

# **MINUTES**

## **STATE MINERAL AND ENERGY BOARD**

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

**MARCH 14, 2018**

JOHN BEL EDWARDS  
GOVERNOR



THOMAS F. HARRIS  
SECRETARY

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

**Opening of Bids**

**March 14, 2018**

A public meeting for the purpose of opening sealed bids was held on Wednesday, March 14, 2018, beginning at 8:38 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

**Jamie Manuel** – Assistant Secretary of the Office of Mineral Resources  
**Stacey Talley** - Business Analytics Specialist of the Office of Mineral Resources  
**Rachel Newman** – Director, Mineral Income Division  
**Boyd Handley** – Administrator, Geology, Engineering & Lands Division  
**Emile Fontenot** – Director, Petroleum Lands

Mr. Manuel presided over the meeting. He then read the letter of notification certifying the legal sufficiency of the advertisement of Tract Nos. 44847 through 44855 which were published for lease by the Board at today's sale.

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

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 Manuel stated that there were no tracts to be withdrawn from today's Lease Sale.

The following bids were then opened and read aloud to the assembled public by

Mr. Emile Fontenot.

**OFFSHORE TRACTS**

Tract 44847  
(Portion Bid: 260.000 acres)

Bidder	:	RENAISSANCE OFFSHORE, LLC
Primary Term	:	Five (5) years
Cash Payment	:	\$29,998.80
Annual Rental	:	\$14,999.40
Royalties	:	22.00000% on oil and gas
	:	22.00000% on other minerals
Additional Consideration:	:	None

Tract 44849

Bidder	:	RENAISSANCE OFFSHORE, LLC
Primary Term	:	Five (5) years
Cash Payment	:	\$125,700.26
Annual Rental	:	\$62,850.13
Royalties	:	22.00000% on oil and gas
	:	22.00000% on other minerals
<u>Additional Consideration:</u>	:	

Renaissance Offshore, LLC, or its successor and assigns (“Renaissance”), shall commence or cause to be commenced on Tract 44849, Block 77, Main Pass Area, a new well (or sidetrack out of the existing SL 13287 #1 Well) (“the Well”), drilling to a depth sufficient to test the “O” Sand, defined as the interval from 9,342’ MD –9,443’ MD, as seen in the Ocean Energy, Inc. SL 13287 #1 Well, Main Pass Block 76. The Well shall be commenced during the primary term of the lease. In the event the Well is not timely commenced, Renaissance shall remit liquidated damages in the amount of Five Hundred Thousand Dollars (\$500,000) to the Louisiana State Mineral and Energy Board, Office of Mineral Resources, within thirty (30) days of expiration of the lease. This obligation shall survive the termination of the lease.

Renaissance is 100% owner and operator of the SL 13287 #1 Well and 2 pipelines. being a) P-20050973, an 8” bulk line originating at Main Pass 76 A Platform and terminating at Main Pass 72 A Platform, and b) P-20141449, a 4” gas lift line originating at Main Pass 72 A Platform and terminating at Main Pass 76 A Platform. Production from the Well (oil or gas) can flow through P-20050973 for processing at MP 72 A Platform.

**INLAND TRACTS**

Tract 44850

Bidder	:	HUNTER ENERGY CORPORATION
Primary Term	:	Three (3) years
Cash Payment	:	\$6,024.00
Annual Rental	:	\$3,012.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration:	:	None

Tract 44851  
(Portion Bid: 154.350 acres)

Bidders	:	SUN LOUISIANA, LLC and PINNACLE ENERGY INTERNATIONAL (USA) I LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$27,011.25
Annual Rental	:	\$13,505.63
Royalties	:	21.00000% on oil and gas
	:	21.00000% on other minerals
Additional Consideration	:	None

**STATE AGENCY TRACTS**


Tract 44854

Bidder	:	FORTY HILLS LAND L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$6,220.00
Annual Rental	:	\$3,110.00
Royalties	:	22% on oil and gas
	:	22% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 8:48 a.m.

Respectfully Submitted,

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

JOHN BEL EDWARDS  
GOVERNOR



THOMAS F. HARRIS  
SECRETARY

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

**REGULAR MEETING**  
**March 14, 2018**

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, March 14, 2018**, beginning at 9:30 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

**I. CALL TO ORDER**

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

**II. ROLL CALL**

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

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

The following members of the Board were recorded as absent:

**Johnny B. Bradberry**  
**Gregory C. Carter**  
**Theodore M. "Ted" Haik, Jr.**  
**Rochelle A. Michaud-Dugas \***

*\* Ms. Michaud-Dugas arrived at 9:36 a.m. during the presentation of the Audit Report*

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

Also recorded as present were:

**Stacey Talley** – Business Analytics Specialist of the Office of Mineral Resources  
**Ryan Seidemann** - Assistant Attorney General  
**Christopher Lento** - Assistant Attorney General  
**Rachel Newman** - Director, Mineral Income Division  
**Boyd Handley** – Administrator, Geology, Engineering & Land Division  
**Emile Fontenot** - Director, Petroleum Lands  
**Byron Miller** – Supervisor, Geology  
**Jason Talbot** – Supervisor, Geology  
**Charles Bradbury** – Supervisor, Engineering  
**Blake Canfield** – Executive Counsel, Department of Natural Resources  
**James Devitt** - Deputy General Counsel, Department of Natural Resources

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

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

### **IV. APPROVAL OF THE FEBRUARY 14, 2018 MINUTES**

The Chairman stated that the first order of business was the approval of the February 14, 2018 Minutes. A motion was made by Mr. Harris to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Watkins and unanimously adopted by the Board. (No public comment was made at this time.)

