE FOLLOWING BID OPENING MEETING REPORT,  
COMMITTEE REPORTS AND RESOLUTIONS  
WERE MADE A PART OF THE JUNE 8, 2011 MINUTES  
BY REFERENCE**

A public meeting for the purpose of opening sealed bids was held on Wednesday, June 8, 2011, beginning at 8:35 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

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

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

June 8, 2011

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

Gentlemen:

Certified proofs of publication have been received in the Office of Mineral Resources on behalf of the State Mineral and Energy Board for the State of Louisiana from the "Advocate," official journal for the State of Louisiana, and from the respective parish journals as evidence that Tract Nos. 42076 through 42124, have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended.

Yours very truly,

(Original signed)

Frederick D. Heck  
Director  
Petroleum Lands Division



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

For the record, Mr. Vaughn stated that there were no tracts to be withdrawn from today's Lease Sale.

The following bids were then opened and read aloud to the assembled public by Ms. April Duhe.

OFFSHORE TRACTS

Tract 42076

No Bids

Tract 42077

No Bids

Tract 42078

No Bids

Tract 42079

No Bids

Tract 42080

No Bids

INLAND TRACTS

Tract 42081

Bidder	:	Classic Petroleum, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$905,678.00
Annual Rental	:	\$452,839.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

## Tract 42082

Bidder	:	Matador Resources Company
Primary Term	:	Three (3) years
Cash Payment	:	\$216,055.40
Annual Rental	:	\$108,027.70
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

## Tract 42082

Bidder	:	Classic Petroleum, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$93,676.00
Annual Rental	:	\$46,838.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

## Tract 42083

Bidder	:	Classic Petroleum, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$233.70
Annual Rental	:	\$116.85
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

## Tract 42084

No Bids

## Tract 42085

No Bids

## Tract 42086

No Bids

## Tract 42087

No Bids

Tract 42088  
(Portion – 86.0 acres)

Bidder	:	Samson Contour Energy E & P, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$64,500.00
Annual Rental	:	\$32,250.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42088  
(Portion – 6.0 acres)

Bidder	:	Samson Contour Energy E & P, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$4,500.00
Annual Rental	:	\$2,250.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42088  
(Portion – 5.0 acres)

Bidder	:	Samson Contour Energy E & P, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$3,750.00
Annual Rental	:	\$1,875.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42088  
(Portion – 3.0 acres)

Bidder	:	Samson Contour Energy E & P, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$2,250.00
Annual Rental	:	\$1,125.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42088  
(Portion – 7.0 acres)

Bidder	:	Samson Contour Energy E & P, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$5,250.00
Annual Rental	:	\$2,625.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42089

No Bids

Tract 42090

No Bids

Tract 42091

Bidder	:	Endeavor Natural Gas, LP
Primary Term	:	Three (3) years
Cash Payment	:	\$16,335.00
Annual Rental	:	\$8,167.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42092

No Bids

Tract 42093

Bidder	:	El Paso E&P Company, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$32,844.97
Annual Rental	:	\$16,423.03
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 42094

No Bids

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Tract 42095

No Bids

Tract 42096

No Bids

Tract 42097  
(Portion – 155.39 acres)

Bidder	:	Mack Energy Co.
Primary Term	:	Three (3) years
Cash Payment	:	\$47,083.17
Annual Rental	:	\$23,541.59
Royalties	:	23% on oil and gas
	:	23% on other minerals
Additional Consideration	:	None

Tract 42098

No Bids

Tract 42099  
(Portion – 85.39 acres)

Bidder	:	Castex Energy 2005, LP
Primary Term	:	Three (3) years
Cash Payment	:	\$18,871.19
Annual Rental	:	\$9,435.60
Royalties	:	24.25% on oil and gas
	:	24.25% on other minerals
Additional Consideration	:	None

Tract 42099  
(Portion – 721.94 acres)

Bidder	:	TRI-C RESOURCES, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$545,064.70
Annual Rental	:	\$272,532.35
Royalties	:	23.50% on oil and gas
	:	23.50% on other minerals
Additional Consideration	:	None

Tract 42099  
(Portion – 174.71 acres)

Bidder	:	Castex Energy 2005, LP
Primary Term	:	Three (3) years
Cash Payment	:	\$60,449.66
Annual Rental	:	\$30,224.83
Royalties	:	24.25% on oil and gas
	:	24.25% on other minerals
Additional Consideration	:	None

Tract 42099  
(Portion – 210.44 acres)

Bidder	:	Square Mile Energy, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$33,039.08
Annual Rental	:	\$16,519.54
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42099  
(Portion – 175.90 acres)

Bidder	:	Square Mile Energy, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$66,138.40
Annual Rental	:	\$33,069.20
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42099  
(Portion – 273.15 acres)

Bidder	:	Square Mile Energy, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$179,459.55
Annual Rental	:	\$89,729.78
Royalties	:	25.0% on oil and gas
	:	25.0% on other minerals
Additional Consideration	:	None

Tract 42099  
(Portion – 174.28 acres)

Bidder	:	Castex Energy 2005, LP
Primary Term	:	Three (3) years
Cash Payment	:	\$90,102.76
Annual Rental	:	\$45,051.38
Royalties	:	23.25% on oil and gas
	:	23.25% on other minerals
Additional Consideration	:	None

Tract 42100

No Bids

Tract 42101  
(Portion – 203.73 acres)

Bidder	:	Square Mile Energy, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$76,602.48
Annual Rental	:	\$38,301.24
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42101  
(Portion – 173.67 acres)

Bidder	:	Square Mile Energy, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$65,299.92
Annual Rental	:	\$32,649.96
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42101  
(Portion – 19.65 acres)

Bidder	:	Square Mile Energy, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$7,388.40
Annual Rental	:	\$3,694.20
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

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Tract 42102

No Bids

Tract 42103

No Bids

Tract 42104  
(Portion – 209.255 acres)

Bidder	:	Hilcorp Energy I, L.P. a Texas Limited Partnership
Primary Term	:	Three (3) years
Cash Payment	:	\$74,494.78
Annual Rental	:	\$37,247.39
Royalties	:	23.5% on oil and gas
	:	23.5% on other minerals
Additional Consideration	:	None

Tract 42105

No Bids

Tract 42106

No Bids

Tract 42107

No Bids

Tract 42108  
(Portion – 30.0 acres)

Bidder	:	Hilcorp Energy I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$8,250.00
Annual Rental	:	\$4,125.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None



**Tract 42109**  
(Portion – 444.773 acres)

Bidder	:	Hilcorp Energy I, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$122,312.58
Annual Rental	:	\$61,156.29
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

**Tract 42110**

No Bids

**STATE AGENCY TRACTS**

**Tract 42111**

Bidder	:	QEP Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$6,000.00
Annual Rental	:	\$3,000.00
Royalties	:	1/4th on oil and gas
	:	1/4th on other minerals
Additional Consideration	:	None

**Tract 42112**

Bidder	:	QEP Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$14,000.00
Annual Rental	:	\$3,500.00
Royalties	:	1/4th on oil and gas
	:	1/4th on other minerals
Additional Consideration	:	None

**Tract 42113**

Bidder	:	QEP Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$4,732.00
Annual Rental	:	\$2,366.00
Royalties	:	1/4th on oil and gas
	:	1/4th on other minerals
Additional Consideration	:	None

## Tract 42114

Bidder	:	Classic Petroleum, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$32,447.12
Annual Rental	:	\$16,223.56
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

## Tract 42115

Bidder	:	Bruce Faillace, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$5,600.00
Annual Rental	:	\$2,800.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

## Tract 42116

Bidder	:	Anadarko E & P Company, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$16,471.20
Annual Rental	:	\$8,235.60
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

## Tract 42117

Bidder	:	Anadarko E & P Company, L.P.
Primary Term	:	Three (3) years
Cash Payment	:	\$32,942.40
Annual Rental	:	\$16,471.20
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

## Tract 42118

Bidder	:	New Century Exploration, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$4,000.00
Annual Rental	:	\$2,000.00
Royalties	:	24% on oil and gas
	:	24% on other minerals
Additional Consideration	:	None

## Tract 42119

Bidder	:	MMB ENERGY, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$3,841.92
Annual Rental	:	\$3,841.92
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

## Tract 42120

No Bids

## Tract 42121

No Bids

## Tract 42122

No Bids

## ROCKEFELLER WMA TRACTS

Tract 42123  
(Portion – 88.00 acres)

Bidder	:	Patrick L. Donohue Petroleum Properties, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$31,328.00
Annual Rental	:	\$15,664.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

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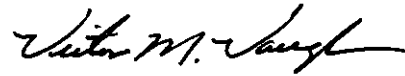
Tract 42124

No Bids

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 9:05 a.m.

Respectfully submitted,

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

Victor M. Vaughn  
Executive Officer  
State Mineral and Energy Board



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

**LEASE REVIEW COMMITTEE REPORT**

A meeting of the Lease Review Committee of the State Mineral and Energy Board convened on Wednesday, June 8, 2011 at 9:45 a.m. with the following members of the board in attendance: Mr. Thomas L. Arnold, Jr., Mr. Emile B. Cordaro, Mr. John C. "Juba" Diez, Mr. Robert "Michael" Morton, Mr. Darryl D. Smith, Mr. W. Paul Segura, Jr. and Mr. Thomas W. Sanders.

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

**I. Geological and Engineering Staff Review**

According to SONRIS there are 1805 active State Leases covering nearly 839,000 acres. The Geological and Engineering Division has reviewed approximately 170 leases covering 130,000 acres.

**II. Committee Review**

1. A staff report on **State Lease 192-C**, West Bay Field Selection located in Plaquemines and St. Bernard Parishes. Hilcorp Energy I, L.P. is the lessee.

The recommendation was that Hilcorp be granted until December 14, 2011 to submit an update on the activities affecting this lease.

2. A staff report on **State Lease 340-H**, Cote Blanche Island Field Selection located in Iberia Parish. Swift Energy Operating, LLC is the lessee.

The recommendation was to accept Swift's 1,000 acre partial release and by December 14, 2011 Swift is to provide a status report of their efforts in offering the acreage back to the Burton heirs and their proposed divestiture of the field.

3. A staff report on **State Lease 173**, Caddo Pine Island Field located in Caddo Parish. Gemini and Rock Well Petroleum are lessees.

