

**MINUTES**

**STATE MINERAL AND  
ENERGY BOARD**

**REGULAR MEETING  
AND  
LEASE SALE**

**OCTOBER 13, 2010**

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on Wednesday, October 13, 2010, beginning at 11:05 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

Mr. W. Paul Segura, Jr., acting as Chairman in the absence of Chairman Scott A. Angelle, called the meeting to order. He then requested Mr. Jody Montelaro, Secretary to the State Mineral and Energy Board, to call the roll for the purpose of establishing a quorum.

W. Paul Segura, Jr., Vice-Chairman  
Thomas L. Arnold, Jr.  
Emile B. Cordaro  
Bay E. Ingram  
Robert "Michael" Morton  
Thomas W. Sanders  
Darryl D. Smith  
Helen G. Smith  
Robert D. Harper, DNR Secretary

The following members of the Board were recorded as absent:

Scott A. Angelle, Chairman  
John C. "Juba" Diez

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

Also recorded as present were:

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

The Chairman then stated that the next order of business was the approval of the September 8, 2010 Minutes. A motion was made by Mr. Ingram to adopt the Minutes as submitted by the Executive Officer of the State Mineral and Energy Board and to waive reading of same. His motion was seconded by Mr. Cordaro and unanimously adopted by the Board. (No public comment was made at this time.)

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

Lease Review Committee  
Nomination & Tract Committee  
Audit Committee

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

At this time, upon motion of Mr. Sanders, seconded by Mr. Morton, and unanimously adopted by the Board, the Board recessed at 11:07 a.m. in order to continue with the remaining committee meetings.

At 12:30 p.m., upon motion of Mr. Ingram, seconded by Mr. Cordaro, and unanimously adopted by the Board, the Board reconvened its meeting.

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

Legal & Title Controversy Committee  
Docket Review Committee

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

The Chairman then announced that the Board would recess its regular meeting at 12:31 p.m. and go into executive session for technical briefing in order to consider matters before the Board which were confidential in nature. A motion was made by Mr. Sanders, seconded by Mr. Ingram, and unanimously adopted by the Board.

During the technical briefing, the Board conferred with staff personnel concerning the merit of the bids that were submitted and opened earlier today at a public meeting\*, based on geological, engineering and other confidential data and analyses available to the Board and staff, after which, upon motion of Mr. Ingram, seconded by Mr. Sanders, and unanimously adopted by the Board, the Board reconvened in open session at 12:40 p.m.

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

The Chairman then stated that the next order of business was the awarding of the leases. Based upon recommendations announced by Mr. Victor Vaughn, the following action was then taken by the Board. Leases awarded were conditioned on tract descriptions being accurate, overlapped prior leases being subtracted from acreage bid on, acreage amount being verified and agreed between bidder and state and portion bids verified as being located within advertised boundary of tracts. (No public comment was made at this time.)

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41639 to Saye Oil Company.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41643 to Matador Resources Company, with a cash payment of \$415,296.00.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41644 to Paramount Energy, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41646 to Pryme Lake Exploration LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41647 to Pryme Lake Exploration LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 41648, said portion being 7.68 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41651 to Orbit Energy, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41652 to Delta Lands Exploration, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41653 to Fleetwood Resources, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 41654, said portion being 537.87 acres more particularly described in said bid and outlined on accompanying plat, to Ballard Exploration Company, Inc. As to the portion bid by Wainwright & Boyer Land Services, LLC, the bid overlapped the bid by Ballard Exploration Company, Inc. Therefore, Wainwright & Boyer Land Services, LLC, after the property descriptions were finalized, was granted the option to take the lease on the property which it bid at its bid price, less and except the overlapped area which was in the bid containing 537.87 acres by Ballard Exploration Company, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 41656, said portion being 114.07 acres more particularly described in said bid and outlined on accompanying plat, to Wainwright & Boyer Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 41657, said portion being 15.93 acres more particularly described in said bid and outlined on accompanying plat, to Wainwright & Boyer Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 41658, said portion being 37.0 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 41660, said portion being 515.0 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41661 to Louisiana Energy Investments, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 41662, said portion being 41.26 acres more particularly described in said bid and outlined on accompanying plat, to Oil Land Services, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on a portion of Tract 41665, said portion being 313.69 acres more particularly described in said bid and outlined on accompanying plat, to Theophilus Oil, Gas & Land Services, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41667 to Paramount Energy, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41668 to Paramount Energy, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41669 to Swift Energy Operating, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41670 to Paramount Energy, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41671 to Paramount Energy, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41672 to Paramount Energy, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41679 to Paramount Energy, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41680 to Paramount Energy, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41681 to Paramount Energy, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41682 to Paramount Energy, Inc.