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

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

### **V. STAFF REPORTS**

- a) Lease Review Report
- b) Nomination and Tract Report  
(Resolution No. 18-03-001)
- c) Audit Report  
(Resolution No. 18-03-002)
- d) Legal and Title Controversy Report  
(Resolution Nos. 18-03-003 thru 18-03-006)
- e) Docket Review Report  
(Resolution Nos. 18-03-007 thru 18-03-021)

**a) LEASE REVIEW REPORT  
March 14, 2018**

**I. GEOLOGICAL AND ENGINEERING STAFF REVIEW**

According to the SONRIS database, there were 1,215 active State Leases containing approximately 533,000 acres. Since the last Lease Review Board meeting, the Geological and Engineering Division reviewed 167 leases covering approximately 107,000 acres for lease maintenance and development issues.

**II. BOARD REVIEW**

There were no leases brought before the Board.

**III. FORCE MAJEURE**

Updated 02/28/2018

Company Name	Lease Numbers (Review Date)
Leases Off Production Due to Non-Storm Related Force Majeure Events	
Day Dreams	19930 (4/11/2018)
Rabb Contracting Company LLC	19851 (4/11/2018)

**b) NOMINATION AND TRACT REPORT**  
**March 14, 2018**

The Board heard the report of Mr. Emile Fontenot on Wednesday March 14, 2018 relative to nominations received in the Office of Mineral Resources for the May 9, 2018 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Arnold**, duly seconded by **Ms. LeBlanc**, the Board granted authority to the staff to advertise all such tracts as have been reviewed by the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report. (Resolution 18-03-001)



**c) AUDIT REPORT**  
**March 14, 2018**

The first matter on the audit report was the staff report on the Fieldwood Energy bankruptcy. Fieldwood Energy LLC and Dynamic Resources, LLC which is affiliated with Fieldwood Energy were added to the 2018 audit schedule.

The second matter considered by the Committee is the Rescission of a Resolution dated August 12, 2009, regarding audit procedures for bankruptcies and adoption of new Resolution updating procedures.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Ms. LeBlanc, the Committee voted unanimously to rescind resolution dated August 12, 2009 and adoption of new resolution updating procedures.

The third matter on the audit report was the election of the February 2018 gas royalty to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

No action required.

**d) LEGAL & TITLE REPORT**  
**March 14, 2018**

The first matter considered by the State Mineral and Energy Board (Board) was a request by Staff to terminate the authority to escrow payment of royalties accruing under former State Lease No. 20274 (A0359) previously granted by the Board to Matador Resources Company under Resolution dated August 10, 2011.

Upon motion of Mr. Arnold, seconded by Mr. Harris, and by unanimous vote of the Board, the State Mineral and Energy Board approved Staff's request to terminate the authority to escrow royalty payments in accordance with the above request. There were no comments from the public. (Resolution No. 18-03-003)

The second matter considered by the Board was a request by Integrated Exploration Production, LLC (Integrated) dated December 15, 2017, to the Board to waive the liquidated damages in the amount of \$30,100.00 for the late release of State Lease No. 17772, in the Bayou Biloxi Field, located in St. Bernard Parish, Louisiana.

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, and by unanimous vote of the Board, the State Mineral and Energy Board voted to accept Staff's recommendation and deny a waiver of the liquidated damages to Integrated of the late release of State Lease No. 17772. There were no comments from the public. (Resolution No. 18-03-004)

The third matter considered by the Board was a request by Castex Energy, Inc. (Castex Energy) to authorize Staff to begin negotiations with Castex Energy for the terms of an Operating Agreement covering 633 acres of unleased State acres, more or less, being formerly State Lease Nos. 21628 and 21629, situated in the TEX L-CIB C RA SUA, King Lake Field, Terrebonne Parish, Louisiana, and to remove this acreage from commerce until the September 12, 2018 Board Meeting unless an Operating Agreement is confected and approved by the Board prior to that date.

Upon motion of Mr. Hollenshead, seconded by Mr. Arnold, the State Mineral and Energy Board voted to accept Staff's recommendation to authorize Staff to begin negotiations for the terms of an Operating Agreement with Castex Energy on the above listed and to remove the acreage from commerce until the September 12, 2018 Board Meeting unless an Operating Agreement is confected and approved by the Board prior to that date. There were no comments from the public. (Resolution No. 18-03-005)

The fourth matter considered by the Board was a discussion by the Assistant Secretary of the Office of Mineral Resources on a change in procedure for placing formerly leased acreage back into commerce when a state mineral lease terminates by the operation of a resolutory condition contained in the lease.

State Mineral and Energy Board  
Regular Meeting  
March 14, 2018  
Page 7

Upon motion of Mr. Arnold, seconded by Ms. Michaud-Dugas, and by unanimous vote of the Board, the State Mineral and Energy Board voted to adopt the Statement for Procedure provided to the Board and attached hereto. Pat Theophilus, president and owner of Theophilus Oil, Gas and Land Services, LLC addressed the Board; there were no other comments from the public. (Resolution No. 18-03-06)

**STATEMENT FOR PROCEDURE**

**RELEASE/LEASE TERMINATION PROCEDURE FOR >90 DAYS WITH NO  
PRODUCTION/OPERATIONS, END OF A TERM OR NO LEASE MAINTENANCE PAYMENT**

The Petroleum Lands Section (PL) and the Geological and Engineering Section (G&E), determine if a state lease has expired due to either the failure to make the required maintenance payment or if there has been a lapse of greater than 90 days without production or operations. If either of these factors are determined, a route sheet and lease ownership report are prepared.