The recommendation was that RockWell Petroleum report on their future plans in the Annona Chalk affecting this leased by November 9, 2011 and that Gemini Exploration continue their P&A efforts with the approved P&A plan.

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

1. No Objection to Phoenix Exploration Company, LP's 29-E Waiver / Royalty Escrow Request for production from the Cib Op Sand, SL 20035 No. 2 Well, SN 242532, Atchafalaya Bay Field, St. Mary Parish affecting State Lease 20035.

**IV. Report on Force Majeure**

Mr. Charles Bradbury, Petroleum Engineer, presented the following matter recognizing a new force majeure condition:

A request by multiple operators for the recognition of a Force Majeure condition resulting from the spring flooding preventing production operations on State Leases 341, 411, 711, 1337, 1392, 2024, 2102, 2655, 4956, 14519, 14520, 14912, 14914, 14915, 14953, 14954, 15358, 16859, 18070, 18103, 18258, 18634, 18804, 18859, 18985 and Operating Agreement A0293.

Updated 5/31/2011


Company Name	Lease Numbers
Leases Off Production Due to Non-storm Related Force Majeure Events	
IG Petroleum	A0232
Harvest	A0311
Stone Energy	10830, 15074, 17309, 17595, A0285
Leases affected by Flooding	
Century	18258
Dune	341, 18985
Helis	18103, 18634
Hilcorp	411, 711, 1392, 2024, 2655, 4956, 18070, 18258, 18859, A0293
Hunt Oil	14519, 14520, 14912, 14914, 14915, 14953, 14954, 16859
Pennington Oil	18804
Sandridge Energy	2101, 15358
Sylvan	1337

**NOTE: Refer to Board Meeting Minutes for further discussion regarding this matter.**

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

On motion by Mr. Segura, seconded by Mr. Diez, the Committee moved to adjourn its June 8, 2011 meeting at 9:53 a.m.

Respectfully submitted,

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

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD LEASE REVIEW COMMITTEE

**On Motion** of Mr. Sanders, seconded by Mr. Arnold, the following resolution was offered and adopted:

**WHEREAS**, pursuant to Louisiana Revised Statute 30:129, the Louisiana State Mineral and Energy Board (the "Board") is the body designated to award and administer mineral leases on lands and water bottoms belonging to the State or the title to which is in the public trust;

**WHEREAS**, on April 28, 2011 by State of Louisiana Proclamation No. 41 BJ 2011, Governor Bobby Jindal declared that a State of Emergency exists statewide in Louisiana due to the developing threat of flooding along the length of the Mississippi River and in other bodies of water across the State that threatens the lives and property of the citizens of the State;

**WHEREAS**, the Commissioner of the Office of Conservation on May 13, 2011 issued a Declaration Emergency and Administrative Order No. 2011-001 to the oil and gas industry to take all necessary steps and perform all necessary actions to avoid damage to the environment or threats to life or safety in advance of rising floodwaters;

**WHEREAS**, as result of the flooding experienced in Louisiana, Century Exploration Houston Inc., Dune Operating Company, Helis Oil & Gas Company, LLC, Hilcorp Energy Company, Hunt Oil Company, Pennington Oil & Gas Int., LLC, Sandridge Exploration and Production LLC, and Sylvan Energy LLC requested recognition of a force majeure condition preventing the continuous operation of the State Leases;

**WHEREAS**, these companies report the following State Leases are currently shut-in as a direct result of the flooding: State Leases 341, 411, 711, 1337, 1392, 2024, 2102, 2655, 4956, 14519, 14520, 14912, 14914, 14915, 14953, 14954, 15358, 16859, 18070, 18103, 18258, 18634, 18804, 18859, and 18985 and Operating Agreement A0293;

**WHEREAS**, leases lacking force majeure language should be amended at a future Board meeting to include a "Force Majeure" provision and the four additional paragraphs required by the Board for lease amendments which allows the Operator to maintain these leases without complying with the actual drilling or reworking operations or by actual production requirements for as long as the force majeure is in effect;

**WHEREAS**, these operators will follow up the initial reports by submitting notarized affidavits attesting to the facts in their respective matters and will submit an impact statement for each and amend State Leases as necessary;

**NOW THEREFORE BE IT RESOLVED** that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby recognize and acknowledge the force majeure event as of April 28, 2011 due to rising flood waters that prevent safe access to wells and production facilities to maintain State Leases 341, 411, 711, 1337, 1392, 2024, 2102, 2655, 4956, 14519, 14520, 14912, 14914, 14915, 14953, 14954, 15358, 16859, 18070, 18103, 18258, 18634, 18804, 18859, and 18985 and Operating Agreement A0293 in East Baton Rouge, Iberia, Iberville, Saint Landry, Saint Mary, Saint Martin, West Baton Rouge Terrebonne/Lafourche Parish, Louisiana. The Board suspends the ninety (90) day continuous operations and production clause (note that State Lease 411 and 711 have a sixty (60) day clause) until such time as the flood water subsides permitting the companies to access and restore production to the State Leases; at which time the companies will have the remainder of the ninety (90) days (or sixty (60) days for State Lease 411 & 711) to establish downhole operations or restore production on the aforementioned State Leases.

### CERTIFICATE

I hereby certify that the above is 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 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

Louisiana Department of Natural Resources (DNR)

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**Staff Reviews**

Report run on: May 31, 2011 6:18 AM

District Code 1 New Orleans- East

Get Review Date June 8, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00335C		GRAND BAY	GB 13A RB2B SU 05/28/2009 80-M-5 09-522	130	900	JUN. 11/4/09 JMB: REVIEW 335-C W/ SL 195-A 11AR
01227		BRETON SOUND BLOCK 32		1570.27	1570.27	JUN. AR
03508		MAIN PASS BLOCK 69	237742-SL 3508-036 07/12/2008	683	2921.08	JUN. CK OWNERSHIP 5/11/10 DEVON SELLING TO APACHE 3/16/10 DEVON POD BY 6-9-10 JUN. AR
09680		CHANDELEUR SOUND ADDITION BLOCK 63		1364	1364	JUN. AR 5/24/11 REL RQD 5/23/11 APP. EXP PER MIKE B
13287		MAIN PASS BLOCK 74	O RA SUA; 06/27/2000 1213-B 99-381	92.35	196.2	JUN. SUGGEST AR 5/4/11 RCD UNOFL PR OF 103.85, RTNG 92.35 AC< CK ~ 104 AC PR FROM APACHE (CCB 2/16/11 EMAIL.)
14564		LAKE FORTUNA	235.65 02/03/2004	295.27	295.27	JUN. AR
16170		MAIN PASS BLOCK 4	SL 16170	66.11	66.11	JUN. AR
16299		MAIN PASS BLOCK 4	SL 16170	62.425	62.425	JUN. AR
16300		MAIN PASS BLOCK 4	SL 16170	139.669	139.669	JUN AR
16432		MAIN PASS BLOCK 25		885.27	885.27	JUN. AR
16664		MAIN PASS BLOCK 47	CIB C 1A RA SUA;SL 16664 05/21/2002 1331-E 02-265	602.66	602.66	JUN. AR
16692		MAIN PASS BLOCK 25	SL 16692	133.564	133.564	JUN. AR
16732		MAIN PASS BLOCK 4	SL 16170	85.437	85.437	JUN. AR
16735		BRETON SOUND BLOCK 53	34.34 04/13/2006	38.72	38.72	JUN. AR
16737		BRETON SOUND BLOCK 53	145.25 04/13/2006	7.77	7.77	JUN AR
16799		CHANDELEUR SOUND BLOCK 69		831.6	1346.95	JUN. AR
16819		MAIN PASS BLOCK 25	20.11 05/08/2002	83.22	83.22	JUN. AR
17303		BRETON SOUND BLOCK 16		160	541.52	JUN. 11/17/10 JMB: CK PROD 6 MOS
17451		MAIN PASS BLOCK 10		583.64	583.64	JUN. AR
17942		BRETON SOUND BLOCK 53	32.13 01/20/2009	49.96	49.96	JUN. AR





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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
18549		BRETON SOUND BLOCK 53	TEX W-CRIS I VUA;SL 19050 07/08/2009	18.75	465.25	JUN. 5/11/10 FINAL DD APPROVED TO 5/11/12 5/10/11 DDPMT TO JMB PT 5/11/10
18654		LAKE CAMPO	532.681 04/09/2009	401.319	401.319	JUN. AR
19312		CHANDELEUR SOUND BLOCK 68		141.26	141.26	JUN. AR
19638				0	86.022	JUN 4/21/11 RQD REL PT 4/9/11
19669		BRETON SOUND BLOCK 53	TEX W-CRIS I VUA;SL 19050 07/08/2009	6.07	137.39	JUN. 5/11/11 DD APPROVED TO 5/14/12 5/10/11 DDPMT TO JMB PT 5/14/11
20034				0	495.89	JUN PT 3/11/12 *AC* WELL BY 3/11/12 OR \$49,589 BY 4/11/12

Louisiana Department of Natural Resources (DNR)