Upon motion of Mr. Arnold, seconded by Ms. Smith, the Board voted unanimously to award a lease on Tract 41684 to Paramount Energy, Inc.

This concluded the awarding of the leases.

At this time, the Chairman offered and read into the record the following resolution in recognition of Mr. Louis Buatt and his service to the State Mineral and Energy Board as well as the Office of Mineral Resources and Department of Natural Resources.

**WHEREAS**, Louis E. Buatt, having been appointed Assistant Secretary of the Office of Coastal Restoration and Management on August 29, 2008, was further appointed as Assistant Secretary of the Office of Mineral Resources on February 23, 2010, to serve thereafter in a dual capacity as Assistant Secretary for both Offices of the Department of Natural Resources and, resulting from the Office of Mineral Resources appointment, to serve as Secretary of the Louisiana State Mineral and Energy Board; and

**WHEREAS**, having little previous experience with the “energy” industry, Louis Buatt, in his new capacity, was nevertheless thrust into a pivotal role in drafting and, by dint of personal sacrifice of time and energy, shepherding through the legislative process to enactment, new and vital legislation dealing with alternative energy sources as a function of Louisiana State Mineral and Energy Board oversight; and

**WHEREAS**, during his tenure in the dual capacity role, Louisiana was faced with one of the worst natural disasters in its history in the explosion and sinking of the Deep Water Horizon drilling rig under contract to British Petroleum America, and the resulting massive oil spill in the Gulf of Mexico off of its coast; which disaster placed Louis Buatt in the forefront of the Louisiana effort, working closely with its Governor, Lieutenant Governor, State Legislators, Congressmen, Senators and State government personnel (including personnel from the Office of Mineral Resources and the Office of Coastal Management) in crafting and implementing a unified response to that disaster embodying mitigation and ultimate relief, while maintaining a vigorous oil and gas presence in Louisiana; and

**WHEREAS**, Louis Buatt, while adroitly dealing with the multitude of calls on his limited time occasioned by his function as dual capacity Assistant Secretaries, as well as close advisor to and sometime representative of the Lieutenant Governor, Scott Angelle, in carrying out the plethora of duties and obligations concomitant with that office, nevertheless, through exemplary management skills and consistent attention to detail, provided the requisite leadership which has allowed the Office of Mineral Resources to maintain its deserved reputation of quality service to the oil and gas industry and the public, and the Louisiana State Mineral and Energy Board exhibit a standard of excellence in representing the State through the development of its abundant mineral and energy resources; and

**WHEREAS**, having served so diligently and selflessly to oversee the many functions of the Office of Mineral Resources and the Louisiana State Mineral and Energy Board in dealing with the continued development of mineral and energy resources for the State of Louisiana, Louis Buatt, in order

to devote the requisite time and energy to maintaining the high standard of operation of the Office of Coastal Management and to fulfill even greater service to the State in his capacity as advisor to the Lieutenant Governor, Scott Angelle, and upon the appointment of a new Assistant Secretary for the Office of Mineral Resources, ended his stewardship as Assistant Secretary of that office on September 8, 2010, leaving it, and Louisiana, better able to meet the uncertain energy demands engendered by a fractious federal energy policy.

**NOW THEREFORE, BE IT RESOLVED**, that the Louisiana State Mineral and Energy Board does herein and hereby render its heartfelt commendation to Louis E. Buatt for his tireless devotion to duty, his unsparing expenditure of time and effort, his unselfish sharing of knowledge and experience, and his willingness to do that little bit "extra" necessary to maintain the deserved reputation of the Office of Mineral Resources as nonpareil in service to the State of Louisiana, the energy industry and the public as regards the development of mineral and energy resources in and for the State of Louisiana; and to project the effectiveness of the Louisiana State Mineral and Energy Board in its oversight of that development.

**BE IT FURTHER RESOLVED**, that, knowing the experience and service of Louis E. Buatt to the Department of Natural Resources and the State of Louisiana will continue in his capacity as Assistant Secretary of the Office of Coastal Management and as advisor to the present Lieutenant Governor, Scott Angelle, with the same diligence, without regard for the inconveniences concomitant with such service, as he exhibited in his short tenure as Assistant Secretary of the Office of Mineral Resources, the Louisiana State Mineral and Energy Board desires that he understand the high regard with which he is held by the Board and the best wishes of the Board for continued, successful service in the public sector. **THANK YOU LOU BUATT FROM THE ENTIRE LOUISIANA STATE MINERAL AND ENERGY BOARD!!**

A motion was made by Ms. Smith, seconded by Mr. Sanders, and unanimously adopted by the Board. **(A copy of the formal Resolution is hereby attached.)**

Mr. Buatt was then recognized and stated that he appreciated the opportunity to serve the Board. It was certainly a learning experience. I had a great time working with you all. You are doing a fantastic job and you need to keep up the good work. You have a good person here with Jody Montelaro to carry on the work and I know he is going to do a fantastic job for you all. I thank you for the opportunity to serve you all.

