

MINUTES

STATE MINERAL AND ENERGY BOARD

REGULAR MEETING AND LEASE SALE

JUNE 8, 2016

THE FOLLOWING OPENING OF SEALED
BIDS MEETING MINUTES, COMMITTEE
REPORTS AND RESOLUTIONS WERE
MADE A PART OF THE JUNE 8, 2016
STATE MINERAL AND ENERGY BOARD
REGULAR MEETING AND LEASE SALE
MINUTES BY REFERENCE

STATE MINERAL AND ENERGY BOARD
MINUTES - OPENING OF BIDS
JUNE 8, 2016

A public meeting for the purpose of opening sealed bids was held on Wednesday, June 8, 2016, beginning at 8:33 a.m. in the LaBelle 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
David Boulet, Assistant Secretary of the Office of Mineral Resources
Stacey Talley, Deputy Assistant Secretary of the Office of Mineral Resources
Rachel Newman, Director-Mineral Income Division
Frederick Heck, Director-Petroleum Lands Division
Emile Fontenot, Assistant Director-Petroleum Lands Division
James Devitt, Attorney-DNR Office of the Secretary

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, 2016

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

Ladies and 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. 44558 through 44566, 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)

Emile Fontenot
Assistant Director
Petroleum Lands Division

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

Mr. Vaughn further stated that the Staff will recommend to the Nomination and Tract Committee that Tract No. 44565 be withdrawn from today's Lease Sale and that all bids received on this tract will be returned unopened at the conclusion of today's Board meeting.

The following bids were then opened and read aloud to the assembled public by Mr. Emile Fontenot.

INLAND TRACTS

| | | |
|--------------------------|-------------|---------------------------|
| | Tract 44558 | |
| Bidder | : | Premience Energy, LLC |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$3,850.00 |
| Annual Rental | : | \$1,925.00 |
| Royalties | : | 22.500% on oil and gas |
| | : | 22.500% on other minerals |
| Additional Consideration | : | None |

| | | |
|--------------------------|-------------|---------------------------|
| | Tract 44559 | |
| Bidder | : | CICO Oil & Gas Company |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$250.00 |
| Annual Rental | : | \$125.00 |
| Royalties | : | 20.000% on oil and gas |
| | : | 20.000% on other minerals |
| Additional Consideration | : | None |

Tract 44560

No Bids

| | | |
|--------------------------|---------------------------|----------------------------------|
| | Tract 44561 | |
| | (Portion – 150.000 acres) | |
| Bidder | : | Southwest Energy Partners L.L.C. |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$27,000 |
| Annual Rental | : | \$13,500.00 |
| Royalties | : | 22.000% on oil and gas |
| | : | 22.000% on other minerals |
| Additional Consideration | : | None |

Tract 44562

No Bids

Tract 44563

No Bids

Tract 44564

No Bids

STATE AGENCY TRACTS

Tract 44565

Withdrawn

SHERBURNE WMA

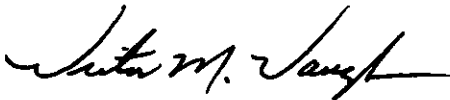
Tract 44566

| | | |
|--------------------------|---|---------------------------|
| Bidder | : | CICO Oil & Gas Company |
| Primary Term | : | Three (3) years |
| Cash Payment | : | \$2,500.70 |
| Annual Rental | : | \$1,250.70 |
| Royalties | : | 20.000% on oil and gas |
| | : | 20.000% on other minerals |
| Additional Consideration | : | None |

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 8:41 a.m.

Respectfully submitted,



Victor M. Vaughn
Executive Officer
State Mineral and Energy Board

STATE MINERAL AND ENERGY BOARD

REGULAR MEETING AND LEASE SALE MINUTES

JUNE 8, 2016

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on **Wednesday, June 8, 2016**, beginning at 11:05 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

Mr. Thomas L. Arnold, Jr., Chairman, 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.

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

The following member(s) of the Board was recorded as absent:

Darryl D. Smith
Johnny B. Bradberry

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

Also recorded as present were:

David Boulet - Assistant Secretary of the Office of Mineral Resources
Stacey Talley - Deputy Assistant Secretary of the Office of Mineral Resources
Victor Vaughn - Executive Officer to the State Mineral and Energy Board &
Geologist Administrator-Geological & Engineering Division
Rachel Newman - Director, Mineral Income Division
Frederick Heck - Director, Petroleum Lands Division
Emile Fontenot - Assistant Director, Petroleum Lands Division
James Devitt - Deputy General Counsel, Department of Natural Resources
Ryan Seidemann - Assistant Attorney General

Christopher Lento – Assistant Attorney General

The Chairman stated that the first order of business was the approval of the May 11, 2016 Minutes. A motion was made by Mr. Segura to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Hollenshead 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. Segura, seconded by Mr. Harris, 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.)

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

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

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

Ryan Seidemann of the Attorney General's office presented a proposed Resolution to the Board to adopt a new schedule for conducting meetings and lease sales effective as of the August 10, 2016 Board Meeting.

Upon motion of Mr. Haik, seconded by Mr. Segura, and unanimously adopted by the Board, the Board adopted the proposed Resolution for a new schedule for conducting meetings and lease sales effective as of the August 10, 2016 Board Meeting.

Upon motion of Mr. Segura, seconded by Mr. Hollenshead, the Board recessed its Regular Meeting at 11:18 to go into Executive Session for technical briefing in order to consider matters before the Board which were confidential in nature.

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. Segura,

seconded by Ms. LeBlanc, and unanimously adopted by the Board, the Board reconvened in open session at 11:25 a.m.

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

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

Mr. Vaughn stated that Staff recommends that the bid on Tract No. 44566 be rejected due to insufficient consideration as it did not meet the minimum requirement of \$350.00 per acre and 25% royalty as advertised and that the tract not be re-advertised by the Board since it has already been advertised with minimums.

Mr. Vaughn further recommended that the bids received on the remaining tracts be accepted.

Upon motion by Mr. Segura, seconded by Mr. Hollenshead, the Board unanimously voted to accept the bids received on Tract Nos. 44558, 44559 and 44561 and award leases on those tracts.

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. Segura, seconded by Mr. Hollenshead, the Board voted unanimously to accept the Staff's recommendations for the following:

1. Award a lease on Tract No. 44558 to Premience Energy, LLC.
2. Award a lease on Tract No. 44559 to CICO Oil & Gas Company.
3. Award a lease on a portion of Tract No. 44561, said portion being 150.000 acres, more particularly described in said bid and outlined on accompanying plat, to Southwest Energy Partners L.L.C.

This concluded the awarding of the leases.

The following announcements were then made:

Ms. Talley stated that "the total for today's Lease Sale is \$31,100.00, being the last lease sale of the fiscal year this brings the fiscal year-to-date total to \$5,529,721.49."

A happy birthday was wished to Mr. Segura for his upcoming birthday on June 15th.

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Hollenshead, seconded by Mr. Haik, the meeting was adjourned at 11:24 a.m.

Respectfully Submitted,



Victor M. Vaughn
Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

State Mineral and Energy Board
Organization of Meetings

RESOLUTION # 16-06-048

WHEREAS, the procedure for the conduct of the State Mineral and Energy Board ("Board") has been largely unchanged since the passage of a Resolution setting the meeting schedule on August 10, 2005;

WHEREAS, the Board believes it to be more convenient and in the best interests of industry and Staff to revise the organization of Board Meetings and to streamline such meetings and to eliminate unnecessary redundancies;

WHEREAS, the following schedule for conducting meetings and lease sales effective as of the August 10, 2016 Board Meeting was discussed and considered:

1. At 8:30 A.M. on the Wednesday morning of the regularly-called Board Meeting, announcement will be made that proofs of advertisement have been secured for all tracts up for bid, and mentioning any letters of protest, including the name of the party protesting and the tract numbers for which the protest is lodged, and further, mentioning any tracts that will be recommended for withdrawal from that month's lease sale by the Board when its regular meeting convenes and for each of which the bids will not be opened. Thereafter, bids for those tracts not to be withdrawn will be opened and read aloud until all submitted bids have been opened and read.
2. At 9:30 A.M., or when the opening and reading of bids is completed, whichever is later, the regular Board Meeting shall begin with a roll call of Board members to ensure a quorum is present.
3. Following such roll call, and once a quorum is present, each section of the Office of Mineral Resources shall present their respective reports to the Board, requesting any authority and action from the full Board on any items requiring Board action excepting those matters to be considered in executive session. There shall no longer be separate committees of the whole for the consideration of each section report.
4. Upon the completion of the presentation of all section reports, the Board shall: consider for adoption the minutes of the prior Board meeting and act on the authorization to withdraw any tract so recommended prior to the opening of bids.
5. Upon the completion of the adoption of the prior meeting minutes and the withdrawal authorizations, if any, all matters requiring consideration in executive session shall be called and the Board shall vote whether to go into executive session for such consideration.
6. The Board Chair or acting Chair shall have the authority to create committees of less than a full membership of the Board to handle and consider special or complex matters and projects on an

Resolution #16-06-048
(Regular Meeting)

as-needed basis and to report findings to the whole Board either during the presentation of section reports or during executive session, whichever is appropriate.

7. Thereafter, any matter for the Board's consideration may be brought up depending upon the proximity to the lunch recess.
8. If Staff has reviewed the bids received, the Board may then go into executive session for a briefing by Staff. If Staff has not completed its review of bids, the Board may recess for lunch or for such time as is necessary for Staff to complete its review of the bids received and the Board shall name a specific time thereafter when the meeting will resume, after which briefing by Staff will commence in executive session. Following the briefing, and coming out of executive session and into regular session, the Board will then award those leases it deems in the best interest of the State.
9. Thereafter, the results of that lease sale will be stated, and any other announcements that the Board deems pertinent will be made, following which the Board meeting shall be formally adjourned.

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby rescind the Resolution dated August 10, 2005 setting the Board Meeting schedule and adopt the following schedule for conducting meetings and lease sales, which shall be effective as of the August 10, 2016, Board meeting, to wit:

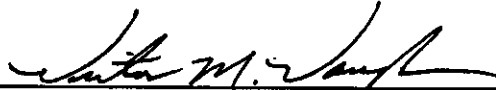
1. At 8:30 A.M. on the Wednesday morning of the regularly-called Board Meeting, announcement will be made that proofs of advertisement have been secured for all tracts up for bid, and mentioning any letters of protest, including the name of the party protesting and the tract numbers for which the protest is lodged, and further, mentioning any tracts that will be recommended for withdrawal from that month's lease sale by the Board when its regular meeting convenes and for each of which the bids will not be opened. Thereafter, bids for those tracts not to be withdrawn will be opened and read aloud until all submitted bids have been opened and read.
2. At 9:30 A.M., or when the opening and reading of bids is completed, whichever is later, the regular Board Meeting shall begin with a roll call of Board members to ensure a quorum is present.
3. Following such roll call, and once a quorum is present, each section of the Office of Mineral Resources shall present their respective reports to the Board, requesting any authority and action from the full Board on any items requiring Board action excepting those matters to be considered in executive session. There shall no longer be separate committees of the whole for the consideration of each section report.
4. Upon the completion of the presentation of all section reports, the Board shall: consider for adoption the minutes of the prior Board meeting and act on the authorization to withdraw any tract so recommended prior to the opening of bids.