It has been the practice of OMR to obtain releases from all working interest owners of terminated leases in question prior to placing acreage back into commerce and making available for leasing. In situations where there is a lack of production or operations for longer than 90 days (180 days for some older leases), the end of a term, or there is a failure to make a lease maintenance payment, it is not necessary to obtain the releases in order to place the acreage back into commerce and make available for leasing because the leases have expired, as a matter of fact, by operation of a resolatory condition.

In these situations, the State's clear title and ability to open the acreage for leasing is not dependent upon obtaining releases. The State continues to have an interest in obtaining releases in these situations and enforcing the lessee's obligation to execute a release, but that should not hold back getting the acreage returned to commerce. Accordingly, OMR will continue to seek releases from former lessees and will continue to enforce late release penalties set forth in state mineral leases. However, the procedure for clearing the acreage for leasing and getting it back into commerce is separate from, and not dependent upon, the procedure for obtaining releases.

If it is determined that a state lease has expired (partially or fully) under the above circumstances, the lease ownership report for that lease is printed. Notification via a certified letter is mailed to each working interest owner of the state lease advising them that the lease has expired, that a fully executed, recorded release is required, and that the acreage covered by the expired lease will be placed back into commerce for leasing (sixty) 60 days from the date of the notification letter. Absent a response from the working interest owners disputing the facts supporting OMR's conclusion that the lease has terminated, PL drafts an "Affidavit of Termination" for review by the Geology Lands Administrator, DNR Legal, and the Assistant Secretary of OMR. Thereafter, the Affidavit of Termination is executed by the Assistant Secretary, notarized, and recorded in the conveyance records of the Parish or Parishes in which the acreage covered by the terminated lease was located. After the Affidavit of Termination is recorded, OMR Ownership Records are corrected and the lease acreage is put back into commerce.

**e) DOCKET REVIEW REPORT  
March 14, 2018**

The Board heard the report from Emile Fontenot on Wednesday, March 14, 2018, relative to the following:

- Category A: State Agency Leases  
There were no items for this category
- Category B: State Lease Transfers  
Docket Item Nos. 1 through 10.
- Category C: Department of Wildlife & Fisheries State Agency Lease  
There were no items for this category
- Category D: Advertised Proposals  
Docket Item Nos. 1 through 5

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

- Category B: State Lease Transfers  
Approve Docket Item Nos. 1 through 10.  
(Resolution Nos. 18-03-007 through 18-03-016)
- Category D: Advertised Proposals  
Defer Docket Item No. 18-05 (Resolution No. 18-03-017) at the request of the staff and approve Docket Item Nos. 18-06 through 18-08 (Resolution Nos. 18-03-018 and 18-03-021)

**VI. EXECUTIVE SESSION**  
(Resolution Nos. 18-03-022 thru 18-03-025)

The Chairman stated that the next order of business was discussions in Executive Session to consider matters before the Board which were confidential in nature. Upon motion of Mr. Arnold, seconded by Mr. Watkins, the Board Members went into Executive Session at 10:11 a.m.

Upon motion of Mr. Harris, seconded by Ms. LeBlanc, the Board reconvened in open session at 10:48 a.m. for consideration of the following matters discussed in Executive Session:

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

This matter was only a discussion, and no action by the Board was taken. No comments were made by the public.

b. A discussion regarding the closure of the Cedyco Corporation audit

Upon motion of Ms. LeBlanc, seconded by Mr. Arnold, the Board voted unanimously to grant authority to OMR Staff to close the Cedyco Corporation audit pursuant to reasons discussed in Executive Session. No comments were made by the public. (Resolution No. 18-03-022)

c. A discussion regarding a settlement proposal from ConocoPhillips in the Bay Bastian Field that was escrowed as part of the Shoreline Energy bankruptcy. This settlement proposal affects State Lease No. 21436 and lands under lease by LL&E and the State in Plaquemines Parish, Louisiana

Upon motion of Mr. Arnold, seconded by Mr. Watkins, the Board voted unanimously to grant authority to OMR Staff to settle this matter pursuant to the percentages and recommendations discussed in Executive Session. No comments were made by the public. (Resolution No. 18-03-023)

d. A request from Staff for authority to negotiate with Trinity Exploration and Production, LLC, The Louisiana Land and Exploration Company, LLC, and Krewe Energy, LLC, for unit production allocation of a 179.833 acre voluntary unit proposal affecting State Lease No. 21724 and lands under lease by LL&E, Jefferson Parish, Louisiana

Upon motion of Ms. Michaud-Dugas, seconded by Mr. Watkins, the Board voted unanimously to grant authority to OMR Staff to negotiate and settle this matter as per the terms discussed in Executive Session. No comments were made by the public. (Resolution No. 18-03-024)

e. A request by Staff for authority to make an offer to Falcon V, LLC regarding the terms of an Operating Agreement, involving former State Lease No. 5024 in the Manchac Point Field, East and West Baton Rouge Parish, Louisiana

Upon motion of Mr. Arnold, seconded by Mr. Hollenshead, the Board voted unanimously to grant authority to OMR Staff to negotiate pursuant to the terms as discussed in Executive Session. No comments were made by the public. (Resolution No. 18-03-025

e. Technical Briefing on Bids

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

## **VII. AWARDING OF LEASES**

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

Mr. Byron Miller stated that Staff recommends that all the bids received on Tract Nos. 44847, 44849, 44850, 44851, and 44854 be accepted.