The Chairman, on behalf of the Board, again thanked Mr. Buatt for his service to the Board and for his continued service in the department.

The following announcements were then made:

Secretary Montelaro stated that total cash payments for the October 13, 2010 Lease Sale came to \$2,601,466.43 and the year-to-date cash payments for 2010-2011 are \$12,036,605.57.

The Chairman again welcomed Jody Montelaro and further stated that the Board looked forward to working with him.

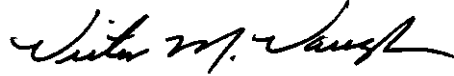
Mr. Sanders again welcomed Ms. Duhe as an attorney on the Board's staff.

October 13, 2010

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The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Ingram, seconded by Mr. Sanders, the meeting was adjourned at 12:55 p.m.

Respectfully submitted,

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

Victor M. Vaughn  
Executive Officer  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

ON MOTION OF Ms. Smith, duly seconded by Mr. Sanders, the following Resolution was proposed by the Louisiana State Mineral and Energy Board and unanimously adopted, to-wit:

**WHEREAS**, Louis E. Buatt, having been appointed Assistant Secretary of the Office of Coastal Restoration and Management on August 29, 2008, was further appointed as Assistant Secretary of the Office of Mineral Resources on February 23, 2010, to serve thereafter in a dual capacity as Assistant Secretary for both Offices of the Department of Natural Resources and, resulting from the Office of Mineral Resources appointment, to serve as Secretary of the Louisiana State Mineral and Energy Board; and

**WHEREAS**, having little previous experience with the "energy" industry, Louis Buatt, in his new capacity, was nevertheless thrust into a pivotal role in drafting and, by dint of personal sacrifice of time and energy, shepherding through the legislative process to enactment, new and vital legislation dealing with alternative energy sources as a function of Louisiana State Mineral and Energy Board oversight; and

**WHEREAS**, during his tenure in the dual capacity role, Louisiana was faced with one of the worst natural disasters in its history in the explosion and sinking of the Deep Water Horizon drilling rig under contract to British Petroleum America, and the resulting massive oil spill in the Gulf of Mexico off of its coast; which disaster placed Louis Buatt in the forefront of the Louisiana effort, working closely with its Governor, Lieutenant Governor, State Legislators, Congressmen, Senators and State government personnel (including personnel from the Office of Mineral Resources and the Office of Coastal Management) in crafting and implementing a unified response to that disaster embodying mitigation and ultimate relief, while maintaining a vigorous oil and gas presence in Louisiana; and

**WHEREAS**, Louis Buatt, while adroitly dealing with the multitude of calls on his limited time occasioned by his function as dual capacity Assistant Secretaries, as well as close advisor to and sometime representative of the Lieutenant Governor, Scott Angelle, in carrying out the plethora of duties and obligations concomitant with that office, nevertheless, through exemplary management skills and consistent attention to detail, provided the requisite leadership which has allowed the Office of Mineral Resources to maintain its deserved reputation of quality service to the oil and gas industry and the public, and the Louisiana State Mineral and Energy Board exhibit a standard of excellence in representing the State through the development of its abundant mineral and energy resources; and

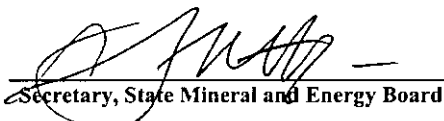
**WHEREAS**, having served so diligently and selflessly to oversee the many functions of the Office of Mineral Resources and the Louisiana State Mineral and Energy Board in dealing with the continued development of mineral and energy resources for the State of Louisiana, Louis Buatt, in order to devote the requisite time and energy to maintaining the high standard of operation of the Office of Coastal Management and to fulfill even greater service to the State in his capacity as advisor to the Lieutenant Governor, Scott Angelle, and upon the appointment of a new Assistant Secretary for the Office of Mineral Resources, ended his stewardship as Assistant Secretary of that office on September 8, 2010, leaving it, and Louisiana, better able to meet the uncertain energy demands engendered by a fractious federal energy policy.