Resolution #16-06-048
(Regular Meeting)

5. Upon the completion of the adoption of the prior meeting minutes and the withdrawal authorizations, if any, all matters requiring consideration in executive session shall be called and the Board shall vote whether to go into executive session for such consideration.
6. The Board Chair or acting Chair shall have the authority to create committees of less than a full membership of the Board to handle and consider special or complex matters and projects on an as-needed basis and to report findings to the whole Board either during the presentation of section reports or during executive session, whichever is appropriate.
7. Thereafter, any matter for the Board's consideration may be brought up depending upon the proximity to the lunch recess.
8. If Staff has reviewed the bids received, the Board may then go into executive session for a briefing by Staff. If Staff has not completed its review of bids, the Board may recess for lunch or for such time as is necessary for Staff to complete its review of the bids received and the Board shall name a specific time thereafter when the meeting will resume, after which briefing by Staff will commence in executive session. Following the briefing, and coming out of executive session and into regular session, the Board will then award those leases it deems in the best interest of the State.
9. Thereafter, the results of that lease sale will be stated, and any other announcements that the Board deems pertinent will be made, following which the Board meeting shall be formally adjourned.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of June, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



**Victor M. Vaughn, Executive Officer
State Mineral and Energy Board**

Resolution #16-06-048
(Regular Meeting)

RESOLUTION

LOUISIANA STATE MINERAL BOARD

Legal and Title Controversy Committee

ON MOTION OF Mr. Noel, duly seconded by Mr. Arnold, the following Resolution was unanimously adopted by the State Mineral Board:

WHEREAS the procedure for the conduct of State Mineral Board meetings and lease sales in the recent past have adhered to the following timetable, to-wit:

- 1) Committee meetings begin at 9:00 a.m. on the Wednesday morning of the regularly called Mineral Board meetings and continue until 10:00 a.m. where, if said committee meetings are not completed, they are recessed;
- 2) At, or near, 10:00 A.M. the regular Mineral Board meeting is begun with the roll call, acceptance of minutes from past month's Mineral Board meeting, proofs of advertisement and letters of protest being noted and opening of bids which are read aloud until finished;
- 3) On completion of opening and reading of bids the Mineral Board recesses and, if any committee meetings have been recessed or not completed, those committee meetings are resumed or initiated until all committees have completed their meetings;
- 4) When all bids are reviewed by the staff, a technical briefing is given by the staff to the Mineral Board regarding all bids;
- 5) Following the technical briefing the Mineral Board meeting is resumed at which time the leases are awarded, all committee reports are adopted, any other business to come before the Board is considered and the results of the lease sale are announced.
- 6) The Mineral Board meeting is then formally adjourned; and

WHEREAS, the State Mineral Board believes it to be more convenient for and in the best interest of industry and the staff to revise the timetable for conducting the State Mineral Board meeting and lease sale to better accommodate action by the Mineral Board on any issues which arise in the committee meetings and to give staff additional time to review bids received.

NOW THEREFORE, BE IT RESOLVED that the State Mineral Board does hereby adopt the following timetable for conducting the Mineral Board meeting and lease sale, which shall be effective as of the October 12, 2005, Mineral Board meeting, to-wit:

1. At 8:30 a.m. on the Wednesday morning of the regularly called Mineral Board Meeting, announcement will be made that proofs of advertisement have been secured for all tracts up for bid, and mentioning any letters of protest, including the name of the party protesting and the tract numbers for which the protest is lodged, and further, mentioning any tracts which will be recommended for withdrawal from that month's lease sale by the Mineral Board when its regular meeting convenes and for each of which the bids will not be opened. Thereafter, bids for those tracts not to be withdrawn will be opened and read aloud until all submitted bids have been opened and read.
2. At 9.30 a.m., or when the opening and reading of bids is completed, whichever is later, the committee meetings will begin, and they shall continue until completed or 11:00 a.m., whichever is earlier. If the committee meetings are not completed by 11:00 a.m., the committee meeting in progress at that time will be recessed.
3. At 11:00 a.m. the regular Mineral Board meeting will begin with a role call of Mineral Board members to ensure a quorum is present. If the committee meetings have not finished, the

Mineral Board may recess its meeting so that the unfinished committee meetings may conclude and the Mineral Board may have the recommendations of all committees to consider. The regular Mineral Board meeting will then resume. Otherwise, if all committees have concluded their meetings before 11 00 a m , the Mineral Board will adopt the minutes of the prior Mineral Board meeting, act on the authorization to withdraw any tract so recommended prior to the opening of bids, and act on the various committees' recommendations. Thereafter, any matter for the Mineral Board's consideration may be brought up. Depending upon the proximity to lunch recess, if the staff has reviewed the bids received, the Mineral Board may then go into executive session for a briefing by the staff. If the staff has not completed its review of bids, the Mineral Board meeting may recess for lunch and name a specific time thereafter when the meeting will resume, after which briefing by the staff will commence in executive session. Following the briefing, and coming out of executive session and into regular session, the Mineral Board will then award those leases it deems in the best interest of the State.

4 Thereafter, the results of that lease sale will be stated, and any other announcements the Mineral Board deems pertinent will be made and the Mineral Board meeting formally adjourned.

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 Board in the City of Baton Rouge, Louisiana, on the 10th day of August 2005, 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 Board and is now in full force and effect.


Louisiana State Mineral 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, 2016 at 9:35 a.m. with the following members of the Board in attendance: Mr. Thomas L. Arnold, Jr., Mr. Thomas F. Harris, Mr. Theodore M. "Ted" Haik, Jr., Mr. J. Todd Hollenshead, Ms. Carol R. LeBlanc, Mr. W. Paul Segura, Jr., and Mr. Robert D. Watkins.

I. Geological and Engineering Staff Review

The staff of the Office of Mineral Resources reported to the Committee that according to the SONRIS database, there were 1,462 active State Leases containing approximately 608,000 acres. Since the last Lease Review Committee meeting, the Geological and Engineering Division reviewed 124 leases covering approximately 30,000 acres for lease maintenance and development issues.

II. Committee Review

There were no state leases brought before the Lease Review Committee.

III. Force Majeure Report

1. **White Oak Operating Company, LLC** requested recognition of a force majeure condition affecting State Leases 15155, 15202 and 15726 beginning March 16, 2016 due to flooding.
On motion of Mr. Arnold, seconded by Mr. Watkins, the Committee voted to recognize the force majeure condition due to flooding affecting White Oak Operating Company, LLC, State Leases 15155, 15202 and 15726 as of March 16, 2016 and that White Oak has 75 days to restore production and further requires that White Oak provide monthly updates on the progress to restore production.
2. **Five-JAB, Inc.** requests recognition after-the-fact due to loss of access to a gas pipeline that serves State Lease 13566 and Operating Agreement A0220 beginning June 25, 2015.
On motion of Mr. Arnold, seconded by Mr. Watkins, the Committee voted to recognize the force majeure after-the-fact due to loss of access to a gas pipeline, affecting Five-JAB, Inc., State Lease 13566 and Operating Agreement A0220 for the period of June 25, 2015 through May 24, 2016 when production was restored. The conditional recognition provides that Five-JAB amends State Lease 13566 and Operating Agreement A0220 to provide for the current force majeure language and the other lease amendments required by the Board.

3. **Hilcorp Energy Company** requested recognition of a force majeure affecting State Lease 21109 beginning December 12, 2015.

On motion of Mr. Arnold, seconded by Mr. Watkins, the Committee voted to recognize the force majeure event beginning December 12, 2015 and accept Hilcorp's shut-in payments beginning March 11, 2016 to maintain State Lease 21109.

Force Majeure Report Summary - Updated June 1, 2016

| Company Name | Lease Numbers |
|---|------------------|
| Leases Off Production Due to Non-Storm Related Force Majeure Events | |
| Energy Properties Inc. | 725 (July, 2016) |

Upon motion of Mr. Watkins, seconded by Mr. Harris, the Committee adjourned the June 8, 2016 meeting at 9:40 a.m.

Respectfully submitted,

Theodore M. "Ted" Haik, Jr. /RV

Mr. Theodore M. "Ted" Haik, Jr., Chairman
Lease Review Committee
Louisiana State Mineral and Energy Board

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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-001 (Lease Review Committee)

WHEREAS, pursuant to Louisiana Revised Statute 30:129, the State Mineral and Energy 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, and;

WHEREAS, due to flooding along the Sabine River White Oak Operating, LLC ("White Oak") was forced to shut-in production affecting State Leases 15155, 15202 and 15726 on March 16, 2016, and;

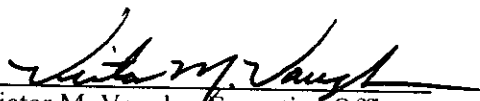
WHEREAS, the Office of Mineral Resources Staff ("Staff") recommends recognition of the force majeure event beginning March 16, 2016 suspending the continuous operations clause until such time as the effects of the force majeure are remedied and at which time White Oak will have 75 days to restore production, and;

WHEREAS, White Oak has submitted the initial report and submitted a notarized affidavit attesting to the facts in this matter.

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, that the force majeure event flooding from the Sabine River prevents White Oak Operating Company, LLC from restoring production beginning March 16, 2016 and temporarily suspends the continuous operation and production clause until such time as the effects of force majeure are relieved affecting State Leases State Lease 15155, 15202 and 15726, Calcasieu Parish, Louisiana. The Board further stipulates that once the effects of the force majeure condition are relieved, White Oak will have seventy-five (75) days to restore production to these leases. White Oak shall also be required to provide monthly updates until such time as the force majeure condition is remedied.

CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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.


Victor M. Vaughn, Executive Officer
Louisiana State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-002 (Lease Review Committee)

WHEREAS, pursuant to Louisiana Revised Statute 30:129, the State Mineral and Energy 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, and;

WHEREAS, on June 25, 2015 Five-JAB, Inc. ("Five-JAB") shut-in production affecting State Lease 13566 and Operating Agreement A0220 due to the requirement by the U.S. Army Corps of Engineers for the pipeline company to permit a new levee crossing, and;

WHEREAS, Five-JAB was prevented from restoring production on State Lease 13566 and Operating Agreement A0220 for a period of greater than ninety (90) days from June 25, 2015 until May 24, 2016 when production was finally restored, and;

WHEREAS, State Lease 13566 and Operating Agreement A0220 do not have language within the lease and operating agreement to maintain the lease and operating agreement in the case of such an event, and;

WHEREAS, the Board approved Force Majeure policy in 2005 provides for recognizing this type event as a force majeure provided the petitioner proceeds to amend the lease with the approved language in the 2005 policy resolution, and;

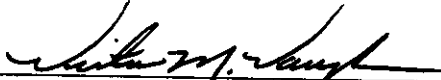
WHEREAS, the Office of Mineral Resources Staff ("Staff") recommends conditional recognition of the force majeure event for the period of June 25, 2015 through May 24, 2016 provided that Five-JAB amends State Lease 13566 and Operating Agreement A0220 to provide for the current force majeure language and the other lease amendments required by the Board, and;

WHEREAS, Five-JAB has submitted the initial report and submitted a notarized affidavit attesting to the facts in this matter.

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 conditionally recognizes and acknowledge after-the-fact due to extenuating circumstances, that the force majeure event due to governmental and pipeline restrictions preventing Five-JAB, Inc. restoring production for the period of greater than ninety (90) days from June 25, 2015 affecting State Lease 13566 and Operating Agreement A0220, Plaquemines Parish, Louisiana. The Board's conditional recognition provides that Five-JAB amend the state lease and operating agreement to include the current force majeure language and the other lease amendments required by the Board.

CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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.


Victor M. Vaughn, Executive Officer
Louisiana State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-003 (Lease Review Committee)

WHEREAS, pursuant to Louisiana Revised Statute 30:129, the State Mineral and Energy 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, due to a fire and explosion on December 12, 2015 at a production facility which qualifies as a Force Majeure event, Hilcorp Energy Corporation ("Hilcorp") was prevented from restoring production on State Lease 21109, and;

WHEREAS, Article 13 of the lease provides that in the case of a Force Majeure event, if a lease can be maintained by another provision in the lease, such as a shut-in payment, then the Lessee is required to make the payment to maintain the lease beyond any critical date, and;


WHEREAS, as a result of the Force Majeure event that occurred on December 12, 2015 Hilcorp made the first shut-in payment due on March 11, 2016 in order to maintain the lease in accordance to its terms, and;

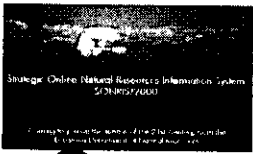
WHEREAS, Hilcorp has submitted the initial report and submitted a notarized affidavit attesting to the facts in this matter.

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 confirm the Staff's recommendation to recognize the occurrence of the Force Majeure event and to accept Hilcorp Energy Corporation's shut-in payment for the first shut-in period beginning March 11, 2016 which shall maintain State Lease 21109 in full force and effect for a period of six (6) months.

CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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.


Victor M. Vaughn, Executive Officer
Louisiana State Mineral and Energy Board



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: June 14, 2016 2:11 PM

Object Code 1 New Orleans- East
Get Review Date June 8, 2016

Table with columns: Lease Num, O/A, Field, Latest Lease Activity, Productive Acreage, Present Acreage, Flagged for Review. Includes rows for various lease numbers like 00335C, 01227, 02125, etc.



Louisiana Department of Natural Resources (DNR)

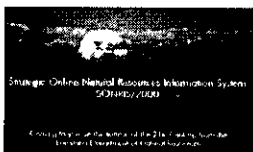
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Staff Reviews

Report run on: June 14, 2016 2:11 PM

Object Code 1 New Orleans- East
Get Review Date June 8, 2016

Table with columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Rows include lease details for Breton Sound Block 53, Main Pass Block 46, Coquille Bay, Chipola, North, Lake Raccourci, Pointe a la Hache, East Cox Bay, and Breton Sound Block 49.