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District Code 1W New Orleans- West  
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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00192C		WEST BAY	VU 60;SL 192 PP	6825	20600	JUN. OB RCD HLCP STATUS OF ACTIVITIES BY 5/11/11 4/6/11 JPT (1W) TRNSMTL 241266 050668
00212		LAKE WASHINGTON	K RB SUA;COCKRELL-MORAN 12/07/2010 149-HHHH-1	3375	3875	JUN. AR
00212A		LAKE WASHINGTON	K RB SUA;COCKRELL-MORAN 12/07/2010 149-HHHH-1	92	92	JUN. AR
00356D		QUEEN BESS ISLAND	LBLD RB SUA;SL 17617  747-D-4	64.85	4159	JUN. RCD 1/11/11 HLCP 356-D PLANS 6AR
00707		LAKE HERMITAGE	UL 6 RB SUA;LLDSB  474-H 00-706	470	470	JUN. AR
01467		BAYOU PLAQUEMINE	31.718 07/08/1981	.282	.282	JUN. AR
02084		MAIN PASS BLOCK 69 , QUEEN BESS ISLAND	VUA;SL 2084 U1	1411	2160	JUN. RCD HCP PLANS 1/11/11
02747		BASTIAN BAY	N RL SUA;LL&E C 08/26/2008 339-N-24	100	208	JUN AR
03155		BASTIAN BAY	J S ABERCROMBIE	328.464	520	JUN. AR
03240		LAKE PALOURDE, EAST	DISC 2 RB SUA;P R NORMAN B 06/01/2000 357-S-2 00-361	1.61	1.61	JUN. AR
03734		BAYOU SEGNETTE	B SEG CELOTEX SU 07/01/1976	20.212	20.212	JUN. AR
05259		KINGS RIDGE	9700 RA SUA;GRANDISON TRUST 03/01/1998	108.426	108.426	JUN. AR
06024		LAKE ENFERMER	F2 RA SUA;LAF RLTY CO 09/16/2003 340-HH 03-659	17.66	17.66	JUN. AR 5/12/10 NO ROYALTY SINCE 05/09 - PROD 3/10
07501		KINGS RIDGE	25.704 08/16/1994	264.122	264.122	JUN. 5/4/11 FURR 11/1/10 REL RQD
14498		BAY MARCHAND BLOCK 2 OFFSHORE	VUA;	163.67	163.67	JUN. AR 12/28/10 STONE RPTD LINE GOT LAID, NO MORE > 10/10 FM RECOGNIZED AS OF 7/9/10
14537		BASTIAN BAY	28.53 02/25/2008	23.93	23.93	JUN. AR
15016		SOUTH PASS BLOCK 27	232490-SL 15016-007 12/15/2005	1020	2484.84	JUN 1/21/11 JPT: CK W/ EPL RE:RQD 471 AC PR PROPOSED



Louisiana Department of Natural Resources (DNR)

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Table with columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Rows include lease numbers 15310, 15970, 16255, 16256, 16257, 17339, 17382, 17722, 18383, 18384, 18936, 19282, 19647, 19648.

## Louisiana Department of Natural Resources (DNR)

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00340C	2	RABBIT ISLAND	SL 340 RABBIT ISLAND DA	0	4066	JUN. ENERGY XX1 PROPOSED PR PLAT BY 5/11/11 (OMR'S SUG: 4000=2000 FROM DA-2 & DA-5 W PLAT)
00340C	2	RABBIT ISLAND ONSHORE	SL 340 RABBIT ISLAND DA	0	4066	JUN ENERGY XX1 PROPOSED PR PLAT BY 5/11/11 (OMR'S SUG: 4000=2000 FROM DA-2 & DA-5 W PLAT)
00340C	4	RABBIT ISLAND	SL 340 RABBIT ISLAND DA	0	5000	JUN. ENERGY XX1 PROPOSED PR PLAT BY 5/11/11 (OMR'S SUG: 4000=2000 FROM DA-2 & DA-5 W PLAT)
00340C	4	RABBIT ISLAND ONSHORE	SL 340 RABBIT ISLAND DA	0	5000	JUN. ENERGY XX1 PROPOSED PR PLAT BY 5/11/11 (OMR'S SUG: 4000=2000 FROM DA-2 & DA-5 W PLAT)
00340C	5	RABBIT ISLAND	SL 340 RABBIT ISLAND DA	160	5000	JUN. ENERGY XX1 PROPOSED PR PLAT BY 5/11/11 (OMR'S SUG: 4000=2000 FROM DA-2 & DA-5 W PLAT)
00340C	5	RABBIT ISLAND ONSHORE	SL 340 RABBIT ISLAND DA	160	5000	JUN. ENERGY XX1 PROPOSED PR PLAT BY 5/11/11 (OMR'S SUG: 4000=2000 FROM DA-2 & DA-5 W PLAT)
00340C	3	RABBIT ISLAND	SL 340 RABBIT ISLAND DA	260	3746	JUN. ENERGY XX1 PROPOSED PR PLAT BY 5/11/11 (OMR'S SUG: 4000=2000 FROM DA-2 & DA-5 W PLAT)
00340C	3	RABBIT ISLAND ONSHORE	SL 340 RABBIT ISLAND DA	260	3746	JUN ENERGY XX1 PROPOSED PR PLAT BY 5/11/11 (OMR'S SUG: 4000=2000 FROM DA-2 & DA-5 W PLAT)
00340C	1	RABBIT ISLAND	SL 340 RABBIT ISLAND DA	1093	5000	JUN. ENERGY XX1 PROPOSED PR PLAT BY 5/11/11 (OMR'S SUG: 4000=2000 FROM DA-2 & DA-5 W PLAT)
00340C	1	RABBIT ISLAND ONSHORE	SL 340 RABBIT ISLAND DA	1093	5000	JUN. ENERGY XX1 PROPOSED PR PLAT BY 5/11/11 (OMR'S SUG: 4000=2000 FROM DA-2 & DA-5 W PLAT)
00340G	5	COTE BLANCHE BAY, WEST	242245-SL 340 WEST COTE BLANCHE BAY-1017 12/30/2010	0	2829	JUN. 5/13/11 OMR TO LABAY & CASTEX: ACCEPT APPROX 3,600 AC PR FROM 340-G-2 AND 7/11/12 POD/REL ON EACH DA
00340G	4	COTE BLANCHE BAY, WEST	242245-SL 340 WEST COTE BLANCHE BAY-1017 12/30/2010	0	3344.17	JUN. 5/13/11 OMR TO LABAY & CASTEX: ACCEPT APPROX 3,600 AC PR FROM 340-G-2 AND 7/11/12 POD/REL ON EACH DA
00340G	2	COTE BLANCHE BAY, WEST	242245-SL 340 WEST COTE BLANCHE BAY-1017 12/30/2010	0	4386.073	JUN. 5/13/11 OMR TO LABAY & CASTEX: ACCEPT APPROX 3,600 AC PR FROM 340-G-2 AND 7/11/12 POD/REL ON EACH DA
00340G	3	COTE BLANCHE BAY, WEST	242245-SL 340 WEST COTE BLANCHE BAY-	0	4682	JUN. 5/13/11 OMR TO LABAY & CASTEX: ACCEPT APPROX

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			1017 12/30/2010			3,600 AC PR FROM 340-G-2 AND 7/11/12 POD/REL ON EACH DA
00340G	1	COTE BLANCHE BAY, WEST	242245-SL 340 WEST COTE BLANCHE BAY-1017 12/30/2010	0	4850	JUN. 5/13/11 OMR TO LABAY & CASTEX: ACCEPT APPROX 3,600 AC PR FROM 340-G-2 AND 7/11/12 POD/REL ON EACH DA
00340G	0	COTE BLANCHE BAY, WEST	242245-SL 340 WEST COTE BLANCHE BAY-1017 12/30/2010	3195	4682	JUN. 5/13/11 OMR TO LABAY & CASTEX: ACCEPT APPROX 3,600 AC PR FROM 340-G-2 AND 7/11/12 POD/REL ON EACH DA
00340H	0	COTE BLANCHE BAY, EAST		1400	6240	JUN. OB RCD 4/28/11>SWIFT 6/8/11 COMMIT TO 1000 AC REL OR PLACED IN DEFAULT. 12/14/11 TO SPUD OR REL ALL NP OR DEMAND FOR FULL REL. (5/13/10 FU >10/09 ACCEPTED ~265 AC PR=3/3/10 SWIFT WORKING ON PR)
00340H	0	COTE BLANCHE BAY, WEST		1400	6240	JUN. OB RCD 4/28/11>SWIFT 6/8/11 COMMIT TO 1000 AC REL OR PLACED IN DEFAULT. 12/14/11 TO SPUD OR REL ALL NP OR DEMAND FOR FULL REL. (5/13/10 FU >10/09 ACCEPTED ~265 AC PR=3/3/10 SWIFT WORKING ON PR)
00340H	0	COTE BLANCHE ISLAND		1400	6240	JUN. OB RCD 4/28/11>SWIFT 6/8/11 COMMIT TO 1000 AC REL OR PLACED IN DEFAULT. 12/14/11 TO SPUD OR REL ALL NP OR DEMAND FOR FULL REL. (5/13/10 FU >10/09 ACCEPTED ~265 AC PR=3/3/10 SWIFT WORKING ON PR)
00341		BATEMAN LAKE	BAL SU	1000	1000	JUN. AR 4/13/11 JJ: 45297, 700700 PRD 1/11 \$2/11
03584		PATTERSON	PA DB-3 RC SU 02/01/1995	55	55	JUN. AR 4/13/11 JJ: 213475, 611349 PRD 1/11 \$2/11
05683		DEER ISLAND, DEER ISLAND, WEST	CL&F 21 07/08/2009	6.51	18.6	JUN. AR 4/13/11 JJ: 216661, 047826 PRD 1/11 \$2/11
09410		BAYOU CARLIN	MA 6 RA SUA;SL 8091 07/26/2005 570-F-2 05-873	305.6	305.6	JUN. AR 4/13/11 JJ: 210299, 607991 PRD 1/11 \$2/11
12608		CROCODILE BAYOU	10350 RA SUA;ST MARTIN PSB (L) 01/01/1990	16.444	16.444	JUN. 5/19/11 RQD STATUS OF REL 4/28/10 FURR 12/15/09 RS JPT: APP EXP, 90 DAY LAPSE OF PROD, REL RQD. 10/1/09:SPOTTY PRD, LAST 5/09. ZEROS 6 &7/09 RECK 3MOS 10AR
14851		SHIP SHOAL BLOCK 65	VUB;SL 14851	210	210	JUN. AR 4/13/11 JJ: 223122, 148874 PRD 1/11 \$2/11