**NOW THEREFORE, BE IT RESOLVED**, that the Louisiana State Mineral and Energy Board does herein and hereby render its heartfelt commendation to Louis E. Buatt for his tireless devotion to duty, his unsparing expenditure of time and effort, his unselfish sharing of knowledge and experience, and his willingness to do that little bit "extra" necessary to maintain the deserved reputation of the Office of Mineral Resources as nonpareil in service to the State of Louisiana, the energy industry and the public as regards the development of mineral and energy resources in and for the State of Louisiana; and to project the effectiveness of the Louisiana State Mineral and Energy Board in its oversight of that development.

**BE IT FURTHER RESOLVED**, that, knowing the experience and service of Louis E. Buatt to the Department of Natural Resources and the State of Louisiana will continue in his capacity as Assistant Secretary of the Office of Coastal Management and as advisor to the present Lieutenant Governor, Scott Angelle, with the same diligence, without regard for the inconveniences concomitant with such service, as he exhibited in his short tenure as Assistant Secretary of the Office of Mineral Resources, the Louisiana State Mineral and Energy Board desires that he understand the high regard with which he is held by the Board and the best wishes of the Board for continued, successful service in the public sector.  
**THANK YOU LOU BUATT FROM THE ENTIRE LOUISIANA STATE MINERAL AND ENERGY BOARD!!**

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 13<sup>th</sup> day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Louisiana State Mineral and Energy Board and is now in full force and effect.

  
Secretary, State Mineral and Energy Board

**THE FOLLOWING BID OPENING MEETING REPORT,  
COMMITTEE REPORTS AND RESOLUTIONS  
WERE MADE A PART OF THE OCTOBER 13, 2010 MINUTES  
BY REFERENCE**

A public meeting for the purpose of opening sealed bids was held on Wednesday, October 13, 2010, beginning at 8:30 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

Thomas W. Sanders, Mineral and Energy Board member  
Jody Montelaro, Assistant Secretary of the Office of Mineral Resources, and  
Secretary to the State Mineral and Energy Board  
Victor Vaughn, Geologist Administrator-Geological & Engineering Division, and  
Executive Officer to the State Mineral and Energy Board  
Stacey Talley, Deputy Assistant Secretary of the Office of Mineral Resources  
Frederick Heck, Director-Petroleum Lands Division  
Rachel Newman, Director-Mineral Income Division  
Emile Fontenot, Assistant Director-Petroleum Lands Division

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

October 13, 2010

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

Gentlemen:

Certified proofs of publication have been received in the Office of Mineral Resources on behalf of the State Mineral and Energy Board for the State of Louisiana from the "Advocate," official journal for the State of Louisiana, and from the respective parish journals as evidence that Tract Nos. 41639 through 41684 have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended.

Yours very truly,

(Original signed)

Jody Montelaro  
Secretary

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

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

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

INLAND TRACTS

Tract 41639

Bidder	:	Saye Oil Company
Primary Term	:	Three (3) years
Cash Payment	:	\$12,099.00
Annual Rental	:	\$6,050.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

Tract 41640

No Bids

Tract 41641

No Bids

Tract 41642

No Bids

Tract 41643

Bidder	:	Matador Resources Company
Primary Term	:	Three (3) years
Cash Payment	:	\$415,296.00
Annual Rental	:	\$207,648.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41643

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$337,736.00
Annual Rental	:	\$168,868.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

## Tract 41643

Bidder	:	Matador Resources Company
Primary Term	:	Three (3) years
Cash Payment	:	\$509,600.00
Annual Rental	:	\$254,800.00
Royalties	:	21% on oil and gas
	:	21% on other minerals
Additional Consideration	:	None

## Tract 41644

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$5,031.00
Annual Rental	:	\$2,515.50
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

## Tract 41645

No Bids

## Tract 41646

Bidder	:	Pryme Lake Exploration LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$38,071.44
Annual Rental	:	\$19,035.72
Royalties	:	20.5% on oil and gas
	:	20.5% on other minerals
Additional Consideration	:	None

## Tract 41647

Bidder	:	Pryme Lake Exploration LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$9,319.12
Annual Rental	:	\$4,659.56
Royalties	:	20.5% on oil and gas
	:	20.5% on other minerals
Additional Consideration	:	None

Tract 41648  
(Portion – 7.68 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$979.20
Annual Rental	:	\$489.60
Royalties	:	20.5% on oil and gas
	:	20.5% on other minerals
Additional Consideration	:	None

Tract 41649

No Bids

Tract 41650

No Bids

Tract 41651

Bidder	:	Orbit Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$10,373.00
Annual Rental	:	\$5,186.50
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41651