Louisiana Department of Natural Resources (DNR)

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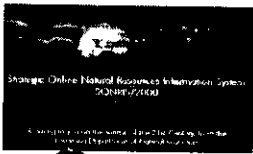
Staff Reviews

Report run on: June 14, 2016 2:11 PM

Tract Code 1W New Orleans- West

Get Review Date June 8, 2016

Table with columns: Lease Num, DA, Field, Latest Lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Rows include lease details for Lake Washington, Lake Hermitage, South Pass, West Delta, Little Lake Temple, Lake Palourde, East, Bayou Segnette, Lake Enfermer, Bay Marchand Block 2 Offshore, Bastian Bay, and Bay Sherman.



Louisiana Department of Natural Resources (DNR)

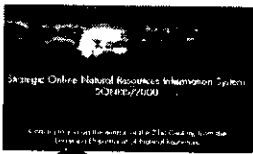
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Staff Reviews

Report run on: June 14, 2016 2:11 PM

Object Code 1W New Orleans- West
Get Review Date June 8, 2016

| Lease Num | DA | Field | Latest lease Activity | Productive Acreage | Present Acreage | Flagged for Review In |
|-----------|----|---------------------|--|--------------------|-----------------|--|
| 17339 | | GOLDEN MEADOW | 23 891 03/15/2010 | 11.109 | 11.109 | JUN. AR 5/25/16 MS AR, LEASE HBP BY 11400 RA SUA |
| 17382 | | TIGER PASS | 2MKR RC SUA; 07/09/2002 701-A-2 02-363 | 307 094 | 307.094 | JUN. AR 5/25/16 MS AR, LEASE HBP BY 2MKR RC SUA |
| 18738 | | GRAND ISLE BLOCK 16 | 273.79 06/05/2014 | 31 25 | 31 25 | JUN AR 5/25/16 MS AR, LEASE HBP BY VUA |
| 19863 | | DELTA FARMS | 99 56 12/14/2010 | 39.44 | 39.44 | MAR AR 5/25/16 MS AR, LEASE HBP BY VUA |
| 20892 | | LAKE RACCOURCI | SL 20892 | 174.85 | 174.85 | JUN. AR 5/25/16 MS AR, LEASE HBP BY N-3A RA SUA |
| 21364 | | BAY BATISTE | 29 RA SUA;SL 9570 01/09/1985 122-A-1 85-22 | 143 | 198 | MAY PT 02/26/2017 5/25/16 MS AR, LEASE HBP BY 28 RA SUA, 29 RA SUA, OUTSIDE ACREAGE HAS BEEN RELEASED, BY TCHEFUNCTE NATURAL RESOURCES, UPDATE RETAINED IS PENDING |



Louisiana Department of Natural Resources (DNR)

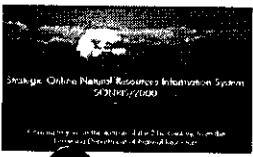
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Staff Reviews

Report run on: June 14, 2016 2:11 PM

District Code 2 Lafayette
Get Review Date June 8, 2016

| Lease Num | DA | Field | Latest lease Activity | Productive Acreage | Present Acreage | Flagged for Review/In |
|-----------|----|--------------------------------|--|--------------------|-----------------|--|
| 00341 | | BATEMAN LAKE | 9700 RSW1B SUA;SL 1337 WAX U1 89-K-3 90-110 | 1000 | 1000 | JUN. AR 5/20/16 AW HBP IN 1 UNIT (BAL SU); 5 PRODUCING WELLS |
| 03584 | | PATTERSON | MA 1 RA SUA;SL 1685 02/01/1995 | 55 | 55 | JUN. AR 5/20/16 AW HBP IN 1 UNIT (MA 1 RA SUA); 1 PRODUCING WELL |
| 05683 | | DEER ISLAND, DEER ISLAND, WEST | CL&F 21 07/08/2009 | 1.36 | 18.6 | JUN. AR 5/20/16 AW HBP IN 1 UNIT (12800 RB VUA); 2 PRODUCING WELLS |
| 07520 | | MURPHY LAKE | 11.87 01/15/2009 | 11.046 | 11.046 | JUN. AR 5/20/16 AW HBP IN 1 UNIT (MARG V RA SUA); 1 PRODUCING WELL |
| 14851 | | SHIP SHOAL BLOCK 65 | VUB;SL 14851 | 210 | 210 | JUN. AR 5/20/16 AW HBP IN 1 UNIT (VUB) AND LEASE WELL; 3 PRODUCING WELLS |
| 16046 | | RAMOS | OPERC 5 RA SUA;CM THIBODAUX CO 389-H 98-570 | 1.7 | 1.7 | JUN. AR 5/20/16 AW HBP IN 2 UNITS (OPERC B RB SUA & OPERC 3 RB SUA); 3 PRODUCING WELLS |
| 16049 | | RAMOS | OPERC 5 RA SUA;CM THIBODAUX CO 389-H 98-570 | 62.3 | 62.3 | JUN. AR 5/20/16 AW HBP IN 2 UNITS (OPERC B RB SUA & OPERC 3 RB SUA); 3 PRODUCING WELLS |
| 16051 | | RAMOS | OPERC 5 RA SUA;CM THIBODAUX CO 389-H 98-570 | 36.5 | 36.5 | JUN. AR 5/20/16 AW HBP IN 2 UNITS (OPERC B RB SUA & OPERC 3 RB SUA); 3 PRODUCING WELLS |
| 16121 | | CAILLOU ISLAND | D12 RA VUA;SL 16121 02/12/2003 | 160 | 218.29 | JUN. AR 5/20/16 AW HBP IN 1 UNIT (D12 RA SUA) AND LEASE WELL; 2 PRODUCING WELLS |
| 17309 | | SHIP SHOAL BLOCK 67 | | 279.97 | 279.97 | JUN. AR 5/20/16 AW HBP IN LEASE WELL; 1 PRODUCING WELL |
| 19570 | | LAPEYROUSE | 2.162 02/07/2011 | .838 | .838 | JUN. AR 5/20/16 AW HBP IN 1 UNIT (7450 RB SUA); 2 PRODUCING WELLS |
| 20893 | | LAKE RACCOURCI | 277.44 04/23/2015 | 84.56 | 84.56 | JUN. AR 5/20/16 AW HBP IN 1 UNIT (N-3A RA SUA); 1 PRODUCING WELL |
| 20894 | | LAKE RACCOURCI | 21.17 04/23/2015 | 6.83 | 6.83 | JUN. AR 5/20/16 AW HBP IN 1 UNIT (N-3A RA SUA); 1 PRODUCING WELL |
| 21383 | | BAY ST ELAINE | | 331.11 | 331.11 | JUNE PT 3/12/17 5/20/16 AW HBP IN LEASE WELL; 1 PRODUCING WELL |



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: June 14, 2016 2:11 PM

Tract Code 3 Lake Charles- North
Get Review Date June 8, 2016

| Lease Num | DA | Field | Latest lease Activity | Productive Acreage | Present Acreage | Flagged for Review In |
|-----------|----|-------------------|---|--------------------|-----------------|---|
| 05849 | | ELM GROVE | HA RA SU139;CAPLIS 23 H 02/24/2015 361-L-147 15-92 | 580 | 580 | JUN AR 5/17/2016 SR AR - 100% HBP. 45 ACTIVE UNITS. 160 PRODUCING WELLS;; 5/26/15 JPT NEW 617804 HA RA SU142.; 5/26/15 JPT NEW 617803 HA RA SU141;; 5/13/15 SKR AR - HBP 37 UNITS 168 PRODUCING WELLS;; 5/11/15 JPT NEW 617797 HA RA SU139;; 2/15/15 SKR CORRECT. 617438 HA RA SU 76;; 2/9/15 SKR CORRECT. 615445 HA RA SUB;; 1/7/15 LETTER TO BHP BILLITON REQ. FOR PLAT LCV RA SU84;; 9-3-14 SKR LETTER TO BHP BILLITON REQ. FOR PLAT LUW 605188, 613741, 617438.; 8/21/14 JPT PRELIM 613741 LCV RA SU71;; 8/21/14 JPT PRELIM. 617438 HA RA SU76;; 8/21/14 JPT PRELIM 605188 HOSS RA SU29;; 7-29/14 SKR LETTER TO BHP BILLITON REQ. FOR SURVEY PLAT FOR LCV RA SU71;; 5/14/14 SKR AR - 100% HBP. 40 PRODUCING UNIT LUWS |
| 06003 | | REDOAK LAKE | 99.285 03/27/1993 | 112.608 | 112.608 | JUN. AR 5/17/16 SR AR - 100% HBP 1 ACTIVE UNIT 1 PRODUCING WELL |
| 06708 | | ELM GROVE | HA RA SUEE;FRIERSON BROS 32 H 11/10/2009 361-L-66 09-1187 | 70.65 | 70.65 | JUN. AR 5/17/16 SR AR - 100% HBP 7 ACTIVE UNITS 25 PRODUCING WELLS |
| 08086 | | SIMSBORO, WEST | HOSS RA SUI;LUDLEY 08/01/1980 327-B-2 80-412 | 39 | 39 | JUN. AR 5/17/16 SR AR - 100% HBP 1 ACTIVE UNIT. 2 PRODUCING WELLS |
| 08936 | | CADDO PINE ISLAND | CAPV VIV RA SU 03/01/1993 | 4.45 | 4.45 | JUN AR 5/17/16 SR AR - 100% HBP 1 PRODUCING RESERVOIR WIDE UNIT. 12 PRODUCING WELLS |
| 09312 | | CASPIANA | HA RA SUM;EVANS 4H 191-H-13 08-1047 | 2.67 | 2.67 | JUN. AR 5/17/16 SR AR - 100% HBP. 4 ACTIVE UNITS . 18 PRODUCING WELLS |
| 13045 | | GAHAGAN | HA RA SUX;MICIOTTO 16 H 03/16/2010 909-H-7 10-275 | 110 | 110 | JUN AR 5/17/16 SR AR - 100% HBP. 4 ACTIVE UNITS. 4 PRODUCING WELLS |
| 16125 | | ELM GROVE | HA RA SU137;HUTCHINSON 9 02/24/2015 361-L-147 15-94 | 8.14 | 8.14 | JUN AR 5/17/16 SR AR - 100% HBP. 1 ACTIVE UNIT 7 PRODUCING WELLS |
| 16420 | | ELM GROVE | HA RA SU136;FRANKS 30-16-12 H 06/28/2011 361-L-105 11-340 | 50.394 | 50.394 | JUN. AR 5/18/16 SR AR - 100% HBP. 5 ACTIVE UNITS. 25 PRODUCING WELLS |
| 16677 | | ELM GROVE | HA RA SU125;WIGGINS ETUX 35 H | 17.731 | 17.731 | JUN AR 5/18/16 SR AR - 100% HBP 2 ACTIVE UNITS. 2 PRODUCING WELLS |



Louisiana Department of Natural Resources (DNR)

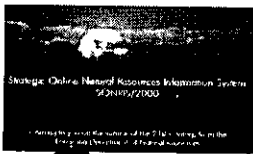
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Staff Reviews