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
14905		SOUTH TIMBALIER BLOCK 8	SL 14905	65.302	65.302	JUN. AR 4/13/11 JJ: 220388, 613115 PRD 1/11 \$2/11
15307		SOUTH TIMBALIER BLOCK 8		160	500.32	JUN. AR 5/25/11 OMR TO BLACK ELK RQD CONSIDER 340 AC PR.
15784		PASS DES ILETTES	VUA;LL&E FEE 06/01/1998	71.809	71.809	JUN. AR 5/18/11 CKED BY REID: CHANGED PRD AC FROM 70 TO 71.809
16046		RAMOS	OPERC 5 RA SUA;CM THIBODAU CO 389-H 98-570	1 7	1.7	JUN. AR 5/18/11 CKED BY REID
16049		RAMOS	OPERC 5 RA SUA;CM THIBODAU CO 389-H 98-570	62.3	62 3	JUN. AR 5/18/11 CKED BY REID
16051		RAMOS	OPERC 5 RA SUA,CM THIBODAU CO 389-H 98-570	36.5	36.5	JUN. AR 5/18/11 CKED BY REID
16121		CAILLOU ISLAND	D12 RA VUA;SL 16121 02/12/2003	160	218.29	JUN. AR 5/18/11 CKED BY REID
16446		LAPEYROUSE	17.582 03/24/2009	4.25	4.25	JUN. AR 5/18/11 CKED BY REID
16705		LAKE PELTO	159.99 07/16/2002	282.01	282.01	JUN. AR 5/18/11 CKED BY REID
16985		EUGENE ISLAND BLOCK 18	23.29 04/22/2008	13.41	13.41	JUN. AR 5/18/11 CKED BY REID
16988		EUGENE ISLAND BLOCK 18	561.7 04/22/2008	207.069	207.069	JUN. AR 5/18/11 CKED BY REID
17210		DEER ISLAND , PALMETTO BAYOU	8.337 05/20/2008	5.818	5.818	JUN. AR 5/18/11 CKED BY REID
17234		BAY BAPTISTE	25.848 05/01/2009	33.64	33.64	JUN. AR 5/18/11 CKED BY REID
17534		BOURG	1.955 04/24/2009	2.079	2 079	JUN. AR 5/18/11 CKED BY REID
17567		BAY BAPTISTE	3.561	16.856	16.856	JUN. AR 5/18/11 CKED BY REID
17754		LAKE BOUDREAU	VUB;APACHE LA MINERALS INC 75 05/12/2004	426.314	428	JUN. AR 5/18/11 CKED BY REID
17991		LAKE PAGIE, SW	418.449 03/15/2007	31.3	31.3	JUN. AR 5/6/11 SSB: 100%HBP 614748
18501				0	879.03	JUN. 5/24/11 REL RQD 5/18/11 REID LAST RNTL, NOT RCD EXTENDING PT/NO DRLG TO HOLD LEASE. 5/23/11 RS TO REID PT 3/9/10 (2/10 LEASE AMDMT PROVIDING 2 ADD'L PYMTS & INCREASED ROYALTY)

Louisiana Department of Natural Resources (DNR)

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
19299		EUGENE ISLAND BLOCK 7	216.206 03/15/2011	16.564	16.564	JUN. SUGGEST AR 4/14/11 RCD OFL PR OF 216.206, RTNG 16.564 EFF 3/14/11 2/25/11 PR RQD DD 2/14/11 PT 2/14/10
19411		EUGENE ISLAND BLOCK 7	150.077 09/10/2010	148.183	148.183	JUN. SUGGEST AR, 240386 616381 PRDG 3/11 1ST ILR PD 9/22/10-3/22/11 PT 6/13/10
19570				.838	3	JUN. SUGGEST AR UPON RCT OF PR 5/4/11 FU PR REQ 1/24/11 PR RQD 1/21/11 JPT: .62 AC HBP PROPERTY NOT SET UP.
19720				250	418.62	JUN. 5/6/11 OMR TO CWEI, RPT ON VU WELL & ADD'L DRLG BY 5/2012 5/5/11 FUVUMTG
19924				0	689.37	JUN. 5/6/11 OMR TO CWEI, RPT ON VU WELL & ADD'L DRLG BY 5/2012 5/5/11 FUVUMTG
20277				0	26	JUN. RNTL TO 2012 PT 3/10/13
20278				0	9	JUN. RNTL TO 2012 PT 3/10/13

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00173		CADDO PINE ISLAND	235209-SL 173 CT-001 05/10/2007	800	6500	JUN. OB RCD 3/2/11 WELL RPT=CANNOT ATTEMPT COMP PRIOR TO 5/15/11. ROCKWELL 5/9/11 COMP RPT ON HORIZONTAL WELL (242085 SPUD-12/29/10 DRLG @ 5226' 1/10/11) & GEMINI P&A PROG
05849		ELM GROVE	HA RA SU82;HUTCHINSON 27 H 07/07/2009 361-L-45	580	580	JUN. AR 5/17/11 SAM: CHNG 402.472 TO 580 PRD AC. HBP. AR
06003		REDOAK LAKE	99.285 03/27/1993	112.608	112.608	JUN. AR 5/17/11 SAM: HBP. AR
06708		ELM GROVE	LCV RA SU108;CM HUTCHINSON 30 10/18/2007 361-E-434 07-1139	70.65	70.65	JUN. AR 5/17/11 SAM: HBP. AR
08086		SIMSBORO, WEST	HOSS RA SUI;LUDLEY 08/01/1980 327-B-2 80-412	39	39	JUN. AR 5/17/11 SAM: HBP. AR
08936		CADDO PINE ISLAND	CAPI VIV RA SU 03/01/1993	4.45	4.45	JUN. AR 5/17/11 SAM: HBP. AR
09312		CASPIANA	44.12 04/02/1986	2.88	2.88	JUN. AR 5/17/11 SAM: HBP. AR
10575		COTTON PLANT	199955-HOSS RA SUP;MANVILLE 19- 002-ALT 08/15/1985	40.21	40.21	JUN. AR 5/17/11 SAM: HBP. AR
13045		GAHAGAN	HOSS RA SUL;HUCKABAY 09/01/1989	102.84	110	JUN. AR 5/17/11 SAM: HBP. AR
16125		ELM GROVE	LCV RA SUY;HUTCHINSON 9 06/03/2008 361-E-496	8.14	8.14	JUN. AR 5/17/11 SAM: HBP. AR
16420		ELM GROVE	HA RA SU77;MERCER 17 07/01/2009 361-L-43 09-686	50.394	50.394	JUN. AR 5/17/11 SAM: HBP. AR
16677		ELM GROVE	CV RA SU6;ROGERS ETAL 35 10/01/1973 361-B 73-286	17.731	17.731	JUN. AR 5/17/11 SAM: HBP. AR
16826		ROUTH POINT	WX C2 RA SUA;COLEMAN 02/12/2004	.5	.5	JUN. AR 5/17/11 SAM: HBP. AR
17313		ROUTH POINT	128.9 03/01/2004	48.1	48.1	JUN. AR 5/17/11 SAM: HBP. AR
17329		CONVERSE	HA RA SUE;MCDONALD 04/07/2009 501-G 09-376	37.35	37.35	JUN. AR 5/17/11 SAM: HBP. AR 5/2/11 SAM: NEW TRNSMTL W PLAT DATED 3/4/11 240233 616047 HA RA SUG



Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: May 31, 2011 6:18 AM

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
District Code 3 Lake Charles- North Get Review Date June 8, 2011						
17366		RED RIVER-BULL BAYOU	4.97 12/18/2006	1.2	1.2	JUN. AR 5/9/11 CCB EMAIL LEASE HELD.
17914		THORN LAKE	7.015 04/13/2007	13 985	13.985	JUN. AR 5/17/11 SAM: HBP. AR
18181		ELM GROVE	581 03/06/2009	589	589	JUN. AR 5/17/11 SAM: HBP. AR
18606		BRACKY BRANCH , RED RIVER-BULL BAYOU	HA RB SU65;DUPREE LAND 20 H 08/10/2009 109-X-62 09-971	30	30	JUN. AR 5/17/11 SAM: HBP AR 5/5/11 SRVY PLAT RQD ENCANA; ORDER 109-A-35; HA RB SUQQ; RED RIVER-BULL BAYOU; RE RIVER; 240959, 616736; SL 18606.
18858		SHREVEPORT	85 13 03/17/2010	373.87	373.87	JUN. AR 5/17/11 SAM: HBP. AR
19306		DIXIE	CV RA SUC;FRANKS 18 04/24/2007 1505 07-368	50.141	50.141	JUN. AR 5/17/11 SAM: HBP. AR
19349		CEDAR GROVE	HA RA SUC;GRAYSON 24H 04/07/2009 967-C-1	121.028	326	JUN. 5/16/11 JPT. EXACT DDPMT CANNOT BE CONFIRMED WITHOUT SRVY UNIT PLATS OF ALL UNITS CONTAINING 19349. THERE APPEARS TO BE AN EST \$1,050, INSTEAD OF \$15,532.13 PT 5/9/10 2/7/11 2ND REQ SRVY PLAT PETROHAWK; ORDER 967-C-3; HA RA SUK; 241366; 616453
19483				100	100	JUN. 5/17/11 SAM: 100 AC HBP, SUGGEST AR.
19576		BAYOU SAN MIGUEL	JUR RA SUM;OLYMPIA MINERALS 6 01/23/2008 1513 08-65	177.908	177.908	JUN. AR VRB 5/13/11 CCB-LEASE HELD. 4/29/11 SAM: NEW TRNSMTL 241429 616711 JUR RA SUM W 177.908 AC FROM SRVY PLAT DATED 10/14/10. NO RPTD PRD YET.PT 1/9/11
19581		ROSELAND	30.7 06/01/2009	37.8	37.8	JUN. SUGGEST AR PT 2/13/11 5/17/11 SAM: HBP, AR. PROD BEGAN AGAIN 12/1/2010, CONT TO 3/11 < RECK PROD 5/11 REVIEW.
19623				0	110	JUN. 4/1/11 RQD REL 3/25/11 RS SAM: APP EXP PT 3/12/11 SCHOOL INDEMNITY
19765		SWAN LAKE , THORN LAKE	233 06/17/2010	316	316	JUN. 4/29/11 JPT TRNSMTL W PLAT 239685 614787 HA RA SUK: SRVY PLAT DATED 12/22/09; INVOLVES RED RIVER; PLAT SENT TO SLO.
19832		RED RIVER-BULL BAYOU	HA RB SUZ;MATTHEWS TRUST 7 03/24/2009 109-X-30 09-324	53.72	53.72	JUN. 5/12/11 SAM: NEW TRNSMTL 239883 616203 HA RB SUN: FROM CERTIFIED SURVEY PLAT.
19833		BRACKY BRANCH	13	13.122	39	JUN. 5/17/11 SAM: CHANGED

Louisiana Department of Natural Resources (DNR)