Upon motion by Mr. Harris, seconded by Ms. LeBlanc, the Board unanimously voted to accept Staff's recommendations and award leases on the following:

1. Award a lease on Tract No. 44847 to Renaissance Offshore, LLC
2. Award a lease on Tract No. 44849 to Renaissance Offshore, LLC
3. Award a lease on Tract No. 44850 to Hunter Energy Corporation
4. Award a lease on Tract No. 44851 to Sun Louisiana, LLC and Pinnacle International (USA) I LLC
5. Award a lease on Tract No. 44854 to Forty Hills Land L.L.C.

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

This concluded the awarding of the leases.

**VIII. NEW BUSINESS**

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

No new business was discussed.

**IX. ANNOUNCEMENTS**

Mr. Manuel stated that there were five (5) leases awarded totaling \$194,954.31 for the March 14, 2018 Lease Sale bringing the fiscal year total to \$3,159,283.12.

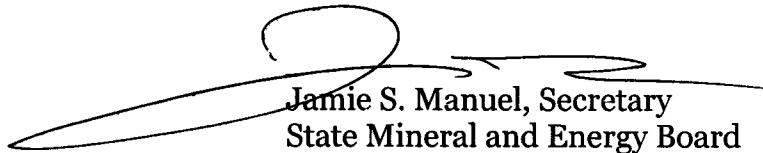
Charles Bradbury introduced OMR's new engineer intern Cody Todd.

Secretary Harris also stated that he recently learned that former DNR Deputy Secretary Randy Hanchey passed away last month.

**X. ADJOURNMENT**

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Arnold, seconded by Ms. LeBlanc, the meeting was adjourned at 10:54 a.m.

Respectfully Submitted,



Jamie S. Manuel, Secretary  
State Mineral and Energy Board



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Authority to advertise  
Tracts for May 9  
, 2018 Lease Sale

**Resolution #18-03-001**

**(NOMINATION AND TRACT REPORT)**

**WHEREAS**, Mr. Emile Fontenot reported that 26 tracts had been nominated for the May 9, 2018 Mineral Lease Sale, and requests that same are to be advertised pending staff review;


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

That the State Mineral and Energy Board grant final approval to advertise all such tracts for the May 9, 2018 Mineral Lease Sale;

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

## **CERTIFICATE**

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 14th day of March 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.

  
\_\_\_\_\_  
**Jamie S. Manuel, Secretary**

**LOUISIANA STATE MINERAL AND ENERGY BOARD**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Audit Procedures for  
Bankruptcies

## RESOLUTION #18-03-002 (AUDIT REPORT)

**WHEREAS**, the staff of the State Mineral and Energy Board and of the Attorney General are regularly called upon to handle matters in bankruptcy to ensure the recovery of, among other things, mineral royalties due to the State;

**WHEREAS**, at the time of filing for bankruptcy, the staff often does not know the full extent of the amounts due to the State by a party claiming relief in bankruptcy;

**WHEREAS**, this lack of information makes asserting bankruptcy claims difficult;

**WHEREAS**, in an effort to remedy this information deficiency, the State Mineral and Energy Board passed a resolution on August 12, 2009, requiring that the staff perform a full audit of any company designated as a payor to the State upon the staff's receipt of knowledge of the pendency of a bankruptcy;

**WHEREAS**, in the more than eight years that have passed since the passage of that resolution, the staff and the Attorney General have determined that the requirement of conducting a full audit of such companies is too time consuming to fit within the time delays of bankruptcy matters and is requiring too much time and resources from the staff;

**WHEREAS**, the staff and the Attorney General have determined that a more functional approach to handling such bankruptcies is to conduct a desk audit of each such company and to present the findings of that audit to the company as cure or claim costs.

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

**BE IT RESOLVED**, that the State Mineral and Energy Board does hereby rescind the resolution dated August 12, 2009, requiring the staff to perform a full audit of any company designated as a payor to the State upon the staff's receipt of knowledge of the pendency of a bankruptcy;

**BE IT FURTHER RESOLVED**, that the staff is directed to, in its discretion, conduct desk audits of companies designated as a payor to the State upon the staff's receipt of knowledge of the pendency of a bankruptcy of such company for the purposes of identifying the proper amounts owed to the State as cure or claim amounts.

  
**Jamie Manuel, Secretary**  
**Louisiana State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #18-03-003

(LEGAL & TITLE CONTROVERSY REPORT)

Matador Resources  
Company – Termination of  
Escrow Payment Authority

**WHEREAS**, Matador Resources Company was granted authority to escrow royalty payments by the State Mineral and Energy Board (Board) on August 10, 2011 under former State Lease No. 20274 for Operating Agreement 359 located in Section 1, Township 15 North, Range 11 West (Tract 4 - HA RA SUS); and


**WHEREAS**, Staff is requesting that the aforementioned escrow authority be terminated since it is no longer necessary.

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board hereby approves Staff's request to terminate the authority granted to Matador Resources Company on August 10, 2011 in the above referenced matter.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of March, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.