Report run on: June 14, 2016 2:11 PM

Act Code 3 Lake Charles- North
 Get Review Date June 8, 2016

| LEASE Num | DA | Field | Latest lease Activity | Productive Acreage | Present Acreage | Flagged for Review In |
|-----------|----|--|--|--------------------|-----------------|--|
| 16826 | | ROUTH POINT | 06/08/2010 361-L-90 10-598 WX C2 RA SUA,COLEMAN 02/12/2004 | .5 | .5 | JUN. AR 5/18/16 SR AR - 100% HBP. 2 ACTIVE UNITS. 6 PRODUCING WELLS |
| 17313 | | ROUTH POINT | 128.9 03/01/2004 | 48.1 | 48.1 | JUN. AR 5/18/16 SR AR - 100% HBP. 2 ACTIVE UNITS. 5 PRODUCING WELLS |
| 17329 | | CONVERSE | HA RA SUC;BSM 31 H 04/07/2009 501-G 09-376 | 37.35 | 37.35 | JUN. AR 5/18/16 SR AR - 100% HBP. 4 ACTIVE UNITS. 4 PRODUCING WELLS |
| 17914 | | RED RIVER-BULL BAYOU , THORN LAKE | HA RA SUCC;BETHARD CORP 13 H 05/11/2010 1145-B-30 10-532 | 13.985 | 13.985 | JUN. AR 5/18/16 SR AR - 100% HBP 5 ACTIVE UNITS. 10 PRODUCING WELLS |
| 18181 | | ELM GROVE | HA RA SUYY;SCHMIDT 5-16-10 H 01/05/2010 361-L-71 10-8 | 589 | 589 | JUN. AR 5/18/16 SR AR - 100% HBP 3 ACTIVE UNITS 3 PRODUCING WELLS |
| 18858 | | SHREVEPORT | 85.13 03/17/2010 | 373.87 | 373.87 | JUN. AR 5/18/16 SR AR - 100% HBP. VUA. 3 PRODUCING WELLS |
| 19206 | | DIXIE | CV RA SUI;FRANKS 19 04/24/2007 1505 07-368 | 5 431 | 50.141 | JUN AR 5/18/16 SR AR -. 2 ACTIVE UNITS. 3 PRODUCING WELLS |
| 19483 | | ELM GROVE | HA RA SU118;MAGNOLIA POINT LANDS 38 H 05/04/2010 361-L-81 10-501 | 100 | 100 | JUN. AR 5/18/16 SR AR - 100% HBP. 1 ACTIVE UNIT 1 PRODUCING WELLS. BHP ESCROW. RED RIVER UNIT |
| 19576 | | BAYOU SAN MIGUEL | JUR RA SUM;OLYMPIA MINERALS 6 01/23/2008 1513 08-65 | 177.908 | 177.908 | JUN AR 5/18/16 SR AR - 100% HBP 1 ACTIVE UNIT 1 PRODUCING WELL |
| 19581 | | ROSELAND | 30 7 06/01/2009 | 37 8 | 37.8 | JUN. AR 5/18/16 SR AR - 100% HBP. 1 ACTIVE UNIT 1 PRODUCING WELLS |
| 19692 | | WOODARDVILLE | HA RA SUHH,BRENDA JONES 5 12/09/2008 990-D-5 08-1816 | 8 31 | 8 31 | JUN. AR 5/18/16 SR AR - 100% HBP. 2 PRODUCING UNIT LUWS. 2 PRODUCING WELLS |
| 19693 | | WOODARDVILLE | HA RA SU79;L L GOLSON 9 H 12/15/2009 990-D-29 09-1316 | 35 | 35 | JUN. AR 5/18/16 SR AR - 100% HBP. 6 ACTIVE UNITS. 6 PRODUCING WELLS |
| 19694 | | BRACKY BRANCH , MARTIN , WOODARDVILLE | 8.349 07/18/2014 | 28 5 | 32.651 | JUN. AR 5/18/16 SR AR - 4 ACTIVE UNITS. 4 PRODUCING WELLS |
| 20030 | | CEDAR GROVE | 108 05/10/2012 | 329 | 329 | JUN. AR 5/18/16 SR AR - 100% HBP 2 ACTIVE UNITSS. 2 PRODUCING WELLS |
| 20036 | | BRACKY BRANCH , WOODARDVILLE | HA RA SUDD;MC TRUST B ETAL 28H 04/13/2010 | 44 | 44 | JUN. AR 5/18/16 SR AR - 100% HBP 4 ACTIVE UNITS 4 PRODUCING WELLS |



Louisiana Department of Natural Resources (DNR)

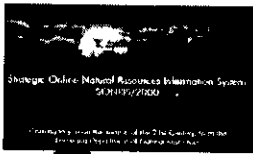
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Staff Reviews

Report run on: June 14, 2016 2:11 PM

District Code 3 Lake Charles- North
Get Review Date June 8, 2016

| LEASE Num | DA Field | Latest lease Activity | Productive Acreage | Present Acreage | Flagged for Review In |
|-----------|--------------------------------------|---|--------------------|-----------------|---|
| | | 917-L-11 10-410 | | | |
| 20037 | BRACKY BRANCH , RED RIVER-BULL BAYOU | HA RA SUDD;MC TRUST B ETAL 28H 04/13/2010 917-L-11 10-410 | 36.74 | 36.74 | JUN. AR 5/18/16 SR AR - 100% HBP. 4 ACTIVE UNITS. 8 PRODUCING WELLS |
| 20078 | THORN LAKE | HA RA SUZ;CLINTON 11-14-12 H 01/19/2010 1145-B-25 10-88 | 40 | 40 | JUN AR SAL OMR MANAGED WLF 5/18/16 SR AR - 100% HBP. 1 ACTIVE UNIT. 3 PRODUCING WELLS |
| 20084 | GREENWOOD-WASKOM | HA RA SUT;BOWLIN 35-16-16 H 01/27/2009 270-MM-10 | 33.34 | 33.34 | JUN. AR 5/18/16 SR AR - 100% HBP. 1 ACTIVE UNIT. 1 PRODUCING WELL |
| 20156 | RED RIVER-BULL BAYOU | 36 183 05/16/2014 | 49.817 | 49.817 | JUN AR 5/18/16 SR AR - 4 ACTIVE UNITS 4 PRODUCING WELLS |
| 20881 | ELM GROVE | HA RA SUPP; 02/10/2009 361-L-24 09-132 | 19 | 19 | JUN. AR 5/18/16 SR AR - 100% HBP. 2 ACTIVE UNITS. 2 PRODUCING WELLS |
| 20884 | CATAHOULA LAKE | 317 05/28/2013 | 40 | 40 | JUN AR 5/18/16 SKR AR - 100% HBP. 1 ACTIVE UNIT. 1 PRODUCING WELL |



Louisiana Department of Natural Resources (DNR)

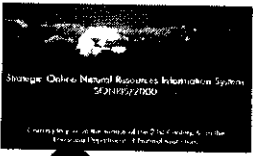
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Staff Reviews

Report run on: June 14, 2016 2:11 PM

Tract Code 3S Lake Charles- South
Get Review Date June 8, 2016

| Lease Num | DA | Field | Latest lease Activity | Productive Acreage | Present Acreage | Flagged for Review In |
|-----------|----|--|---|--------------------|-----------------|--|
| 02034 | | BRANCH, NORTHWEST, CHURCH POINT | NWB SU 06/01/1988 | 0 | 12 | JUNE AR 5/19/16 DP AR - LEASE EXPIRED, ROUTE SHEET DONE 5/22/2015 |
| 03839 | | WEST CAMERON BLOCK 17, ZZZZZZZZZZ | | 2459.89 | 2459.89 | JUN AR 5/19/16 DP AR - HBP - 1 UNIT |
| 03840 | | WEST CAMERON BLOCK 17, ZZZZZZZZZZ | | 483.29 | 483.29 | JUN AR 5/19/16 DP AR - HBP - 1 UNIT |
| 03841 | | WEST CAMERON BLOCK 17, ZZZZZZZZZZ | | 994.85 | 994.85 | JUN AR 5/19/16 DP AR - HBP - 1 UNIT |
| 04418 | | WEST CAMERON BLOCK 17, WEST CAMERON BLOCK 19, ZZZZZZZZZZ | | 1749.17 | 2525.749 | JUN AR 5/19/16 DP AR - HBP - 1 UNIT |
| 07964 | | RICHIE, EAST | TW RB SUA;RICHIE LAND CO 09/18/2012 979-C-1 12-546 | 7.384 | 7.384 | JUN AR 5/19/16 DP, AR - HBP - 2 UNITS |
| 11151 | | WHITE LAKE, WEST | 47 845 05/14/2009 | 180.942 | 180.942 | JUN AR 5/19/16 DP, AR - HBP - 2 UNITS |
| 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 5/19/16 DP AR - HBP - 2 UNITS |
| 13893 | | KINGS BAYOU | 100.162 12/07/2000 | 106.399 | 106.399 | JUN AR 5/19/16 DP, AR - HBP - 1 UNIT |
| 13897 | | KINGS BAYOU | 10.203 12/07/2000 | 2.967 | 2.967 | JUN AR 5/19/16 DP AR - HBP - 1 UNIT |
| 16286 | | LOCKPORT | 4150 RA SUA;SL 16286 337-C-C 01-835 | 1.288 | 1.288 | JUN AR 5/19/16 DP AR - HBP - 1 UNIT |
| 17156 | | VERMILION BLOCK 16 | | 100 | 813 | JUN AR 5/19/16 DP SAR - HBP - 1 SL WELL, UNITIZATION AND PR ARE BEING NEGOTIATED |
| 18090 | | LAC BLANC | 1296.62 06/08/2009 | 1203.13 | 1203.13 | JUN AR 5/19/16 DP AR - HBP - 1 UNIT |
| 18091 | | LAC BLANC | 1759.78 06/08/2009 | 444.29 | 444.29 | JUN AR 5/19/16 DP AR - HBP - 1 UNIT |
| 18092 | | LAC BLANC | 199.1 06/08/2009 | 96.59 | 96.59 | JUN AR 5/19/16 DP AR - HBP - 1 UNIT |
| 18864 | | CHENEYVILLE, WEST | 25.111 06/24/2009 | 43.889 | 43.889 | JUN AR 5/19/16 DP AR - HBP - 1 UNIT, NO ROYALTIES PAID SINCE 2012 |
| 18984 | | KROTZ SPRINGS | 5.98 12/01/2010 | 15.02 | 15.02 | JUN AR 5/19/16 DP AR - HBP - 2 UNITS |
| 18985 | | KROTZ SPRINGS | 35 05/10/2010 | 12.63 | 12.63 | JUN AR 5/19/16 DP AR - HBP - 1 UNIT |
| 20546 | | WELSH | CRIS H 1 RD SUA;SL 13944 06/02/1992 679-JJ-8 92-210 | 1 | 1 | JUN. AR TAX ADJUDICATED 5/19/16 DP AR - HBP - 1 UNIT, 1 SL WELL |
| 20578 | | DEEP LAKE | 15100 RB SUA;SL 20139 01/07/2014 | 96.94 | 96.94 | JUN AR 5/19/16 DP AR - HBP - 2 UNITS |



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: June 14, 2016 2:11 PM

Object Code 3S Lake Charles- South
Get Review Date June 8, 2016

| Lease Num | DA | Field | Latest lease Activity | Productive Acreage | Present Acreage | Flagged for Review In |
|------------|----|-----------|--|--------------------|-------------------|--|
| | | | 243-R-1 14-2 | | | |
| 20579 | | DEEP LAKE | 15100 RB SUA;SL 20139 01/07/2014 243-R-1 14-2 | 27.22 | 44 | JUN. AR. ROCKEFELLER WMA; 5/19/16 DP, AR - HBP - 2 UNITS; RS DONE 3/16/2016 FOR NONPRODUCTIVE ACRES |
| 20580 | | DEEP LAKE | 15100 RB SUA;SL 20139 01/07/2014 243-R-1 14-2 | 62.51 | 182 | JUN AR. ROCKEFELLER WMA; 5/19/16 DP AR - HBP - 2 UNITS; RS DONE 3/16/2016 FOR NONPRODUCTIVE ACRES |
| 123 | | | | 22,022.486 | 30,223.239 | |



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 9:37 a.m. on Wednesday, *June 8, 2016* with the following members of the Board in attendance:

| | | |
|---------------------------|-------------------------|-------------------------|
| Mr. Emile B. Cordaro | Mr. Robert D. Watkins | Ms. Carol R. LeBlanc |
| Mr. Theodore M. Haik, Jr. | Mr. W. Paul Segura, Jr. | Mr. J. Todd Hollenshead |
| Mr. Thomas L. Arnold, Jr. | | Mr. Thomas F. Harris |

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the August 10, 2016 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of *Mr. Harris*, duly seconded by *Mr. Hollenshead*, 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.

A request by Staff to withdraw Tract 44565 due to improper advertisement and request authority to re-advertise for the September 2016 mineral lease sale. On the motion of *Mr. Segura*, duly seconded by *Mr. Harris*, the committee voted unanimously to withdraw the tract from the June 8, 2016 Lease Sale and re-advertise for the September 2016 mineral lease sale.

The Committee, on the motion of *Mr. Segura*, seconded by *Mr. Smith*, voted to adjourn at 9:40 a.m.