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**Staff Reviews**

Report run on: May 31, 2011 6:18 AM

District Code 3 Lake Charles- North  
Get Review Date June 8, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			11/24/2009			PROD AC FROM 13.122 TO 39. HBP. AR 5/12/11 SAM: NEW TRNSMTL 240654 616421 JUR RB SUI: FROM CERTIFIED SURVEY PLAT DATED 4/19/11
19847		CONVERSE	HA RA SUE;MCDONALD 04/07/2009 501-G 09-376	90.49	117	JUN. 5/2/11 SAM: NEW TRNSMTL W PLAT DATED 3/4/11 240233 616047 HA RA SUG
20030				132	437	JUN. 5/17/11 SAM: HBP. AR 11/17/10 GJD 239502 PRDG DD 3/11/11 PT 3/11/12
20037		RED RIVER-BULL BAYOU	HA RD SUT;EDGAR CASON 31 H 03/03/2009 109-X-26	25	25	JUN. PT 4/8/12 5/4/11 SAM: 100%PRD, WELL COMP 12/23/10, NO RS RQD FOR DDPMT. 5/3/11 SRVY PLAT ENCANA; HA RA SUDD, 241937; 616691
20038		BRACKY BRANCH	HA RA SUV;CRESWOOD LAND 4 H 03/17/2009 917-L-5	22.66	49	JUN. 4/21/11 RQD PR DD 4/8/11 PT 4/8/12 4/19/11 RS TO SAM R
20039		RED RIVER-BULL BAYOU	HA RB SU63;HUCKABAY 31 H 11/06/2008 109-X-53	20	127	JUN. 5/17/11 SAM: 20 PROD AC. HBP 4/21/11 RQD PR PT 4/8/12 1/11/11 S/P RQD ENCANA 616454
20273				0	244	JUN. RNTL PD TO 2012 PT 3/10/13
20274				20.18	20.18	JUN. 5/2/11 RQD ANGELA SET UP PROPERTIES. 2/24/11 SAM NEW TRNSMTLS 241192 616380 HA RA SUA & 231581 614689 CV RA SUL W/ 20.18 AC. PT 3/10/13
20275				1.65	18	JUN. RNTL TO 2012 PT 3/10/13
20354				10 614	11	JUN. 5/16/11 JPT: DDPMT SHORT \$498.78 5/13/11 DDPMT TO SAM PT 6/9/13 1/6/11 SAM: ESTD PRD AC

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: May 31, 2011 6:18 AM

District Code	3S	Lake Charles- South				
Get Review Date	June 8, 2011					
Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
03057		LAC BLANC	56 RA SUA;SL 3055 08/14/2007 1028-L 07-858	7.3	380.642	JUN. 5/18/11 KAM: EMAILED REQ FOR STATUS RPT. PROD UNCHANGED. FU60DAYS. 1/26/11 OMR TO HLCP FUL > HLCP POD & RETURNING 73 SAND TO PROD BY 12/31/10
03839		WEST CAMERON BLOCK 17 , ZZZZZZZZZZ		2459.89	2459.89	JUN. AR 5/18/11 KAM: HBP, CONT AR 6A/POD
03840		WEST CAMERON BLOCK 17 , ZZZZZZZZZZ		483.29	483.29	JUN. AR 5/18/11 KAM: HBP, CONT AR 6A/POD
03841		WEST CAMERON BLOCK 17 , ZZZZZZZZZZ	SL 3841	994.85	994.85	JUN. AR 5/18/11 KAM: HBP, CONT AR 6A/POD
05419		LAKE ARTHUR, SOUTH	U MIOGYP RA SUE;GLENN 10/01/1990	239.134	245	JUN. AR 5/18/11 KAM: HBP 200800, 204802, 609981, 211244, 610914. CONT AR
07964		RICHIE, EAST	12.616 04/21/1989	7.384	7.384	JUN. AR 5/18/11 KAM: HBP ERH MM RA SU LUW 034153 CONT AR
11151		WHITE LAKE, WEST	47.845 05/14/2009	180.942	180.942	JUN. AR 5/18/11 KAM: HBP WWLK BIG 3-2 RC SU LUW 042808 WWLK BIG 3-2 RE SU 044353 CONT AR
12651		LAKE ARTHUR, SOUTH	140.678 01/29/1993	44.322	44.322	JUN. AR 5/18/11 KAM: HBP 208026 610576 CONT AR
12848		KINGS BAYOU , WEST CAMERON BLOCK 1	9850 RA SUA;SL 12848 12/19/2006 1358-G 06-1428	100.22	100.22	JUN. AR 5/18/11 KAM: HBP 226281 614836 208831 048765 CONT AR
13893		KINGS BAYOU	100.162 12/07/2000	106.399	106.399	JUN. AR 5/18/11 KAM: HBP 215622, 047994 CONT AR
14357		KINGS BAYOU	10.203 12/07/2000	2.967	2.967	JUN. AR 5/18/11 KAM: HBP 215622, 047994 CONT AR
16679		BAYOU ROGERS	11.569 05/10/2002	11.081	11.081	JUN. 5/4/11 FURR 11/1/10 REL RQD
17462		JOHNSONS BAYOU, WEST	431.089 08/12/2003	114.911	114.911	JUN. 5/24/11 REL RQD 5/18/11 KAM: FORMERLY HBP 227724, 613732. LAST PRD 11/10. EXP. RS COMPLETED.
18090		LAC BLANC	1296.62 06/08/2009	1203.13	1203.13	JUN. 5/19/11 RS KAM: PRDG FROM S D RA SUA. LEASE INCLUDES "DEEP RIGHTS TERMINATOR" PROVISION DDPMTS FOR 4 YRS TO HOLD DEEP RTS, NO LONGER ALLOWED. DEEP RTS BELOW PRD UNIT MUST BE REL'D. DOCUMENTS ATTACHED
18091		LAC BLANC	1759.78 06/08/2009	444.29	444.29	JUN. 5/19/11 RS KAM: PRDG FROM S D RA SUA. LEASE INCLUDES "DEEP RIGHTS TERMINATOR" PROVISION. DDPMTS FOR 4 YRS TO HOLD DEEP RTS, NO LONGER ALLOWED. DEEP RTS BELOW PRD UNIT MUST BE REL'D.

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: May 31, 2011 6:18 AM

District Code 3S Lake Charles- South  
Get Review Date June 8, 2011

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
						DOCUMENTS ATTACHED
18092		LAC BLANC	199.1 06/08/2009	96.59	96.59	JUN. 5/19/11 RS KAM: PRDG FROM S D RA SUA. LEASE INCLUDES "DEEP RIGHTS TERMINATOR" PROVISION. DDPMTS FOR 4 YRS TO HOLD DEEP RTS, NO LONGER ALLOWED. DEEP RTS BELOW PRD UNIT MUST BE REL'D. DOCUMENTS ATTACHED
18521		CREOLE OFFSHORE , LAKE ST JOHN	VUB;SL 18521 03/11/2009	433.41	433.41	JUN. AR 5/17/11 KAM: HBP 050242. CONTINUE ON AR 5/19/11 EMAILED ANGELA TO REMOVE 033784 FROM PROPERTY FOR THIS LEASE.
18864		CHENEYVILLE, WEST	25.111 06/24/2009	43.889	43.889	JUN AR 5/18/11 KAM: HBP 233570 049980 CONT AR
18984		KROTZ SPRINGS	5.98 12/01/2010	15.02	15.02	JUN AR 5/27/11 SSB: 614769 & 615523 PRDG TO 3/11
18985		KROTZ SPRINGS	35 05/10/2010	12.63	12.63	JUN. AR 5/18/11 KAM: HBP 233607 614890 SP RB SUA CONT AR
19302				0	254.76	JUN. 5/18/11 KAM: RNTL PD 2/18/11 CONT AR PT 3/14/12
19544		PORT BARRE	40.91 09/10/2010	9.09	9.09	JUN. SUGGEST AR 5/18/11 KAM: HBP 239777 239756 615598 F RB SUA. 11/10 REL LIST PRD SHAKY, RECK 6 MOS PT 12/12/10
19595		CARPENTERS BRIDGE	F RA SUA;FEAGIN ETAL 01/13/2009 1523 09-27	3.57	10	JUN. 5/19/11 RQD STATUS OF PR FROM VRB 5/18/11 KAM: 3.57 AC HBP 238754 615527 F RA SUA, STILL WAITING ON PR. CONT AR 5/19/10 DC: CONTACTED SYLVAN & THEY WILL CORRECT AND SEND PR. PT 3/12/11
20176				0	26	JUN. 5/4/11 FU RR 11/30/10 REL RQD 11/24/10 RS TO KAM: APP EXP PT 11/12/12
20180		ABBEVILLE	U MOTTY RE SUA;MONTAGNE ETAL 11/04/2010 155-K-6 10-1136	2.319	8.68	JUN. 5/4/11 KAM: NEW TRNSMTL U MOTTY RE SUA 241567 050680: UNIT DEFINED IN 144-K-6 RECLASSIFIED AS OIL & GAS. NO CHANGE IN UNIT BOUNDARIES
20271				0	906.985	JUN. 5/18/11 KAM: SN 242268 SPUD 1/24/11, P&A 5/10/11, DRLG ACROSS RNTL DATE. NEXT RNTL DUE 3/10/12. CONT AR. PT 3/10/15
20272				0	504.415	JUN. 5/18/11 KAM: RNTL PD 2/21/11 CONT AR PT 3/10/15
20276				0	28	JUN. 5/18/11 KAM: RNTL PD 3/15/11 CONT AR PT 3/10/13

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

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<b>District Code</b>	<b>3S</b>	<b>Lake Charles- South</b>				
<b>Get Review Date</b>	<b>June 8, 2011</b>					
<b>Lease Num</b>	<b>DA</b>	<b>Field</b>	<b>Latest lease Activity</b>	<b>Productive Acreage</b>	<b>Present Acreage</b>	<b>Flagged for Review In</b>
20286				0	356.72	JUN. 5/18/11 KAM: RNTL PD 2/21/11 CONT AR PT 3/10/15 OPTION
<b>167</b>				<b>44,601.676</b>	<b>130,017.023</b>	

BOBBY JINDAL  
GOVERNOR



SCOTT A. ANGELLE  
SECRETARY

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

***NOMINATION AND TRACT COMMITTEE REPORT***

The Nomination and Tract Committee, convened at **9:54 a.m.** on Wednesday, **June 8, 2011** with the following members of the Board in attendance:



Mr. Thomas L. Arnold, Jr.    Mr. Emile B. Cordaro    Mr. John C. Diez  
Mr. Robert M. Morton    Mr. Thomas W. Sanders    Mr. W. Paul Segura, Jr.  
Mr. Darryl D. Smith

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the August 10, 2011 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Sanders** duly seconded by **Mr. Arnold**, the Committee voted unanimously to recommend to the Board the granting of authority to the staff to advertise all such tracts as have been reviewed by the State Land Office and the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report presented by Mr. Fontenot.