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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #18-03-004

(LEGAL & TITLE CONTROVERSY REPORT)

Integrated Exploration  
Production, LLC –  
Request for waiver of  
LDA for late release  
of SL 17772

**WHEREAS**, a request from Integrated Exploration Production, LLC (Integrated) dated December 15, 2017, to the State Mineral and Energy Board (Board) to waive the liquidated damages in the amount of \$30,100.00 for the late release of State Lease No. 17772, in the Bayou Biloxi Field, located in St. Bernard Parish, Louisiana;

**WHEREAS**, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended not to grant a waiver to Integrated for the liquidated damage assessment stated above;

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

**NOW THEREFORE, BE IT RESOLVED** that the Board accepts Staff's recommendation and hereby denies the request by Integrated Exploration to waive the aforementioned liquidated damage assessment.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of March, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #18-03-005

(LEGAL & TITLE CONTROVERSY REPORT)

Castex Energy, Inc. request to negotiate Operating Agreement on former SL Nos. 21628 & 21629
-------------------------------------------------------------------------------------------------------

**WHEREAS**, a request by Castex Energy, Inc. (Castex) to the State Mineral and Energy Board (Board) to authorize Staff to begin negotiations with Castex Energy for the terms of an Operating Agreement covering 633 acres of unleased State acres, more or less, being formerly State Lease Nos. 21628 and 21629, situated in the TEX L-CIB C RA SUA, King Lake Field, Terrebonne Parish, Louisiana.

**WHEREAS FURTHER**, the request includes authority to remove this acreage from commerce until the September 12, 2018 Board Meeting unless an Operating Agreement is confected and approved by the Board prior to that date;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby approve the foregoing request by Castex to negotiate an Operating Agreement as stated above;

**BE IT FURTHER RESOLVED** that the Board does hereby remove the acreage from commerce, making it unavailable for leasing until the September 12, 2018 Board Meeting, or until an Operating Agreement is confected and approved by the Board, whichever occurs first.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of March, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #18-03-006

Statement for Procedure -  
Expired State Lease

### (LEGAL & TITLE CONTROVERSY REPORT)

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

**WHEREAS**, there was a discussion by the Assistant Secretary of the Office of Mineral Resources on a change in procedure for placing formerly leased acreage back into commerce when the state lease terminates by the operation of a resolatory condition contained in the lease; and

**WHEREAS**, a request by the Assistant Secretary and Staff of the Office of Mineral Resources for the State Mineral and Energy Board to approve the change in procedure set forth in the Statement for Procedure provided to the Board and attached hereto; and

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

**NOW, THEREFORE BE IT RESOLVED**, that the State Mineral and Energy Board adopts the Statement for Procedure attached hereto and made a part hereof.

### 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 14<sup>th</sup> day of March, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



---

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

# **STATEMENT FOR PROCEDURE**

## **RELEASE/LEASE TERMINATION PROCEDURE FOR >90 DAYS** **WITH NO PRODUCTION/OPERATIONS,** **END OF A TERM OR NO LEASE MAINTENANCE PAYMENT**

The Petroleum Lands Section (PL) and the Geological and Engineering Section (G&E), determine if a state lease has expired due to either the failure to make the required maintenance payment or if there has been a lapse of greater than 90 days without production or operations. If either of these factors are determined, a route sheet and lease ownership report are prepared.

It has been the practice of OMR to obtain releases from all working interest owners of terminated leases in question prior to placing acreage back into commerce and making available for leasing. In situations where there is a lack of production or operations for longer than 90 days (180 days for some older leases), the end of a term, or there is a failure to make a lease maintenance payment, it is not necessary to obtain the releases in order to place the acreage back into commerce and make available for leasing because the leases have expired, as a matter of fact, by operation of a resolutive condition.

In these situations, the State's clear title and ability to open the acreage for leasing is not dependent upon obtaining releases. The State continues to have an interest in obtaining releases in these situations and enforcing the lessee's obligation to execute a release, but that should not hold back getting the acreage returned to commerce. Accordingly, OMR will continue to seek releases from former lessees and will continue to enforce late release penalties set forth in state mineral leases. However, the procedure for clearing the acreage for leasing and getting it back into commerce is separate from, and not dependent upon, the procedure for obtaining releases.

If it is determined that a state lease has expired (partially or fully) under the above circumstances, the lease ownership report for that lease is printed. Notification via a certified letter is mailed to each working interest owner of the state lease advising them that the lease has expired, that a fully executed, recorded release is required, and that the acreage covered by the expired lease will be placed back into commerce for leasing (sixty) 60 days from the date of the notification letter. Absent a response from the working interest owners disputing the facts supporting OMR's conclusion that the lease has terminated, PL drafts an "Affidavit of Termination" for review by the Geology Lands Administrator, DNR Legal, and the Assistant Secretary of OMR. Thereafter, the Affidavit of Termination is executed by the Assistant Secretary, notarized, and recorded in the conveyance records of the Parish or Parishes in which the acreage covered by the terminated lease was located. After the Affidavit of Termination is recorded, OMR Ownership Records are corrected and the lease acreage is put back into commerce.