Respectfully Submitted,

Emile B. Cordaro *by T.F.H.*

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

Tracts to Be
Advertised

Resolution #16-06-004

(NOMINATION AND TRACT COMMITTEE)

WHEREAS, Mr. Emile Fontenot reported that 13 tracts had been nominated for the August 10, 2016 Mineral Lease Sale, and requests that same are to be advertised pending staff review;

WHEREAS, the staff of the Office of Mineral Resources, upon further review and consideration, recommended that the foregoing request be approved by the Nomination and Tract Committee;

ON MOTION of *Mr. Harris*, seconded by *Mr. Hollenshead*, the following recommendation was offered and unanimously adopted by the Nomination and Tract Committee after discussion and careful consideration:

That the State Mineral and Energy Board grant final approval to advertise all such tracts for the August 10, 2016 Mineral Lease Sale;

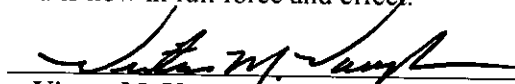
WHEREAS, after discussion and careful consideration of the foregoing request and recommendation by the Nomination and Tract Committee;

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

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

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 8th day of June 2016, 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.


Victor M. Vaughn, Executive Officer

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Tract Withdrawal

Resolution #16-06-005

(NOMINATION AND TRACT COMMITTEE)

WHEREAS, the Staff presented a recommendation to withdraw Tract No. 44565 from the June 8, 2016 Lease Sale and re-advertise for the September 2016 mineral lease sale;

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

ON MOTION of *Mr. Segura*, seconded by *Mr. Harris*, the following recommendation was offered and unanimously adopted by the Nomination and Tract Committee after discussion and careful consideration:

That the State Mineral and Energy Board grant final approval for the withdrawal of said tract from the June 8, 2016 Lease Sale;

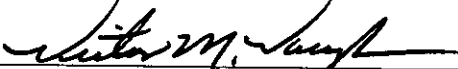
WHEREAS, after discussion and careful consideration of the foregoing request and recommendation by the Nomination and Tract Committee;

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

NOW, BE IT THEREFORE RESOLVED, that the State Mineral and Energy Board does hereby approve and authorize the pulling of said Tract from the March 8, 2016 Lease Sale and re-advertise for the September 2016 mineral lease sale, and to otherwise approve the Nomination and Tract Committee Report.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 8th day of June 2016, 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.



Victor M. Vaughn, Executive Officer

LOUISIANA STATE MINERAL AND ENERGY BOARD

JOHN BEL EDWARDS
GOVERNOR



THOMAS F. HARRIS
SECRETARY

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

The regular meeting of the Audit Committee of the State Mineral and Energy Board was held on Wednesday, June 8, 2016, immediately 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
Theodore M. "Ted" Haik, Jr.

Thomas F. Harris
J. Todd Hollenshead
Carol R. LeBlanc

W. Paul Segura, Jr.
Robert D. Watkins

Mr. Robert D. Watkins convened the Committee at 9:40 a.m.

The first matter considered by the Committee was a penalty waiver request from Noble Energy, Inc.

Mr. Arnold made a motion to accept staff's recommendation for a 25% penalty waiver, seconded by Mr. Harris with an objection by Mr. Hollenshead who offered the following substitute motion. Upon motion of Mr. Hollenshead, seconded by Mr. Haik, the Committee voted that no penalty be waived, noting opposition from Tom Arnold, Paul Segura and Secretary Harris.

The second matter considered by the Committee was a request to exclude Cholla Resources, Inc. from the 2016 audit schedule.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Hollenshead, the Committee voted unanimously to exclude Cholla Resources, Inc. from the 2016 audit cycle.

The third matter considered by the Committee was a request to exclude Linn Energy, LLC from the 2016 audit schedule.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to exclude Linn Energy, LLC from the 2016 audit cycle.

The fourth matter considered by the Committee was a request to exclude Louisiana Energy & Environmental, Inc. from the 2016 audit schedule.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to exclude Louisiana Energy & Environmental, Inc. from the 2016 audit cycle.

The fifth matter considered by the Committee was a request to exclude Penn Virginia Oil & Gas – Texas from the 2016 audit schedule.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Harris, the Committee voted unanimously to exclude Penn Virginia Oil & Gas – Texas from the 2016 audit cycle.

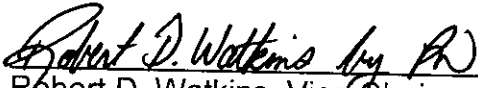
The sixth matter considered by the Committee was a request to exclude Sandridge Exploration and Production, LLC from the 2016 audit schedule.

Upon recommendation of the staff and upon motion of Mr. Hollenshead, seconded by Mr. Segura, the Committee voted unanimously to exclude Sandridge Exploration and Production, LLC from the 2016 audit cycle.

The seventh matter considered by the Committee was the election of the June 2016 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.

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



Robert D. Watkins, Vice Chairman
Audit Committee

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-006 (AUDIT COMMITTEE)

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

WHEREAS, The State Mineral and Energy Board caused an audit to be performed of state royalty payments made by Noble Energy Inc. in the Bayou Choupique, Golden Meadow, Johnsons Bayou West, Lake Arthur South, Lake Arthur Southwest fields; State Leases 12605, 14077, 17339, 17462, and 18529 which audit revealed that Noble Energy Inc. owed the state \$691,848.30 in underpayment of royalty and \$274,537.82 in interest and penalty for a total of \$966,386.12; and

WHEREAS, Noble Energy Inc. has remitted payment of \$796,097.34 for the outstanding principal and interest and made letter of application for reduction of penalties assessed in the amount of \$170,288.78 that were the result of incorrect royalty payments; and

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

ON MOTION of Mr. Hollenstead, seconded by Mr. Haik, the following recommendation was offered and adopted by the Audit Committee.

WHEREAS, no penalty is waived with a balance of \$170,288.78 due the state;

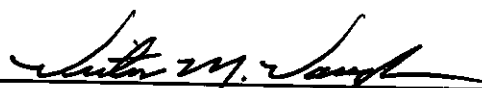
WHEREAS, after discussion and careful consideration of the foregoing request and the recommendation of the Audit Committee;

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

NOW, BE IT THEREFORE RESOLVED that the State Mineral and Energy Board does not waive penalty assessed to Noble Energy, Inc.

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 2016, 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.



Victor M. Vaughn, Executive Officer
Louisiana State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #16-06-007
(AUDIT COMMITTEE)

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

WHEREAS, by State Mineral and Energy Board (Board) Resolution dated August 12, 2009, the Board authorized the OMR to conduct all appropriate and necessary audits of any party, lessee, operator and/or payor of a State lease, that has, or may, file for bankruptcy protection; and

WHEREAS, Cholla Resources, Inc. filed Chapter 11 bankruptcy on May 15, 2016; and

WHEREAS, Cholla Resources, Inc. was a payor of record from April 1989 through December 1995 during which time royalty payments totaled \$6,712.03; and

WHEREAS; Cholla Resources, Inc. has never been field audited; and

WHEREAS, OMR staff recommends Cholla Resources, Inc. be removed from the 2016 audit cycle because the amount paid is immaterial and no royalty is at risk; and

ON MOTION of Mr. Segura, seconded by Mr. Hollenshead, after discussion and careful consideration, the foregoing OMR Staff recommendations were offered and unanimously accepted by the Audit Committee.

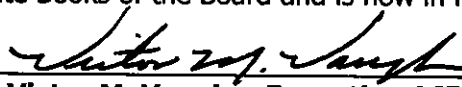
WHEREAS, in response to the foregoing OMR Staff recommendations and action of the Audit Committee;

ON MOTION of Mr. Segura, seconded by Secretary Harris, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant that the audit of Cholla Resources, Inc. be removed from the 2016 audit cycle because amount paid is immaterial and no royalty is at risk.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of June 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the Board and is now in full force and effect.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #16-06-008
(AUDIT COMMITTEE)

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

WHEREAS, by State Mineral and Energy Board (Board) Resolution dated August 12, 2009, the Board authorized the OMR to conduct all appropriate and necessary audits of any party, lessee, operator and/or payor of a State lease, that has, or may, file for bankruptcy protection; and

WHEREAS, Linn Energy, LLC filed Chapter 11 bankruptcy on May 18, 2016; and

WHEREAS, Linn Energy, LLC was a payor of record from December 2014 through current during which time royalty payments totaled \$28,444.89; and

WHEREAS; Linn Energy, LLC has never been field audited; and

WHEREAS, OMR staff recommends Linn Energy, LLC be removed from the 2016 audit cycle because the amount paid is immaterial and no royalty is at risk; and

ON MOTION of Mr. Arnold, seconded by Mr. Segura, after discussion and careful consideration, the foregoing OMR Staff recommendations were offered and unanimously accepted by the Audit Committee.

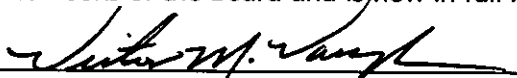
WHEREAS, in response to the foregoing OMR Staff recommendations and action of the Audit Committee;

ON MOTION of Mr. Segura, seconded by Secretary Harris, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant that the audit of Linn Energy, LLC be removed from the 2016 audit cycle because amount paid is immaterial and no royalty is at risk.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of June 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the Board and is now in full force and effect.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #16-06-009
(AUDIT COMMITTEE)

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

WHEREAS, by State Mineral and Energy Board (Board) Resolution dated August 12, 2009, the Board authorized the OMR to conduct all appropriate and necessary audits of any party, lessee, operator and/or payor of a State lease, that has, or may, file for bankruptcy protection; and

WHEREAS, Louisiana Energy & Environmental, Inc. filed Chapter 7 bankruptcy on May 23, 2016; and

WHEREAS, Louisiana Energy & Environmental, Inc. was a payor of record from December 2006 through September 2010 during which time royalty payments totaled \$59,793.17; and

WHEREAS; Louisiana Energy & Environmental, Inc. has never been field audited; and

WHEREAS, OMR staff recommends Louisiana Energy & Environmental, Inc. be removed from the 2016 audit cycle because the amount paid is immaterial and no royalty is at risk; and

ON MOTION of Mr. Arnold, seconded by Mr. Segura, after discussion and careful consideration, the foregoing OMR Staff recommendations were offered and unanimously accepted by the Audit Committee.

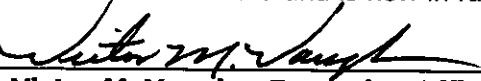
WHEREAS, in response to the foregoing OMR Staff recommendations and action of the Audit Committee;

ON MOTION of Mr. Segura, seconded by Secretary Harris, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant that the audit of Louisiana Energy & Environmental, Inc. be removed from the 2016 audit cycle because amount paid is immaterial and no royalty is at risk.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of June 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the Board and is now in full force and effect.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #16-06-010
(AUDIT COMMITTEE)

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

WHEREAS, by State Mineral and Energy Board (Board) Resolution dated August 12, 2009, the Board authorized the OMR to conduct all appropriate and necessary audits of any party, lessee, operator and/or payor of a State lease, that has, or may, file for bankruptcy protection; and

WHEREAS, Penn Virginia Oil & Gas-Texas filed Chapter 11 bankruptcy on May 18, 2016; and

WHEREAS, Penn Virginia Oil & Gas-Texas was a payor of record from August 2001 through May 2010 during which time royalty payments totaled \$3,372,959.17; and

WHEREAS; the most recent audit of Penn Virginia Oil & Gas-Texas covered the period of August 2001 through December 2008; and

WHEREAS; resulting in total exceptions of \$44,797.64 and Penn Virginia Oil & Gas-Texas has paid a total \$298,222.19 in monthly royalty since this audit.

WHEREAS, OMR staff recommends Penn Virginia Oil & Gas-Texas be removed from the 2016 audit cycle because royalty risk is low; and

ON MOTION of Mr. Arnold, seconded by Secretary Harris, after discussion and careful consideration, the foregoing OMR Staff recommendations were offered and unanimously accepted by the Audit Committee.

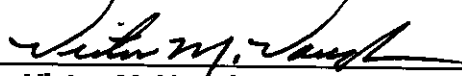
WHEREAS, in response to the foregoing OMR Staff recommendations and action of the Audit Committee;

ON MOTION of Mr. Segura, seconded by Secretary Harris, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant that the audit of Penn Virginia Oil & Gas-Texas be removed from the 2016 audit cycle because royalty is at low risk.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of June 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of the Board and is now in full force and effect.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #16-06-011
(AUDIT COMMITTEE)

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

WHEREAS, by State Mineral and Energy Board (Board) Resolution dated August 12, 2009, the Board authorized the OMR to conduct all appropriate and necessary audits of any party, lessee, operator and/or payor of a State lease, that has, or may, file for bankruptcy protection; and

WHEREAS, Sandridge Exploration and Production, LLC filed Chapter 11 bankruptcy on May 15, 2016; and

WHEREAS, Sandridge Exploration and Production, LLC was a payor of record from December 1996 through April 2014 during which time royalty payments totaled \$1,871,015.02; and

WHEREAS; the most recent audit of Sandridge Exploration and Production, LLC covered the period of January 2003 through December 2006; and

WHEREAS; resulting in no exceptions and Sandridge Exploration and Production, LLC has paid a total of \$64,479.62 in monthly royalty since this audit.