The Staff recommended that a request by Bon Temps E&P, LLC for a \$30.00 per acre EGA Type II in the Bayou Carlin Field, St. Mary Parish, Louisiana be granted. On the motion of **Mr. Arnold**, duly seconded by **Mr. Sanders**, the Committee voted unanimously to grant a EGA Type II recommended to the Board for today's lease sale.

The Committee, on motion of **Mr. Segura**, seconded by **Mr. Diez**, voted to adjourn at **9:57 a.m.**

Respectfully Submitted,

by 

Emile B. Cordaro

Chairman

Nomination and Tract Committee

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## NOMINATION AND TRACT COMMITTEE

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

**WHEREAS**, Mr. Emile Fontenot presented to the State Mineral and Energy Board 48 tracts that had been nominated for the August 10, 2011 Mineral Lease Sale, and that same are to be advertised pending staff review; now therefore

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

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

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 8th day of June 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## NOMINATION AND TRACT COMMITTEE

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

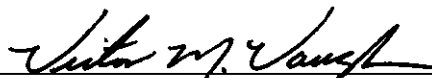
**WHEREAS**, the staff presented to the Board a recommendation to grant an EGA Type II in the Bayou Carlin Field, St. Mary Parish, Louisiana.

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

**NOW, BE IT THEREFORE RESOLVED**, that the State Mineral and Energy Board does hereby approve and authorize the afore mentioned EGA Type II for the June 8, 2011 Lease Sale.

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



LOUISIANA STATE MINERAL AND ENERGY BOARD





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

**AUDIT COMMITTEE REPORT**

The regular meeting of the Audit Committee of the State Mineral and Energy Board was held on Wednesday, June 8, 2011, following the Nomination and Tract Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building, located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Thomas L. Arnold, Jr.  
Emile B. Cordaro

John C. "Juba" Diez  
Robert "Michael" Morton

Thomas W. Sanders  
W. Paul Segura, Jr.  
Darryl D. Smith

Mr. Thomas L. Arnold, Jr. convened the Committee at 9:55 a.m.

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

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Diez, the Committee voted unanimously to approve 75% penalty waiver of \$21,005.09.

The second matter considered by the Committee was a penalty waiver requested from Dune Operating Company.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Sanders, the Committee voted unanimously to approve 50% penalty waiver of \$66,392.46.

The third matter considered by the Committee was a penalty waiver requested from Energy Partners, Ltd.


Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Sanders, the Committee voted unanimously to approve 100% penalty waiver of \$10,317.89.

The fourth matter considered by the Committee was the election of the June 2011 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.

Audit Committee Report  
June 8, 2011  
Page 2

On motion of Mr. Segura, seconded by Mr. Sanders, the Board voted unanimously to adjourn the Audit Committee at 10:01 a.m.

  
Thomas L. Arnold, Jr., Chairman  
Audit Committee

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

**WHEREAS**, Stone Energy Corp. has made a letter application for reduction of penalties assessed in the amount of \$28,006.79 due to late royalty payments in the Breton Sound Block 32 and South Pelto Block 1, State Leases 4708A, 4708, and A0285; and

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

**THEREFORE BE IT RESOLVED**, that the Board does waive seventy-five percent (75%), which amounts to \$21,005.09 of the total penalty assessed to Stone Energy Corp.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 8<sup>th</sup> day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### AUDIT COMMITTEE

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

**WHEREAS**, the State Mineral and Energy Board caused an audit to be performed of Dune Operating Company payments of state royalty in the Bateman Lake, Garden Isle Bay, Lake Sand, and Leeville fields; State Leases 214, 341, 1393, 10835, 11279, 11282, 12897, 13403, and 18816 which audit revealed that Dune Operating Company owed the state \$855,967.96 in underpayment of royalty and \$204,260.93 in interest and penalty for a total of \$1,060,228.89; and

**WHEREAS**, Dune Operating Company has remitted payment of \$927,444.56 for the outstanding principal and interest; and

**WHEREAS**, Dune Operating Company has made a letter application for reduction of penalties assessed in the amount of \$132,784.93 due to incorrect royalty payments; and

**WHEREAS**, the Mineral Income Division has reviewed the background and circumstances connected with Dune Operating Company's penalty assessment, including the reason for incorrect payment, the company's response to the audit and any suggested corrective measures, and the degree of cooperation and timeliness of providing information, and has verified that the underpayment of royalties was discovered by a Field Audit and was in fact paid by Dune Operating Company; and

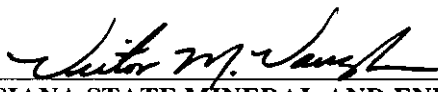
**WHEREAS**, the Mineral Income Division staff recommends that a fifty percent (50%) of the penalty be waived; and

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

**THEREFORE, BE IT RESOLVED**, that the Board does waive a fifty percent (50%), which amounts to \$66,392.47 of the total penalty assessed to Dune Operating Company

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



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

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### AUDIT COMMITTEE

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

**WHEREAS**, the State Mineral and Energy Board caused an audit to be performed of Energy Partners, LTD. payments of state royalty in the West Delta Block 53 field; State Lease 17935 which audit revealed that Energy Partners, LTD. owed the state \$35,803.58 in underpayment of royalty and \$18,161.72 in interest and penalty for a total of \$53,965.30; and

**WHEREAS**, Energy Partners, LTD. has remitted payment of \$43,647.41 for the outstanding principal and interest; and

**WHEREAS**, Energy Partners, LTD. has made a letter application for reduction of penalties assessed in the amount of \$10,317.89 due to incorrect royalty payments; and

**WHEREAS**, the Mineral Income Division has reviewed the background and circumstances connected with Energy Partners, LTD.'s penalty assessment, including the reason for incorrect payment, the company's response to the audit and any suggested corrective measures, and the degree of cooperation and timeliness of providing information, and has verified that the underpayment of royalties was discovered by a Field Audit and was in fact paid by Energy Partners, LTD.; and

**WHEREAS**, the Mineral Income Division staff recommends that an hundred percent (100%) of the penalty be waived; and

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

**THEREFORE, BE IT RESOLVED**, that the Board does waive an hundred percent (100%), which amounts to \$10,317.89 of the total penalty assessed to Energy Partners, LTD.

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

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



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

**LEGAL AND TITLE CONTROVERSY COMMITTEE REPORT**

The regular meeting of the Legal and Title Controversy Committee of the State Mineral and Energy Board was held on June 8, 2011, following the Audit Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Mr. Thomas W. Sanders  
Mr. Thomas L. Arnold, Jr.  
Mr. W. Paul Segura, Jr.  
Mr. Robert "Michael" Morton

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

The Legal and Title Controversy Committee was called to order by Mr. Sanders at 10:02 a.m.

A request was made by Staff to add the following item to the Legal & Title Controversy Committee Agenda:

A request by Staff to ratify the Unit Order by the Commissioner of Conversation regarding long laterals across unit lines whereby the Commissioner requires operators to report production from long lateral wells on a single well basis rather than assigning a well serial number LUW code as previously required by Board Resolution adopted at the March 9, 2011 Louisiana State Mineral and Energy Board Legal & Title Controversy Committee Meeting.

Upon recommendation of the staff, no objections or comments made from the public, and upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board add this item to the Legal & Title Controversy Committee Agenda as Item No. 6 and referenced as the sixth matter in this report.

The first matter considered by the Committee was a request for final approval of a Lease Amendment presented by Manti Equity Partners, LP, Manti Exploration & Production, Inc., Sunbelt Energy Properties-Bully Camp L.L.C., Exxon Mobil Corporation and Lucas Energy Ventures II, L.P., whereas said parties desire to amend Paragraph 2 and Paragraph 6 of State Lease No. 19712 to extend the primary term by six (6) months for a rental payment and an increase in the royalty by one-half (1/2%) percent, with further particulars being stipulated in the instrument, on the docket as Item No. 11-13.

Upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the Louisiana State Mineral and Energy Board grant final approval of the Lease Amendment presented by Manti Equity Partners, LP, Manti Exploration & Production, Inc., Sunbelt Energy Properties-Bully Camp L.L.C., Exxon Mobil Corporation and Lucas Energy Ventures II, L.P., on the docket as Item No. 11-13. No comments were made by the public.

The second matter considered by the Committee was a request for final approval of a Lease Amendment presented by Energy XXI GOM, LLC, whereas said party desires to amend Paragraph 2 and Paragraph 6 of State Lease No. 19707, to extend the primary term by one (1) year for a bonus payment and an increase in the royalty by one-half (1/2%) percent, with further particulars being stipulated in the instrument, on the docket as Item No. 11-15.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of the Lease Amendment presented by Energy XXI GOM, LLC on the docket as Item No. 11-15. No comments were made by the public.

The third matter considered by the Committee was a request for final approval of a Lease Amendment presented by Energy XXI GOM, LLC, whereas said party desires to amend Paragraph 2 and Paragraph 6 of State Lease No. 19708, to extend the primary term by one (1) year for a bonus payment and an increase in the royalty by one-half (1/2%) percent, with further particulars being stipulated in the instrument, on the docket as Item No. 11-16.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of the Lease Amendment presented by Energy XXI GOM, LLC on the docket as Item No. 11-16. No comments from the public were made.

The fourth matter considered by the Committee was a request for final approval of a Lease Amendment presented by Energy XXI GOM, LLC, whereas said party desires to amend Paragraph 2 and Paragraph 6 of State Lease No. 19709, to extend the primary term by one (1) year for a bonus payment and an increase in the royalty by one-half (1/2%) percent, with further particulars being stipulated in the instrument, on the docket as Item No. 11-17.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of the Lease Amendment presented by Energy XXI GOM, LLC on the docket as Item No. 11-17. No comments from the public were made.