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-003-007 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the March 14, 2018 meeting be approved, said instrument being an Assignment from Howard E. Sutton to Allen Brothers, of all of Assignor's right, title and interest in and to State Lease No. 3366, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

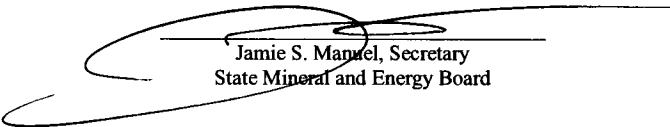
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of March, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Mangel, Secretary  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-003-008 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the March 14, 2018 meeting be approved, said instrument being an Assignment from Creeta Resources, LLC to Prime Rock Resources LA LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 15346, 15350 and 15354, St. Landry Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

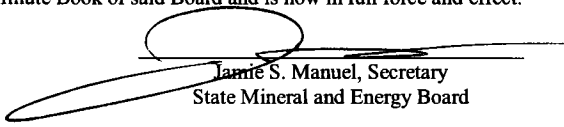
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of March, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-003-009 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the March 14, 2018 meeting be approved, said instrument being an Assignment from Ironstone Energy, LLC to Gulf Coast Western, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 19202, 19203, 19204, 19205, 19206 and 19232, St. Charles Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

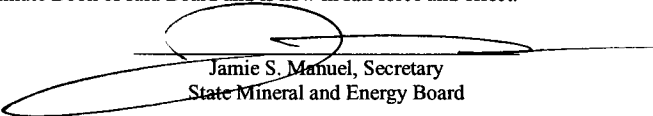
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of March, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-003-010 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the March 14, 2018 meeting be approved, said instrument being an Assignment from Nouveau Depart, L.L.C., of an undivided 70% of all of Assignor's right, title and interest to the following in the proportions set out below:

Pecunoleum Drilling Fund, LLC	42.86%
Welch Energy, LLC	35.71%
Vansant Resources LLC	7.14%
Deep South Energy, Inc.	14.29%

in and to State Lease Nos. 18165, 21187, 21692, 21693, 21694 and 21695, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

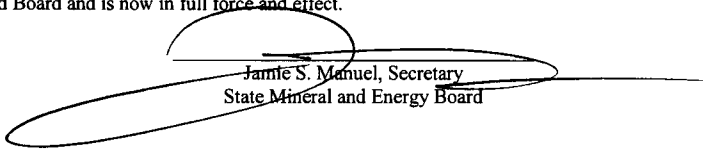
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of March, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-003-011 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the March 14, 2018 meeting be approved, said instrument being an Assignment from Nouveau Depart, L.L.C to Patriot Production Group L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 18165 and 21187 AND an undivided 20% of Assignor's right, title and interest in and to 21692, 21693, 21694 and 21695, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

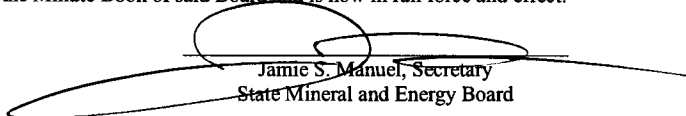
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of March, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-003-012 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the March 14, 2018 meeting be approved, said instrument being an Assignment from Square Mile Energy, L.L.C. to Tri-C Resources, LLC, of an undivided 62.500% of 8/8ths interest, in and to State Lease Nos. 20856 and 20857, St. Charles Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said leases lie within the geographical boundaries of the Cris I Zone, Reservoir B, in the West Lake Salvador Field, St. Charles Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

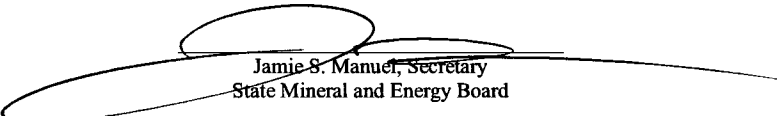
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of March, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-003-013 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 7 from the March 14, 2018 meeting be approved, said instrument being an Assignment from Tri-C Resources, LLC to Square Mile Energy, L.L.C., of an undivided 50% of 8/8ths interest, in and to State Lease Nos. 21408, 21536 and 21537, St. Charles Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

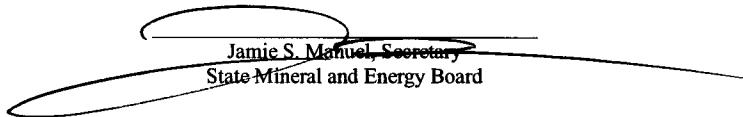
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of March, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manual, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-003-014 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 8 from the March 14, 2018 meeting be approved, said instrument being a Judgment of Possession of the Succession of William Calvin Allen, Jr., whereas William Calvin Allen III, Alton Eugene Allen and the Ronnie Royce Allen Trust, trustee Alton Eugene Allen are placed into possession of 1/3<sup>rd</sup> interest each of Decedent's property, in and to State Lease No. 3987, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

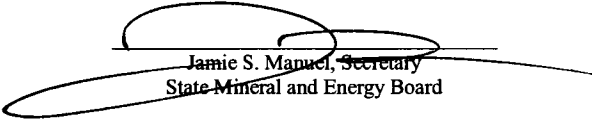
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of March, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-003-015 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 9 from the March 14, 2018 meeting be approved, said instrument being a Judgment of Possession of the Succession of William Calvin Allen, III, whereas the following have been sent into the possession of certain interests of Decedent's property as follows:

Angela Alta Allen Rosett,	1/4 <sup>th</sup>
Mendee Sheree Allen Chance	1/4 <sup>th</sup>
Roysan Allen	1/4 <sup>th</sup>
Callie Marie Allen Carmichael	1/8 <sup>th</sup>
William Calvin Allen, V	1/8 <sup>th</sup>

in and to State Lease No. 3987, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

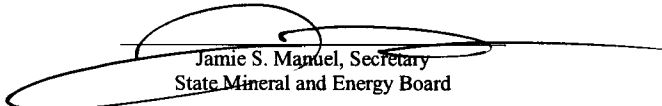
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of March, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #18-003-016 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10 from the March 14, 2018 meeting be approved, said instrument being an Assignment from Indigo Minerals LLC to Perdido Energy Louisiana LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 13828, 17748, 17749, 17750 and 17806, Acadia, Evangeline and Vernon Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

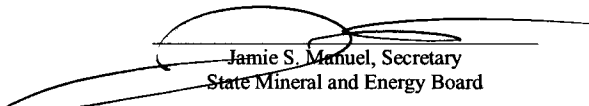
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of March, 2018, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #18-003-017**

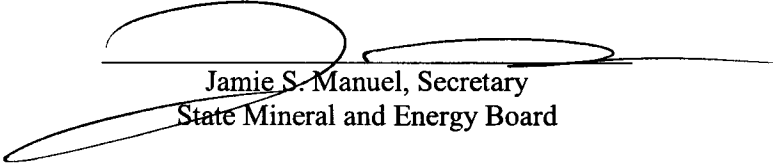
**(DOCKET)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18-05 from the March 14, 2018 meeting be deferred, said instrument being a Unitization Agreement by and between the State Mineral and Energy Board, for and on behalf of the State of Louisiana, The Louisiana Land and Exploration Company LLC, Trinity Exploration & Production, LLC and Krewe Energy, LLC, to create a 179.833 acre unit, more or less, with 131 acres, more or less, being attributable to State Lease No. 21724 and the remaining acreage being attributable to private ownership. All unitized production from the unit shall be allocated on the basis of 80% to the State and 20% to The Louisiana Land and Exploration Company LLC, affecting State Lease No. 21724, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of March, 2018 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #18-003-018**

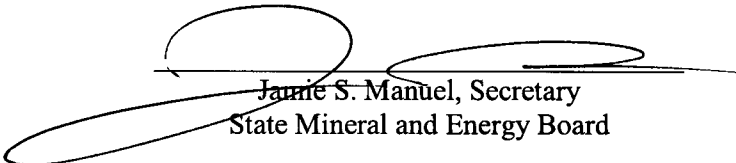
**(DOCKET)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18-06 from the March 14, 2018 meeting be approved, said instrument being a Settlement, Receipt and Release Agreement by and between Clayton Williams Energy, Inc., the State of Louisiana, acting through its agency, the Louisiana State Mineral & Energy Board and Brandon J. Carter, Jr., et al, whereas said parties have reached a settlement in the matter entitled *Clayton Williams Energy, Inc. vs. Brandon J. Carter, Jr., et al*, Docket No. 10-16392, 38<sup>th</sup> Judicial District Court, Cameron Parish, Louisiana, affecting State Lease Nos. 12848 and 13465 and Former State Lease Nos. 16097 and 16425, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of March, 2018 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #18-003-019**

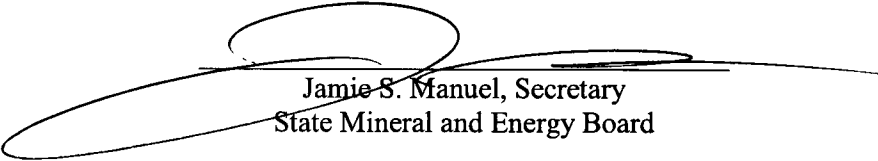
**(DOCKET)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18-07 from the March 14, 2018 meeting be approved, said instrument being A Settlement, Receipt and Release Agreement by and between Clayton Williams Energy, Inc., EnergyQuest II, L.L.C., Texas Petroleum Investment Company, the State of Louisiana, acting through its agency, the Louisiana State Mineral & Energy Board and Brandon J. Carter, Jr., et al, whereas said parties have reached a settlement in the matter entitled *Clayton Williams Energy, Inc. vs. Carter-Butler Properties, L.P.*, Docket No. 10-18152, 38<sup>th</sup> Judicial District Court, Cameron Parish, Louisiana, affecting State Lease Nos. 12848, 13465 and 19109, with further particulars being stipulated in the instrument.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of March, 2018 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #18-003-020**

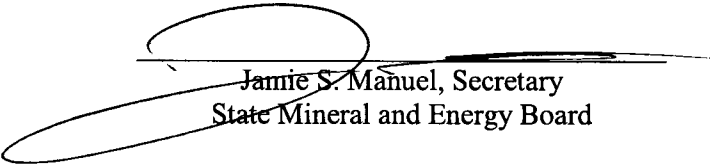
**(DOCKET)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18-08 from the March 14, 2018 meeting be approved, said instrument being A Settlement, Receipt and Release Agreement by and between Stone Energy Corporation and the State of Louisiana, acting through its agency, the Louisiana State Mineral & Energy Board, whereas said parties hereby resolves any dispute that has been, or could have been raised regarding the audit period and the royalty audit and releases each other from any claims, recoupments, or returns of overpaid royalties or other sums that may be due to each other , affecting State Lease Nos. 6706, 6894, 10830, 13287, 16120, 16121, 16528, 16945, 17309, 17435, 17595, 19749, B05074, Operating Agreements A0285 and A0312 and Former State Lease Nos. 4237, 4238, 12457, 14498, 14689, 14905, 15074, 15174, 15307, 15310, 15835, 15868, 15970, 16255, 16256, 16257, 16944, 18367 and 18603, Lafourche, Plaquemines and Terrebonne Parishes, Louisiana, with further particulars being stipulated in the instrument.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of March, 2018 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #18-003-021**