WHEREAS, OMR staff recommends Sandridge Exploration and Production, LLC be removed from the 2016 audit cycle because it is considered low royalty risk; and

ON MOTION of Mr. Hollenshead, seconded by Mr. Segura, after discussion and careful consideration, the foregoing OMR Staff recommendations were offered and unanimously accepted by the Audit Committee.

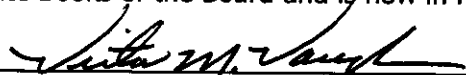
WHEREAS, in response to the foregoing OMR Staff recommendations and action of the Audit Committee;

ON MOTION of Mr. Segura, seconded by Secretary Harris, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant that the audit of Sandridge Exploration and Production, LLC be removed from the 2016 audit cycle because royalty it is considered low risk.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of June 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said resolution is duly entered in the Minute Books of the Board and is now in full force and effect.



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

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, 2016, 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 L. Arnold, Jr.
Mr. Emile B. Cordaro
Mr. Theodore M. "Ted" Haik, Jr.
Mr. Robert Watkins

Mr. W. Paul Segura, Jr.
Mr. Thomas F. Harris
Ms. Carol R. LeBlanc
Mr. J. Todd Hollenshead

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

The first matter considered by the Committee was a request for final approval of a Settlement and Release Agreement by and between BP America Production Co. and the State Mineral and Energy Board, whereas said parties desire to settle and release all claims arising from and related to royalty payments for the Audited Leases for the Audit Period of January 1, 1999 through December 31, 2009, affecting State Lease Nos. 42, 328, 329, 340, 861, 862, 872, 3279, 3522, 4318, 6863, 7591, 7636, 10426, 10835, 11279, 11282, 12897, 13403, 14674, 14771, 15040 and 18155, Cameron, East Baton Rouge, East Feliciana, Iberia, Lafourche, Plaquemines, Pointe Coupee, St. Mary, Terrebonne, Vermillion and West Baton Rouge Parishes, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-19.

Upon motion of Mr. Arnold, seconded by Mr. Haik, and by unanimous vote of the Committee and Board, the State Mineral and Energy Board granted final approval of the Settlement and Release Agreement by and between BP America Production Co. and the State Mineral and Energy Board, on the Docket as Item No. 16-19. No comments were made by the public.

The second matter considered by the Committee was a request for final approval of an Operating Agreement by and between the State Mineral and Energy Board and Shoreline Southeast LLC, to create an Operating Tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the state a State Production Interest equal to 22.5% before payout, increasing to 23% after payout, in and to the operating tract, covering a portion of former State Lease No. 20783, containing 216.826

acres, more or less, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-20.

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, and by unanimous vote of the Committee and Board, the State Mineral and Energy Board granted final approval of the Operating Agreement by and between the State Mineral and Energy Board and Shoreline Southeast LLC, on the Docket as Item No. 16-20. No comments were made by the public.

The third matter being considered by the Committee was a request for final approval of a Settlement and Operating Agreement by and between the State Mineral and Energy Board and Bridgeline Holdings, L.P., whereas said parties desire to settle claims for past storage beneath the property and to enter into a settlement and agreement regarding the terms for future storage beneath the property **AND** to create an Operating Tract regarding the possible expansion of the cavern for storage of hydrocarbons in the cavern associated with the Bridgeline Well No. 1, Serial Number 972568 (registered as the Napoleonville Storage Well No. 1 with the Office of Conservation) covering unleased state acreage located in Section 41, Township 12 South, Range 13 East, Napoleonville Field, Assumption Parish, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-21.

Upon motion of Mr. Harris, seconded by Mr. Arnold, and by unanimous vote of the Committee and Board, the State Mineral and Energy Board granted final approval of the Settlement and Operating Agreement by and between the State Mineral and Energy Board and Bridgeline Holdings, L.P., on the Docket as Item No. 16-21. No comments were made by the public.

The fourth matter being considered by the Committee was a request by Staff to issue a final notice to CSI Energy, L.P. for failure to re-register with the Office of Mineral Resources as a Prospective Leaseholder by January 31st as required by La. R.S. 30:123.1.

Upon motion of Mr. Arnold, seconded by Mr. Harris, and by unanimous vote of the Committee and Board, the State Mineral and Energy Board authorized Staff to make final demand upon CSI Energy, L.P. to re-register by June 20, 2016 and if re-registration is not completed by this date, the liquidated damage assessment in the amount of \$100.00 per day will commence to accrue July 1, 2016 in accordance with La. R.S. 30:123.1(C). No comments were made by the public.

The fifth matter being considered by the Committee was a request by Staff to rescind a Resolution dated March 8, 2006 regarding interpretation of La R.S. 30:125(B) as it relates to liquidated damages assessed for not properly registering with the Office of Mineral Resources.

Upon motion of Mr. Arnold, seconded by Mr. Watkins, and by unanimous vote of the Committee and Board, the State Mineral and Energy Board rescinded the Resolution dated March 8, 2006 regarding interpretation of La R.S. 30:125(B) as it relates to liquidated damages assessed for not properly registering with the Office of Mineral Resources. No comments were made by the public.

The sixth matter being considered by the Committee was a request by Staff to rescind a Resolution dated November 16, 1956 regarding a policy for State Banks in Liquidation presenting leases to the Mineral Board for consideration.

Upon motion of Mr. Harris, seconded by Mr. Watkins, and by unanimous vote of the Committee and Board, the State Mineral and Energy Board rescinded the Resolution dated November 16, 1956 regarding a policy for State Banks in Liquidation presenting leases to the Mineral Board for consideration. No comments were made by the public.

The seventh matter being considered by the Committee was a request by Joseph Martin on behalf of Synergy Land Company, Inc. for a waiver of liquidated damages in the amount of \$1,000.00 incurred for failure to get Board approval of assignment of State Lease No. 21010.

Upon motion of Mr. Haik, seconded by Ms. LeBlanc, and by unanimous vote of the Committee and Board, the State Mineral and Energy Board granted Synergy Land Company, Inc.'s request for a waiver of liquidated damages in the amount of \$1,000.00 incurred for failure to get Board approval of assignment of State Lease No. 21010. No comments were made by the public.

The eighth matter being considered was a discussion regarding the status of the Proposed New Lease Form.

Upon motion of Mr. Arnold, seconded by Mr. Harris, and by unanimous vote of the Committee and Board, the State Mineral and Energy Board deferred any action on the Proposed New Lease Form until the August 10, 2016 meeting in order for Staff to report to the Board as to the outcome of the Sub-Committee Meeting to be held in July. No comments were made by the public.

Upon motion of Mr. Arnold, seconded by Mr. Watkins, the Legal and Title Controversy Committee meeting adjourned at 10:45 a.m.


Mr. W. Paul Segura, Jr.
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

Settlement and Release
Agreement by and between BP
America Production Co. and the
State Mineral and Energy Board
Docket Item No. 16-19

RESOLUTION # 16-06-012

(LEGAL & TITLE CONTROVERSY COMMITTEE)

WHEREAS, a request was made for final approval of a Settlement and Release Agreement by and between BP America Production Co. and the State Mineral and Energy Board, whereas said parties desire to settle and release all claims arising from and related to royalty payments for the Audited Leases for the Audit Period of January 1, 1999 through December 31, 2009, affecting State Lease Nos. 42, 328, 329, 340, 861, 862, 872, 3279, 3522, 4318, 6863, 7591, 7636, 10426, 10835, 11279, 11282, 12897, 13403, 14674, 14771, 15040 and 18155, Cameron, East Baton Rouge, East Feliciana, Iberia, Lafourche, Plaquemines, Pointe Coupee, St. Mary, Terrebonne, Vermilion and West Baton Rouge Parishes, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-19;

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

ON MOTION of Mr. Arnold, seconded by Mr. Haik, the following recommendation was offered and unanimously adopted by the Legal and Title Controversy Committee after discussion and careful consideration:

That the State Mineral and Energy Board grant final approval of the Settlement and Release Agreement by and between BP America Production Co. and the State Mineral and Energy Board, on the Docket as Item No. 16-19;

WHEREAS, after discussion and careful consideration of the foregoing request and the recommendation of the Legal and Title Controversy Committee;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant final approval of the Settlement and Release Agreement by and between BP America Production Co. and the State Mineral and Energy Board, on the Docket as Item No. 16-19.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of June, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Operating Agreement by and
between the State Mineral and
Energy Board and Shoreline
Southeast LLC,
Docket Item No. 16-20

RESOLUTION # 16-06-013

(LEGAL & TITLE CONTROVERSY COMMITTEE)

WHEREAS, a request was made for final approval of an Operating Agreement by and between the State Mineral and Energy Board and Shoreline Southeast LLC, to create an Operating Tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the state a State Production Interest equal to 22.5% before payout, increasing to 23% after payout, in and to the operating tract, covering a portion of former State Lease No. 20783, containing 216.826 acres, more or less, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-20;

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

ON MOTION of Mr. Arnold, seconded by Mr. Hollenshead, the following recommendation was offered and unanimously adopted by the Legal and Title Controversy Committee after discussion and careful consideration:

That the State Mineral and Energy Board grant final approval of the Operating Agreement by and between the State Mineral and Energy Board and Shoreline Southeast LLC, on the Docket as Item No. 16-20;

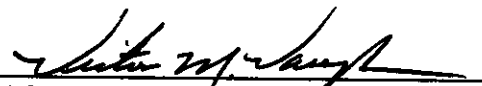
WHEREAS, after discussion and careful consideration of the foregoing request and the recommendation of the Legal and Title Controversy Committee;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant final approval of the Operating Agreement by and between the State Mineral and Energy Board and Shoreline Southeast LLC, on the Docket as Item No. 16-20.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of June, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Settlement and Operating Agreement by and between the State Mineral and Energy Board and Bridgeline Holdings, L.P.
Docket Item No. 16-21

RESOLUTION # 16-06-014

(LEGAL & TITLE CONTROVERSY COMMITTEE)

WHEREAS, a request was made for final approval of a Settlement and Operating Agreement by and between the State Mineral and Energy Board and Bridgeline Holdings, L.P., whereas said parties desire to settle claims for past storage beneath the property and to enter into a settlement and agreement regarding the terms for future storage beneath the property **AND** to create an Operating Tract regarding the possible expansion of the cavern for storage of hydrocarbons in the cavern associated with the Bridgeline Well No. 1, Serial Number 972568 (registered as the Napoleonville Storage Well No. 1 with the Office of Conservation) covering unleased state acreage located in Section 41, Township 12 South, Range 13 East, Napoleonville Field, Assumption Parish, Louisiana, with further particulars being stipulated in the instrument, on the Docket as Item No. 16-21;

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

ON MOTION of Mr. Harris, seconded by Mr. Arnold, the following recommendation was offered and unanimously adopted by the Legal and Title Controversy Committee after discussion and careful consideration:

That the State Mineral and Energy Board grant final approval of the Settlement and Operating Agreement by and between the State Mineral and Energy Board and Bridgeline Holdings, L.P., on the Docket as Item No. 16-21;

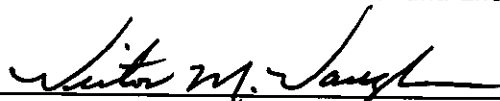
WHEREAS, after discussion and careful consideration of the foregoing request and the recommendation of the Legal and Title Controversy Committee;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant final approval of the Settlement and Operating Agreement by and between the State Mineral and Energy Board and Bridgeline Holdings, L.P., on the Docket as Item No. 16-21.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of June, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

CSI Energy, L.P.
Final Notice to
Re-Register with OMR

RESOLUTION # 16-06-015

(LEGAL & TITLE CONTROVERSY COMMITTEE)

WHEREAS, a request was made by Staff to issue a final notice to CSI Energy, L.P. for failure to re-register with the Office of Mineral Resources as a Prospective Leaseholder by January 31st as required by La. R.S. 30:123.1;

ON MOTION of Mr. Arnold, seconded by Mr. Harris, the following recommendation was offered and unanimously adopted by the Legal and Title Controversy Committee after discussion and careful consideration:

That the State Mineral and Energy Board authorize Staff to make final demand upon CSI Energy, L.P. to re-register by June 20, 2016 and if re-registration is not completed by this date, the liquidated damage assessment in the amount of \$100.00 per day will commence to accrue July 1, 2016 in accordance with La. R.S. 30:123.1(C);

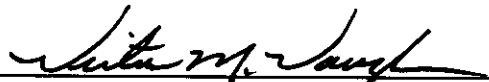
WHEREAS, after discussion and careful consideration of the foregoing request and the recommendation of the Legal and Title Controversy Committee;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby authorize Staff to make final demand upon CSI Energy, L.P. to re-register by June 20, 2016 and if re-registration is not completed by this date, the liquidated damage assessment in the amount of \$100.00 per day will commence to accrue July 1, 2016 in accordance with La. R.S. 30:123.1(C).