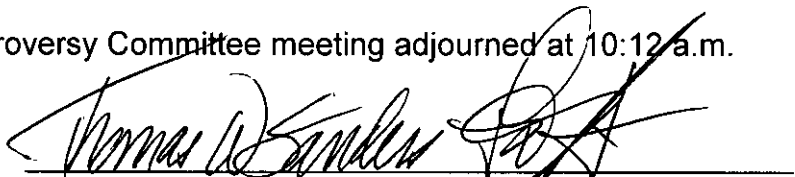
The fifth matter considered by the Committee was a request for final approval of a Lease Amendment presented by Energy XXI GOM, LLC, whereas said party desires to amend Paragraph 2 and Paragraph 6 of State Lease No. 19710, to extend the primary term by one (1) year for a bonus payment and an increase in the royalty by one-half (1/2%) percent, with further particulars being stipulated in the instrument, on the docket as Item No. 11-18.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of a Lease Amendment presented by Energy XXI GOM, LLC on the docket as Item No. 11-18. No comments from the public were made.

The sixth matter considered by the Committee was a request by Staff to ratify the Unit Order by the Commissioner of Conversation regarding long laterals across unit lines whereby the Commissioner requires operators to report production from long lateral wells on a single well basis rather than assigning a well serial number LUW code as previously required by Board Resolution adopted at the March 9, 2011 Louisiana State Mineral and Energy Board Legal & Title Controversy Committee Meeting.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board ratify the Unit Order with the understanding that the official Memorandum from James H. Welsh, Commissioner of Conservation dated June 3, 2011 will control reporting by any operators of the unit governed by Conservation Order No. 990-D-5. No comments from the public were made.

The Legal and Title Controversy Committee meeting adjourned at 10:12 a.m.



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

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



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

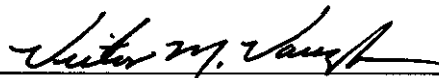
**WHEREAS**, a request was made for final approval of a Lease Amendment presented by Manti Equity Partners, LP, Manti Exploration & Production, Inc., Sunbelt Energy Properties-Bully Camp L.L.C., Exxon Mobil Corporation and Lucas Energy Ventures II, L.P., whereas said parties desire to amend Paragraph 2 and Paragraph 6 of State Lease No. 19712 to extend the primary term by six (6) months for a rental payment and an increase in the royalty by one-half (1/2%) percent, with further particulars being stipulated in the instrument, on the docket as Item No. 11-13;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Lease Amendment presented by Manti Equity Partners, LP, Manti Exploration & Production, Inc., Sunbelt Energy Properties-Bully Camp L.L.C., Exxon Mobil Corporation and Lucas Energy Ventures II, L.P., on the docket as Item No. 11-13.

## 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 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

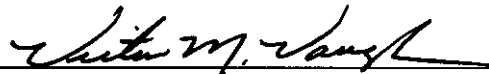
**WHEREAS**, a request was made for final approval of a Lease Amendment presented by Energy XXI GOM, LLC, whereas said party desires to amend Paragraph 2 and Paragraph 6 of State Lease No. 19707, to extend the primary term by one (1) year for a bonus payment and an increase in the royalty by one-half (1/2%) percent, with further particulars being stipulated in the instrument, on the docket as Item No. 11-15;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Lease Amendment presented by Energy XXI GOM, LLC on the docket as Item No. 11-15.

## 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 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

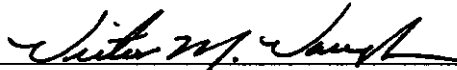
**WHEREAS**, a request was made for final approval of a Lease Amendment presented by Energy XXI GOM, LLC, whereas said party desires to amend Paragraph 2 and Paragraph 6 of State Lease No. 19708, to extend the primary term by one (1) year for a bonus payment and an increase in the royalty by one-half (1/2%) percent, with further particulars being stipulated in the instrument, on the docket as Item No. 11-16;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Lease Amendment presented by Energy XXI GOM, LLC on the docket as Item No. 11-16.

## 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 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

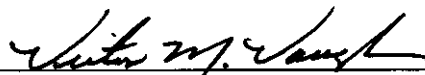
**WHEREAS**, a request was made for final approval of a Lease Amendment presented by Energy XXI GOM, LLC, whereas said party desires to amend Paragraph 2 and Paragraph 6 of State Lease No. 19709, to extend the primary term by one (1) year for a bonus payment and an increase in the royalty by one-half (1/2%) percent, with further particulars being stipulated in the instrument, on the docket as Item No. 11-17;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Lease Amendment presented by Energy XXI GOM, LLC on the docket as Item No. 11-17.

### 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 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

**WHEREAS**, a request was made for final approval of a Lease Amendment presented by Energy XXI GOM, LLC, whereas said party desires to amend Paragraph 2 and Paragraph 6 of State Lease No. 19710, to extend the primary term by one (1) year for a bonus payment and an increase in the royalty by one-half (1/2%) percent, with further particulars being stipulated in the instrument, on the docket as Item No. 11-18;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval of a Lease Amendment presented by Energy XXI GOM, LLC on the docket as Item No. 11-18.

## 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 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

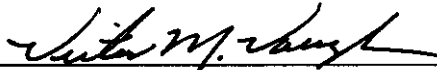
**WHEREAS**, a request was made by Staff to ratify the Unit Order by the Commissioner of Conservation regarding long laterals across unit lines whereby the Commissioner requires operators to report production from long lateral wells on a single well basis rather than assigning a well serial number LUW code as previously required by Board Resolution adopted at the March 9, 2011 Louisiana State Mineral and Energy Board Legal & Title Controversy Committee Meeting;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board ratify the Unit Order with the understanding that the official Memorandum from James H. Welsh, Commissioner of Conservation dated June 3, 2011 will control reporting by any operators of the unit governed by Conservation Order No. 990-D-5.

## 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 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD



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

DOCKET REVIEW COMMITTEE REPORT

The Docket Review Committee convened at 10:12 a.m. on Wednesday, June 8, 2011. Board Members present were Mr. John C. "Juba" Diez, Mr. Thomas W. Sanders, Mr. Thomas L. Arnold, Jr., Mr. Emile Cordaro, Mr. Darryl D. Smith, Mr. W. Paul Segura, Jr., Ms. Helen G. Smith and Mr. Robert "Michael" Morton.

The Committee made the following recommendations:

Approve Amendment of State Agency Lease A on page 1;

Approve all Assignments on pages 2 through 10; Nos. 3 and 13 on pages 2 and 6 would be approved subject to the approval of the Governor of Louisiana;

Approve the following items: Docket Item No. 11-14 on page 12;

Approve the following items upon recommendation of the Legal and Title Controversy Committee: Docket Item Nos. 11-13, 11-15, 11-16, 11-17 and 11-18 on pages 12 and 13.

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

There being no further business to come before the committee, upon motion of Mr. Sanders, and seconded by Mr. Arnold, the committee voted unanimously to adjourn the meeting at 10:14 a.m.

Respectfully submitted,

A handwritten signature in black ink that reads "John C. 'Juba' Diez" followed by a horizontal line.

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

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

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the June 8, 2011 Meeting be approved, said instrument being a Lease Amendment presented by Clayton Williams Energy, Inc., whereas said party desires to amend Paragraph 2 on page 3 of the State Agency Lease granted by the Plaquemines Parish Government in favor of Clayton Williams Energy, Inc. from a three (3) year to a four (4) year primary term, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Arnold, 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 8, 2011 Meeting be approved, said instrument being an Assignment from Paul E. Lee to Mona Kay Lee, of all of Assignor's right, title and interest in and to State Lease No. 10100, Concordia Parish, Louisiana, with further particulars being stipulated in the instrument.

B&L Supply Co. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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


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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Arnold, 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 8, 2011 Meeting be approved, said instrument being an Assignment from Westgrove Energy Holdings, L.L.C. to LLOG Exploration Company, L.L.C., an undivided 50% interest in and to State Lease No. 20344, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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


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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Arnold, 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 8, 2011 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Reassignment from Clayton Williams Energy, Inc. to Harvest Oil & Gas, LLC, of Assignor's right, title and interest in and to State Lease No 195, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

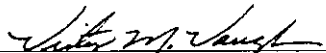
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

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

By   
Scott A. Angelle  
Chairman, State Mineral Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Arnold, 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 8, 2011 Meeting be approved, said instrument being an Assignment from XPLOR Energy SPV-1, Inc to J&S 2008 Program, LLC, an undivided 15.000% of 8/8ths working interest in and to State Lease Nos. 18423, 18521, 18524, 19031, 19190, 19192 and 20473, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

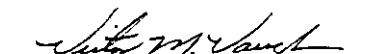
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Arnold, 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 8, 2011 Meeting be approved, said instrument being an Assignment from Joyce Oil & Gas, Inc to Chroma Oil & Gas, L.P., of all of Assignor's right, title and interest in and to State Lease Nos 15155, 15202, 15502 and 15726, Calcasieu Parish, Louisiana, with further particulars being stipulated in the instrument.