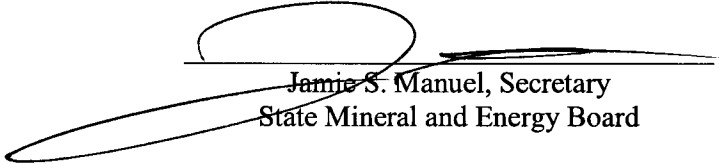
**(DOCKET)**

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18-09 from the March 14, 2018 meeting be approved, said instrument being a Settlement Agreement by and between M&M Almond, L.L.C., Wilkinson Almond Land Company, L.L.C. and the State of Louisiana, acting through its agencies, the Louisiana Division of Administration, Office of State Lands and the Louisiana State Mineral & Energy Board, whereas said parties have reached a settlement in the matter entitled M&M Almond, L.L.C. and Wilkinson-Almond Land Company, L.L.C. vs State of Louisiana, et al, Docket No. 36768, 39<sup>th</sup> Judicial District Court of Red River, Louisiana, affecting State Lease Nos. 6060, 13045, 13697, 20040 and Operating Agreement "A0158", Red River Parish, Louisiana, with further particulars being stipulated in the instrument.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of March, 2018 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



Jamie S. Manuel, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion  
Re: Cedyco Corporation Audit

## RESOLUTION # 18-03-022

(EXECUTIVE SESSION)

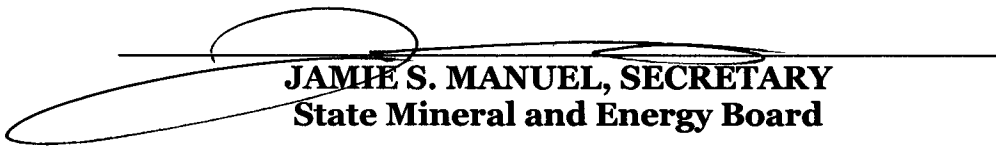
**WHEREAS**, a discussion was held in Executive Session regarding the closure of the Cedyco Corporation audit;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to OMR Staff to close the Cedyco Corporation audit pursuant to reasons discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of March, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion  
Re: ConocoPhillips  
Settlement Offer affecting  
State Lease No. 21436

## RESOLUTION # 18-03-023

(EXECUTIVE SESSION)

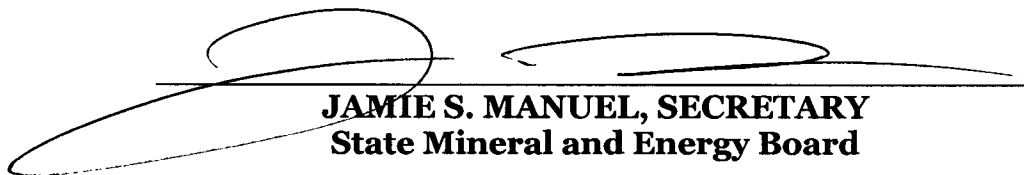
**WHEREAS**, a discussion was held in Executive Session regarding a settlement proposal from ConocoPhillips in the Bay Bastian Field that was escrowed as part of the Shoreline Energy bankruptcy. This settlement proposal affects State Lease No. 21436 and lands under lease by LL&E and the State in Plaquemines Parish, Louisiana;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to OMR Staff to settle this matter pursuant to the percentages and recommendations discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of March, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion  
Re: Trinity Exploration and  
Production, LLC, The Louisiana  
Land and Exploration Company,  
LLC, and Krewe Energy, LLC  
State Lease No. 21724 Jefferson  
Parish, Louisiana

**RESOLUTION # 18-03-024**

(EXECUTIVE SESSION)

**WHEREAS**, a discussion was held in Executive Session regarding a request from Staff for authority to negotiate with Trinity Exploration and Production, LLC, The Louisiana Land and Exploration Company, LLC, and Krewe Energy, LLC, for unit production allocation of a 179.833 acre voluntary unit proposal affecting State Lease No. 21724 and lands under lease by LL&E, Jefferson Parish, Louisiana;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to OMR Staff to negotiate and settle this matter as per the terms discussed in Executive Session.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of March, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Executive Session Discussion  
Re: Falcon V, LLC regarding the  
terms of an Operating Agreement,  
involving former State Lease No.  
5024 in the Manchac Point Field,  
East and West Baton Rouge Parish

## RESOLUTION # 18-03-025

(EXECUTIVE SESSION)

**WHEREAS**, a discussion was held in Executive Session regarding a request by Staff for authority to make an offer to Falcon V, LLC regarding the terms of an Operating Agreement, involving former State Lease No. 5024 in the Manchac Point Field, East and West Baton Rouge Parish, Louisiana;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to OMR Staff to negotiate pursuant to the terms as discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14th day of March, 2018 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.

  
**JAMIE S. MANUEL, SECRETARY**  
**State Mineral and Energy Board**