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of June, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Rescission of
Resolution

RESOLUTION # 16-06-016

(LEGAL & TITLE CONTROVERSY COMMITTEE)

WHEREAS, a request was made by Staff to rescind a Resolution dated March 8, 2006 regarding interpretation of La R.S. 30:125(B) as it relates to liquidated damages assessed for not properly registering with the Office of Mineral Resources;

ON MOTION of Mr. Arnold, seconded by Mr. Watkins, the following recommendation was offered and unanimously adopted by the Legal and Title Controversy Committee after discussion and careful consideration:

That the State Mineral and Energy Board rescind the Resolution dated March 8, 2006 regarding interpretation of La R.S. 30:125(B) as it relates to liquidated damages assessed for not properly registering with the Office of Mineral Resources;

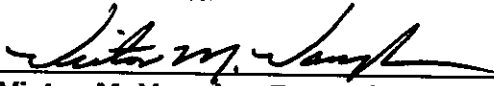
WHEREAS, after discussion and careful consideration of the foregoing request and the recommendation of the Legal and Title Controversy Committee;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby rescind the Resolution dated March 8, 2006 regarding interpretation of La R.S. 30:125(B) as it relates to liquidated damages assessed for not properly registering with the Office of Mineral Resources.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of June, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL BOARD

Legal and Title Controversy Committee

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

WHEREAS, a discussion and presentation was delivered by OMR Staff relative to a proposed cut off date for registration with the Office of Mineral Resources as provided by Revised Statute 30 125(B)

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

NOW BE IT THEREFORE RESOLVED, that November 9, 2005, is the date beyond which no bids for lease will be accepted unless the entity is registered with the Office of Mineral Resources as well as the Secretary of State as provided by Revised Statute 30 125(B)

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 Board in the City of Baton Rouge, Louisiana, on the 8th day of March 2006, 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 Board and is now in full force and effect



Louisiana State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Rescission of
Resolution

RESOLUTION # 16-06-017

(LEGAL & TITLE CONTROVERSY COMMITTEE)

WHEREAS, a request was made by Staff to rescind a Resolution dated November 16, 1956 regarding a policy for State Banks in Liquidation presenting leases to the Mineral Board for consideration;

ON MOTION of Mr. Harris, seconded by Mr. Watkins, the following recommendation was offered and unanimously adopted by the Legal and Title Controversy Committee after discussion and careful consideration:

That the State Mineral and Energy Board rescind the Resolution dated November 16, 1956 regarding a policy for State Banks in Liquidation presenting leases to the Mineral Board for consideration;

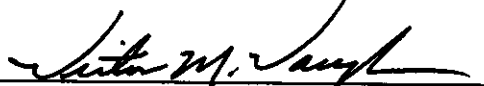
WHEREAS, after discussion and careful consideration of the foregoing request and the recommendation of the Legal and Title Controversy Committee;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby rescind the Resolution dated November 16, 1956 regarding a policy for State Banks in Liquidation presenting leases to the Mineral Board for consideration.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of June, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

WHEREAS, various problems and difficulties have been experienced by State Banks in Liquidation in presenting duly signed and executed oil, gas and mineral leases to the State Mineral Board for consideration; and

WHEREAS, it appears advisable to liberalize the general policy of the Board in requiring completely executed leases to be passed on by the Attorney General's office from the standpoint of form and legality and for subsequent Board action;

BE IT RESOLVED, that hereafter and until the policy hereby announced is changed, the State Mineral Board will consider and approve or disapprove oil and gas leases contracted to be granted by State Banks in Liquidation provided:

- (a) A conforming copy of the lease to be executed is placed on the docket ten days before the oncoming meeting of the Board, and, provided
- (b) A Letter Agreement is signed by the Lessor and Lessee to the effect that such parties shall enter into an oil, gas and mineral lease, under the exact terms, provisions and conditions of the conforming copy, should the State Mineral Board approve the lease, such Letter Agreement to accompany the conforming copy of the proposed lease.

BE IT FURTHER RESOLVED, that either the Chairman or the Secretary of the State Mineral Board be authorized to signify the approval of the State Mineral Board to the said lease by affixing his signature thereto.

Adopted: November 16, 1956

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Synergy Land Company, Inc.
Waiver of Liquidated Damages
State Lease No. 21010

RESOLUTION # 16-06-018

(LEGAL & TITLE CONTROVERSY COMMITTEE)

WHEREAS, a request was made by Joseph Martin on behalf of Synergy Land Company, Inc. for a waiver of liquidated damages in the amount of \$1,000.00 incurred for failure to get Board approval of assignment of State Lease No. 21010;

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

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

That the State Mineral and Energy Board grant Synergy Land Company, Inc.'s request for a waiver of liquidated damages in the amount of \$1,000.00 incurred for failure to get Board approval of assignment of State Lease No. 21010;

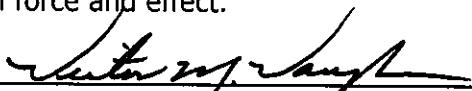
WHEREAS, after discussion and careful consideration of the foregoing request and the recommendation of the Legal and Title Controversy Committee;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby grant Synergy Land Company, Inc.'s request for a waiver of liquidated damages in the amount of \$1,000.00 incurred for failure to get Board approval of assignment of State Lease No. 21010.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of June, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Proposed New Lease Form for
Oil, Gas, and Other Liquid or
Gaseous Hydrocarbon Minerals

RESOLUTION # 16-06-019

(LEGAL & TITLE CONTROVERSY COMMITTEE)

WHEREAS, a discussion regarding the status of the Proposed New Lease Form was held;

ON MOTION of Mr. Arnold, seconded by Mr. Harris, the following recommendation was offered and unanimously adopted by the Legal and Title Controversy Committee after discussion and careful consideration:

That the State Mineral and Energy Board defer any action on the Proposed New Lease Form until the August 10, 2016 meeting in order for Staff to report to the Board as to the outcome of the Sub-Committee Meeting to be held in July;

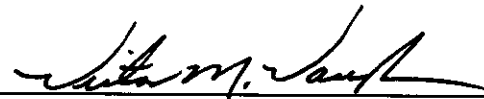
WHEREAS, after discussion and careful consideration of the foregoing and the recommendation of the Legal and Title Controversy Committee;

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

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby defer any action on the Proposed New Lease Form until the August 10, 2016 meeting in order for Staff to report to the Board as to the outcome of the Sub-Committee Meeting to be held in July.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 8th day of June, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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

DOCKET REVIEW COMMITTEE REPORT

The Docket Review Committee convened at 10:45 a.m. on Wednesday, June 8, 2016. Board Members present were Ms. Carol R. LeBlanc, Mr. Thomas F. Harris, Mr. W. Paul Segura, Jr., Mr. Thomas L. Arnold, Jr., Mr. Emile Cordaro, Mr. J. Todd Hollenshead, Mr. Johnny B. Bradberry, Mr. Robert D. Watkins and Mr. Theodore M. "Ted" Haik Jr.

The Committee made the following recommendations:

Approve State Agency Lease A on page 1;

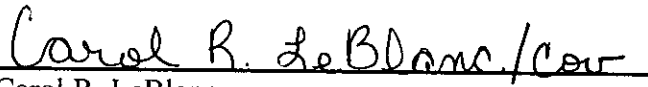
Approve all Assignments on pages 2 through 11; Docket Item Nos. 1 and 18 on page 2 and 8 would be approved subject to the approval of the Governor of Louisiana;

Approve the following item upon recommendation of the Legal and Title Controversy Committee: Docket Item Nos. 16-20 and 16-21 on pages 12 and 13, and Docket Item No. 16-19 on page 12 would be approved subject to the approval of the Governor of Louisiana.

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

There being no further business to come before the committee, upon motion of Mr. Cordaro, and seconded by Mr. Segura, the committee voted unanimously to adjourn the meeting at 10:47 a.m.

Respectfully submitted,



Carol R. LeBlanc
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

**Resolution #16-06-020
(DOCKET REVIEW COMMITTEE)**

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

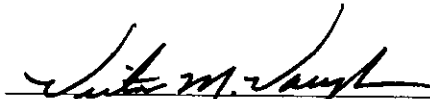
BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the June 8, 2016 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Vermilion Parish School Board, dated April 14, 2016, awarded to Richard Lyons & Associates, L.L.C., covering lands located on the SW/4 SW/4 of Section 16, Township 14 South, Range 1 East, Vermilion Parish, Louisiana, containing 40.0 acres, more or less, with further contractual obligations being more enumerated in the instrument.

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, 2016, 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

Resolution #16-06-021
(DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from Chevron U S A. Inc. to Cox Oil Offshore, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 340, 3839, 3840, 3841, 4418 and F0002, Cameron and Iberia Parishes, Louisiana, with further particulars being stipulated in the instrument

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

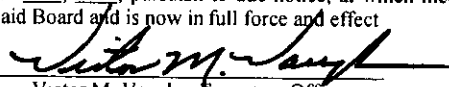
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows.

- 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 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

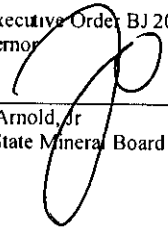
BE IT FURTHER RESOLVED that the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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


Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

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

By 
Thomas L. Arnold, Jr.
Chairman, State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-022
(DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from Castex Energy Partners, L.P. to GOME 1271 LLC, an undivided 30.00% interest in and to State Lease Nos. 21608, 21611, 21612, 21613, 21614, 21615 and 21616, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument

Castex Energy Partners, 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;

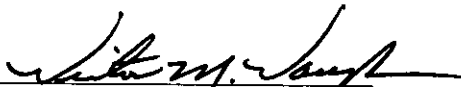
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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


Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-023
(DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from ETROA Gulf Coast, LLC to J&S Oil & Gas LLC, of all of Assignor's right, title and interest in and to State Lease No 20434, Terrebonne 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;

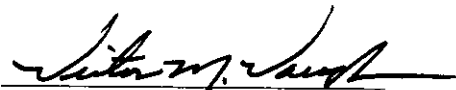
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

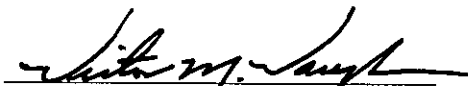
**Resolution #16-06-024
(DOCKET REVIEW COMMITTEE)**

On motion of Mr. Segura, seconded by Mr. Cordaro, 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, 2016, Meeting be approved, said instrument being a Correction of Resolution No. 29 from the October 8, 2014 Meeting being an Assignment from JGC Energy Development (USA) Inc. to Krewe Energy, LLC, whereas State Lease No. 2382 is hereby being deleted and State Lease No. 2383 is hereby being added to said resolution, affecting State Lease Nos. 2382, 2383, 2453, 18010, 18997, 19864, 19487, 20102 and Operating Agreement "A0332", Jefferson Parish, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-025
(DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from Texas Petroleum Investment Company to Hilcorp Energy I, L.P., of all of Assignor's right, title and interest in and to State Lease Nos. 8091 and 13470, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

Hilcorp Energy I, L.P. is designated as the joint account Lessee (contact 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;

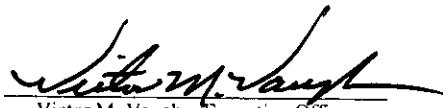
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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.


Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-026
(DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from Hammer Exploration Inc to Energy Equity Company, of all of Assignor's right, title and interest in and to State Lease Nos 13893 and 14357, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

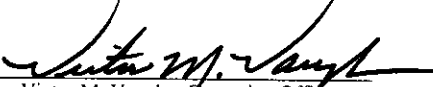
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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


Victor M Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

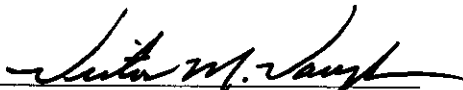
**Resolution #16-06-027
(DOCKET REVIEW COMMITTEE)**

On motion of Mr. Segura, seconded by Mr. Cordaro, 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, 2016, Meeting be approved, said instrument being a Correction of Resolution No. 2 from the January 12, 2011 Meeting, being an Assignment from Pearl States, Inc., Matrix Energy Corporation and Perry and Patricia Shaw Trust to Encana Oil & Gas (USA) Inc., whereas the following language was omitted and is hereby being added to the resolution...**"INSOFAR AND ONLY INSOFAR AS** said lease covers land within the HA RA SUB, **AND INSOFAR AND ONLY INSOFAR AS** those depths encountered between 10,100' and 11,487', affecting State Lease No. 12847, Caddo Parish, Louisiana

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-028 (DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from Shoreline Southeast LLC to Exxon Mobil Corporation, an undivided 6.25% interest from the surface of the stratigraphic equivalent of 1,000' below the base of the TEX W Sand formation AND an undivided 90% interest as to all depths below the stratigraphic equivalent of 1,000' below the base of the TEX W Sand formation, in and to Operating Agreement "A0317", Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument

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

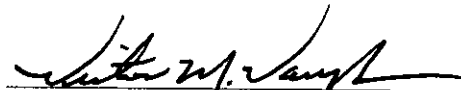
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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


Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-029
(DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from Schoeffler Energy, LLC to ORX Exploration, Inc., of all of Assignor's right, title and interest in and to State Lease Nos. 21471 and 21480, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument

ORX Exploration, 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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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


Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

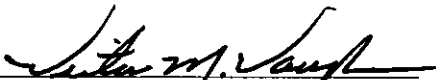
**Resolution #16-06-030
(DOCKET REVIEW COMMITTEE)**

On motion of Mr. Segura, seconded by Mr. Cordaro, 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, 2016, Meeting be approved, said instrument being a Correction of Resolution No. 5 from the February 10, 2016 Meeting, being an Assignment and Amendment of Assignment from WEC Onshore, LLC to D90 Energy, LLC, whereas said resolution incorrectly read..."of all of Assignor's right, title and interest" and is hereby being corrected to read..."of an undivided 10% of Assignor's right, title and interest", affecting State Lease Nos. 15346, 15350 and 15354, St. Landry Parish, Louisiana.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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.


Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-031
(DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment and Correction of Assignment from Penn Virginia Oil & Gas, L.P. to Covey Park Energy LLC, of all of Assignor's right, title and interest in and to State Lease Nos 17126, 17127 and 18276, Bossier and Caddo Parishes, Louisiana, with further particulars being stipulated in the instrument.

Covey Park Energy 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.

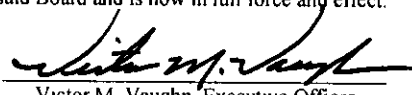
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-032 (DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from EP Energy E&P Company to Covey Park Gas LLC, of all of Assignor's right, title and interest in and to State Lease Nos 17126, 17734, 18245 and 18276, Bossier and Caddo Parishes, Louisiana, with further particulars being stipulated in the instrument.

Covey Park Energy 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;

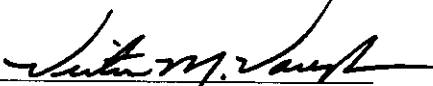
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-033 (DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from Criolla, L P to Carancahua LP, of all of Assignor's right, title and interest in and to State Lease No 20181, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

Carancahua LP 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;

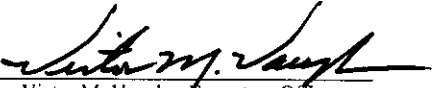
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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


Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-034
(DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from Duncan Oil Partners, LLC to Delbo Holdings, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 21310, 21377, 21378, 18452 and Operating Agreement "A0277", Calcasieu Parish, Louisiana, with further particulars being stipulated in the instrument

Delbo 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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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.


Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-035
(DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from Cabot Oil & Gas Corporation to KJECO, LLC, of all of Assignor's right, title and interest in and to State Lease No 19642, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

KJECO, 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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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


Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-036
(DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from ExxonMobil Corporation to Waller Brothers, Inc., of all of Assignor's right, title and interest in and to State Lease No 2630, DeSoto Parish, Louisiana, with further particulars being stipulated in the instrument

Waller Brothers, 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,

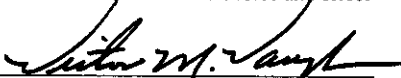
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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


Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-037
(DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from Thomas Burgess Logan to the Tom B Logan Family Trust, of all of Assignor's right, title and interest in and to State Lease No 14818, Jackson Parish, Louisiana, with further particulars being stipulated in the instrument

H & H Energy 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 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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-038 (DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Corduro, 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, 2016 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from Castex Energy Partners, L.P. to GOME 1271 LLC, of an undivided 11.25% of Assignor's right, title and interest in and to State Lease Nos. 340, 378, 2366, 2585, 2620, 3184, 3185, 3586, 3909, 5683, 14108, 16363, 16364, 16942, 16943, 16970, 19201, 19531, 19774, 20035, 20219, 20220, 20221, 20222, 20223, 20224, 20367, 20368, 20369, 20515, 20526, 20527, 20528, 20529, 20530, 20531, 20532, 20533, 20534, 20535, 20625, 20643, 20719, 20720, 20753, 20754, 20755, 20850, 21044, 21045, 21046, 21047, 21048, 21053, 21054, 21055, 21061, 21122, 21173, 21205, 21215, 21216, 21217, 21280, 21281, 21282, 21299, 21300, 21351, 21352, 21489, 21608, 21611, 21612, 21613, 21614, 21615, 21616 and Operating Agreement "A0072", Lafourche, Plaquemines, St. Mary, St. Charles and Terrebonne Parishes, Louisiana, with further particulars being stipulated in the instrument.

GOME 1271 LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

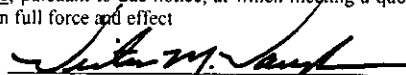
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 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.

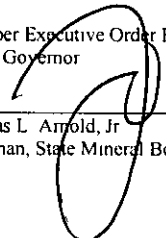
BE IT FURTHER RESOLVED that the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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.


Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

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

By 
Thomas L. Arnold, Jr.
Chairman, State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-039
(DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from Swift Energy Operating, LLC to Texegy LLC, an undivided 75% of Assignor's right, title and interest in and to State Lease Nos. 15288, 15388, 15596 and 20292, Sabine and Vernon Parishes, Louisiana, with further particulars being stipulated in the instrument.

Swift Energy Operating, 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, sublessee 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,

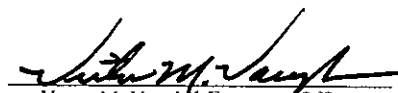
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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


Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-040 (DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from Square Mile Energy, L L C to Loveless Asset Management, L L C , an undivided 8 075553% interest, **INSOFAR AND ONLY INSOFAR AS** State Lease Nos 20627 and 20645 lay within the boundaries of the Augusta Contract Area, an undivided 8 356803% interest, **INSOFAR AND ONLY INSOFAR AS** State Lease No 20627 lies within the boundaries of the Sawgrass Contract Area, Lafourche and St Charles Parishes, Louisiana, with further particulars being stipulated in the instrument.

Square Mile Energy, 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 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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-041 (DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being a Conversion whereby Stone Industries, Inc is converting to Stone Industries, L.L.C., affecting State Lease Nos 17236 and 18581, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

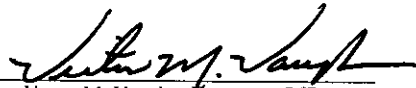
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

BE IT FURTHER RESOLVED that the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-06-042
(DOCKET REVIEW COMMITTEE)**

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from Covey Park Energy LLC to Covey Park Resources LLC, of all of Assignor's right, title and interest in and to State Lease Nos 17126, 17127 and 18276, Bossier and Caddo Parishes, Louisiana, with further particulars being stipulated in the instrument.

Covey Park 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 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,

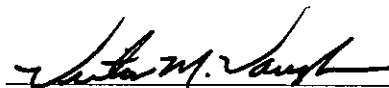
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

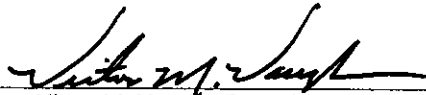
**Resolution #16-06-043
(DOCKET REVIEW COMMITTEE)**

On motion of Mr. Segura, seconded by Mr. Cordaro, 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, 2016, Meeting be approved, said instrument being a Correction of Resolution No. 29 from the February 14, 2001 Meeting, being a Change of Name whereby CXY Energy Inc. is changing its name to Nexen Petroleum USA Inc., whereas Operating Agreement "A0220" was omitted from said resolution and is hereby being added, affecting State Lease Nos. 1536, 1665, 1666, 1667, 3051, 3052, 7868, 7869, 7870, 7964, 8537, 13893, 14357, 15211, 15264, 15386, 15947, 15948, 16349, F0006 and Operating Agreements "A0217" and "A0220", Acadia, Cameron, Iberia, Plaquemines, St. Mary, Terrebonne and Vermilion 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, 2016, 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.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-06-044 (DOCKET REVIEW COMMITTEE)

On motion of Mr. Segura seconded by Mr. Cordaro, 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, 2016 Meeting be approved, said instrument being an Assignment from Synergy Land Company, Inc to New Century Exploration, Inc , of all of Assignor's right, title and interest in and to State Lease No. 21010, Calcasieu Parish, Louisiana, with further particulars being stipulated in the instrument.

New Century Exploration 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 the Executive Officer is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 8th day of June, 2016, 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


Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-06-045
(DOCKET REVIEW COMMITTEE)**


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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16-19 from the June 8, 2016, Meeting be approved, said instrument being a Settlement and Release Agreement by and between BP America Production Co and the State Mineral and Energy Board, whereas said parties desire to settle and release all claims arising from and related to royalty payments for the Audited Leases for the Audit Period of January 1, 1999 through December 31, 2009, affecting State Lease Nos. 42, 328, 329, 340, 861, 862, 872, 3279, 3522, 4318, 6863, 7591, 7636, 10426, 10835, 11279, 11282, 12897, 13403, 14674, 14771, 15040 and 18155, Cameron, East Baton Rouge, East Feliciana, Iberia, Lafourche, Plaquemines, Pointe Coupee, St. Mary, Terrebonne, Vermilion and West Baton Rouge Parishes, Louisiana, with further particulars being stipulated in the instrument.

BE IT FURTHER RESOLVED that Executive Officer is hereby authorized to reflect the approval of the instrument by signing said instrument for the Board.

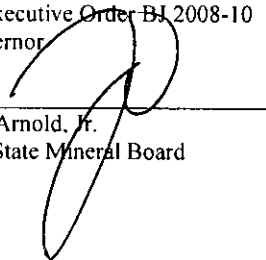
CERTIFICATE

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, 2016 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.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

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

By: 

Thomas L. Arnold, Jr.
Chairman, State Mineral Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-06-046
(DOCKET REVIEW COMMITTEE)**


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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16-20 from the June 8, 2016, Meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board and Shoreline Southeast LLC, to create an Operating Tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the state a State Production Interest equal to 22.5% before payout, increasing to 23% after payout, in and to the operating tract, covering a portion of former State Lease No. 20783, containing 216.826 acres, more or less, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

BE IT FURTHER RESOLVED that Executive Officer 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, 2016 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.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #16-06-047
(DOCKET REVIEW COMMITTEE)**


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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16-21 from the June 8, 2016, Meeting be approved subject to final approval as to form and legality, said instrument being a Settlement and Operating Agreement by and between the State Mineral and Energy Board and Bridgeline Holdings, L.P., whereas said parties desire to settle claims for past storage beneath the property and to enter into a settlement and agreement regarding the terms for future storage beneath the property **AND** to create an Operating Tract regarding the possible expansion of the cavern for storage of hydrocarbons in the cavern associated with the Bridgeline Well No. 1, Serial Number 972568 (registered as the Napoleonville Storage Well No. 1 with the Office of Conservation) covering unleased state acreage located in Section 41, Township 12 South, Range 13 East, Napoleonville Field, Assumption Parish, Louisiana, with further particulars being stipulated in the instrument.

BE IT FURTHER RESOLVED that Executive Officer 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, 2016 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.



Victor M. Vaughn, Executive Officer
State Mineral and Energy Board