Chroma Oil & Gas, L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

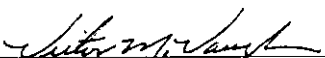
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Arnold, 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 8, 2011 Meeting be approved, said instrument being an Assignment from LLOG Exploration Company, L.L.C. and LLTX, L.L.C. to Sunnyside Resources, Inc., of all of Assignor's right, title and interest in and to State Lease Nos. 20048 and 20049, East and West Baton Rouge Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

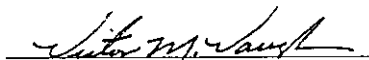
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8<sup>th</sup> day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Arnold, 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 8, 2011 Meeting be approved, said instrument being an Assignment from Maritech Resources, Inc. to Sunnyside Resources, Inc., of all of Assignor's right, title and interest in and to State Lease Nos 20048 and 20049, East and West Baton Rouge Parishes, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

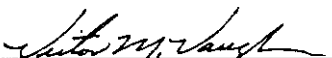
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Arnold, 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 8, 2011 Meeting be approved, said instrument being an Assignment from J&S Oil & Gas, LLC to J&S Program 2006, L.P., an undivided 6 25% interest in and to State Lease Nos. 19959 and 19960, St. Charles Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

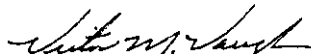
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Arnold, 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 8, 2011 Meeting be approved, said instrument being a Reassignment and Correction of Reassignment from American National Insurance Company, Condor Petroleum, Inc., Hilcorp Energy I, L.P., Imperial Resources, Inc., M W E Energy, Inc., William L. Moody, IV, William L. Moody, V, Unit Petroleum Company and XPLOR Energy SPV-1, Inc to Exxon Mobil Corporation, of all of Assignor's right, title and interest in and to State Lease Nos. 1450, 1451, 1480 and 14589, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

Exxon Mobil Corporation is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

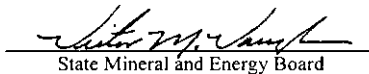
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Arnold, 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 8, 2011 Meeting be approved, said instrument being an Assignment from J&S Oil & Gas, LLC to J&S Program 2006, L P , of all of Assignor's right, title and interest in and to State Lease No 19068, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

J&S Oil & Gas, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

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

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

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

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

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

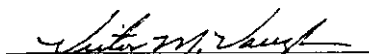
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Arnold, 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 8, 2011 Meeting be approved, said instrument being an Assignment from J&S Oil & Gas, LLC to J&S Program 2006, L.P., of all of Assignor's right, title and interest in and to State Lease No. 19067, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

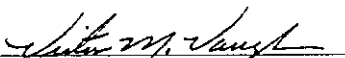
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Arnold, 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 8, 2011 Meeting be approved, said instrument being an Assignment from J&S Oil & Gas, LLC to J&S Program 2006, L.P., of all of Assignor's right, title and interest in and to State Lease No 19022, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

J&S Oil & Gas, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Arnold, 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 8, 2011 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment of Sublease from LaBay Exploration Co., L.L.C., an undivided 70% of Assignor's right, title and interest to the following in the proportions set out below

Castex Energy 2005 L.P.	17.5%
Energy XXI Onshore, LLC	17.5%
Phoenix Exploration Louisiana C LLC	35.0%

in and to State Lease No. 340, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument

Castex Energy 2005 L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

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

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

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

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

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

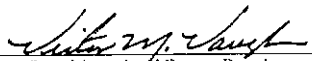
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

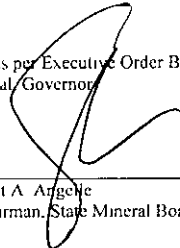
BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

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

By   
Scott A. Argenie  
Chairman, State Mineral Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Arnold, 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 8, 2011 Meeting be approved, said instrument being an Assignment from Sundown Energy LP to PGP Holdings 1, LLC, a 4 1/8% of 8/8ths of Assignor's right, title and interest in and to State Lease Nos. 19152, 19154, 19155, 19259, 19260, 19262, 19268, 19269, 19270, 19296, 19298, 19299, 19392, 19393, 19394, 19395, 19397, 19411, 19422, 19731, 19745, 19746, 19799, 19800, 19804, 19810, 19865, 19866, 19870, 19871, 19910, 19913 and 19914, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument.

Dynamic Offshore Resources, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

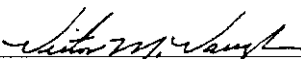
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 15 from the June 8, 2011 Meeting be approved, said instrument being an Assignment from Redcliff Resources, L.L.C. to Samson Contour Energy E & P, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 8512, 9570, 9571 and 9572, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Samson Contour Energy E & P, L.L.C. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16 from the June 8, 2011 Meeting be approved, said instrument being an Assignment from XPLOR Energy SPV-1, Inc. to May Oil & Gas, LLC, of all of Assignor's right, title and interest in and to State Lease No. 649, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

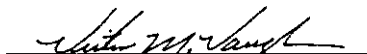
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17 from the June 8, 2011 Meeting be approved, said instrument being an Assignment from Hilcorp Energy I, L P to Club Oil & Gas, LLC, an undivided 12 50% of 8/8ths of Assignor's right, title and interest in and to State Lease Nos. 20456 and 20457, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument

Hilcorp Energy I, L P is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

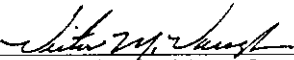
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
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State Mineral and Energy Board

# RESOLUTION

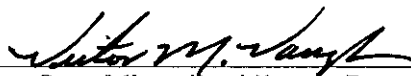
## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18 from the June 8, 2011, Meeting be approved, said instrument being a Correction of Resolution No. 20 from the January 12, 2011 Meeting, being an Assignment from Jack W. Grigsby, a single man to Grigsby Production L.C., whereas the following language was omitted from said resolution and is hereby being added..."**LIMITED TO** and shall only include depths from the surface to the top of the Haynesville Shale Zone, **RESERVING** any and all rights in and to the leases and the mineral interests as to all depths below the top of the Haynesville Shale Zone", affecting State Lease Nos. 6629 and 13920, Caddo and DeSoto Parishes, Louisiana.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 19 from the June 8, 2011 Meeting be approved, said instrument being an Assignment from Jack W. Grigsby to Grigsby Exploration L.C., of all of Assignor's right, title and interest in and to State Lease Nos 6629 and 13920, Caddo and DeSoto Parishes, Louisiana, **LIMITED TO** any and all rights in and to the Leases and the Mineral Interests as to all depths below the top of the Haynesville Shale Zone, with further particulars being stipulated in the instrument.

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

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

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

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

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

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


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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 20 from the June 8, 2011 Meeting be approved, said instrument being an Assignment from Century Exploration Houston, Inc., RAAM Global Energy Company, Century Exploration Resources, Inc., Windstar Energy, LLC and Sita Energy, LLC to Sandalwood Exploration, L.P., of all of Assignor's right, title and interest in and to State Lease No. 18258, Iberia Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS TO** the portions of such leases situated within the geographical confines of the 12,000' SUA and **INSOFAR AND ONLY INSOFAR AS TO** the untized sand for the 12,000' SUA, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

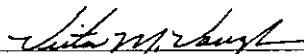
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 21 from the June 8, 2011 Meeting be approved, said instrument being an Assignment from Deep South Energy, Inc to J & S Oil & Gas, L.L.C, an undivided 0.500000% of 8/8ths interest in and to State Lease Nos. 18423, 18521, 18524, 19031, 19190, 19192 and 20473, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

J&S Oil & Gas, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 22 from the June 8, 2011 Meeting be approved, said instrument being an Assignment from Bamboo Investments, LLC to J & S Oil & Gas, LLC, an undivided 0 312839% of 8/8ths interest in and to State Lease Nos 18423, 18521, 18524, 19031, 19190, 19192 and 20473, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

J&S Oil & Gas, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

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

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

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

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

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

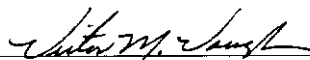
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 23 from the June 8, 2011 Meeting be approved, said instrument being an Assignment from Stokes & Spiehler Properties, Inc. to J & S Oil & Gas, LLC, an undivided 2 687161% of 8/8ths interest in and to State Lease Nos 18423, 18521, 18524, 19031, 19190, 19192 and 20473, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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


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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 24 from the June 8, 2011 Meeting be approved, said instrument being an Assignment from Madison, L.L.C to J & S Oil & Gas, LLC, an undivided 0 500000% of 8/8ths interest in and to State Lease Nos 18423, 18521, 18524, 19031, 19190, 19192 and 20473, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 25 from the June 8, 2011 Meeting be approved, said instrument being an Assignment from J&S Oil & Gas, LLC to J&S Program 2006, L.P., an undivided 21.1875% of 8/8ths interest in and to State Lease Nos 18423, 18521, 18524, 19031, 19190, 19192 and 20473, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

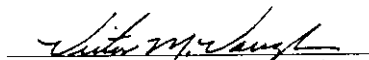
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

On motion of Mr. Sanders seconded by Mr. Arnold, 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 8, 2011 Meeting be approved, said instrument being an Assignment from Paramount Energy, Inc. to Chesapeake Louisiana, L.P., of all of Assignor's right, title and interest in and to State Agency Lease No. 20566, Bossier Parish, Louisiana, with further particulars being stipulated in the instrument.

Chesapeake Louisiana, L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-13 from the June 8, 2011 Meeting be approved, said instrument being a Lease Amendment presented by Manti Equity Partners, LP, Manti Exploration & Production, Inc., Sunbelt Energy Properties-Bully Camp L.L.C., Exxon Mobil Corporation and Lucas Energy Ventures II, L.P., whereas said parties desire to amend Paragraph 2 and Paragraph 6 of State Lease No. 19712, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-14 from the June 8, 2011, Meeting be approved, said instrument being a Unitization Agreement by and between the State of Louisiana and Exxon Mobil Corporation, Manti Equity Partners, LP, Manti Exploration & Production, Inc., Lucas Energy Ventures II, LP, Sunbelt Energy Properties- Bully Camp, LLC, et al, to create a 80.869 acre unit, more or less, identified as the "BC RA VUC", with 3.323 acres being attributable to State Lease No 19712 and the remaining acreage being attributable to private ownership, Bully Camp Field, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

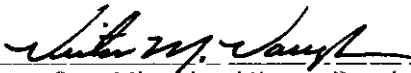
On motion of Mr. Sanders, seconded by Mr. Arnold, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-15 from the June 8, 2011, Meeting be approved, said instrument being a Lease Amendment presented by Energy XXI GOM, LLC, whereas said party desires to amend Paragraph 2 and Paragraph 6 of State Lease No 19707, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD


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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-16 from the June 8, 2011, Meeting be approved, said instrument being a Lease Amendment presented by Energy XXI GOM, LLC, whereas said party desires to amend Paragraph 2 and Paragraph 6 of State Lease No. 19708, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-17 from the June 8, 2011, Meeting be approved, said instrument being a Lease Amendment presented by Energy XXI GOM, LLC, whereas said party desires to amend Paragraph 2 and Paragraph 6 of State Lease No. 19709, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11-18 from the June 8, 2011, Meeting be approved, said instrument being a Lease Amendment presented by Energy XXI GOM, LLC, whereas said party desires to amend Paragraph 2 and Paragraph 6 of State Lease No. 19710, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2011 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board