Bidder	:	Albert S. Ruffin, Jr.
Primary Term	:	Three (3) years
Cash Payment	:	\$12,361.50
Annual Rental	:	\$12,361.50
Royalties	:	24% on oil and gas
	:	24% on other minerals
Additional Consideration	:	None

Tract 41652

Bidder	:	Delta Lands Exploration, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$12,600.00
Annual Rental	:	\$12,600.00
Royalties	:	24% on oil and gas
	:	24% on other minerals
Additional Consideration	:	None

## Tract 41653

Bidder	:	Fleetwood Resources, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$83,850.00
Annual Rental	:	\$41,925.00
Royalties	:	21.75% on oil and gas
	:	21.75% on other minerals
Additional Consideration	:	None

## Tract 41654

(Portion – 537.87 acres)

Bidder	:	Ballard Exploration Company, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$1,134,905.70
Annual Rental	:	\$567,452.85
Royalties	:	25.0% on oil and gas
	:	25.0% on other minerals
Additional Consideration	:	None

## Tract 41654

(Portion – 298.99 acres)

Bidder	:	Wainwright & Boyer Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$307,062.73
Annual Rental	:	\$153,531.37
Royalties	:	25.5% on oil and gas
	:	25.5% on other minerals
Additional Consideration	:	None

## Tract 41655

No Bids

## Tract 41656

(Portion – 114.07 acres)

Bidder	:	Wainwright & Boyer Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$34,563.21
Annual Rental	:	\$17,281.61
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41657  
(Portion – 15.93 acres)

Bidder	:	Wainwright & Boyer Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$4,826.79
Annual Rental	:	\$2,413.40
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 41658  
(Portion – 37.0 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$27,232.00
Annual Rental	:	\$13,616.00
Royalties	:	23.5% on oil and gas
	:	23.5% on other minerals
Additional Consideration	:	None

Tract 41659

No Bids

Tract 41660  
(Portion – 515.0 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$183,340.00
Annual Rental	:	\$91,670.00
Royalties	:	23% on oil and gas
	:	23% on other minerals
Additional Consideration	:	None

Tract 41661

Bidder	:	Louisiana Energy Investments, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$35,250.00
Annual Rental	:	\$17,625.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None



Tract 41661

Bidder	:	Specter Exploration, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$30,550.00
Annual Rental	:	\$15,275.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 41662  
(Portion – 41.26 acres)

Bidder	:	Oil Land Services, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$14,688.56
Annual Rental	:	\$7,344.28
Royalties	:	23% on oil and gas
	:	23% on other minerals
Additional Consideration	:	None

Tract 41663

No Bids

Tract 41664

No Bids

Tract 41665  
(Portion – 313.69 acres)

Bidder	:	Theophilus Oil, Gas & Land Services, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$39,995.48
Annual Rental	:	\$19,997.74
Royalties	:	20.5% on oil and gas
	:	20.5% on other minerals
Additional Consideration	:	None

Tract 41666

No Bids

## STATE AGENCY TRACTS

## Tract 41667

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$9,470.14
Annual Rental	:	\$4,735.07
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

## Tract 41668

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$40,616.33
Annual Rental	:	\$20,308.17
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

## Tract 41669

Bidder	:	Swift Energy Operating, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$14,921.31
Annual Rental	:	\$14,921.31
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

## Tract 41670

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$54,351.00
Annual Rental	:	\$27,175.50
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

Tract 41671

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$8,052.00
Annual Rental	:	\$4,026.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

Tract 41672

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$12,078.00
Annual Rental	:	\$6,039.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

ATCHAFALAYA DELTA WMA-ST. MARY TRACTS

Tract 41673

No Bids

Tract 41674

No Bids

Tract 41675

No Bids

Tract 41676

No Bids

Tract 41677

No Bids

Tract 41678

No Bids

## TAX ADJUDICATED LANDS TRACTS

## Tract 41679

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$17,655.00
Annual Rental	:	\$8,827.50
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

## Tract 41680

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$70,620.00
Annual Rental	:	\$35,310.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

## Tract 41681

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$22,655.00
Annual Rental	:	\$11,327.50
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

## Tract 41682

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$98,933.00
Annual Rental	:	\$49,466.50
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

Tract 41682

Bidder	:	Audubon Oil and Gas Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$205,000.00
Annual Rental	:	\$102,500.00
Royalties	:	20% on oil and gas
	:	20% on other minerals
Additional Consideration	:	None

Tract 41683

No Bids

VACANT STATE LAND TRACT

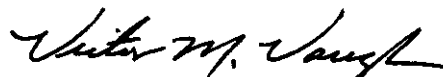
Tract 41684

Bidder	:	Paramount Energy, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$189,694.15
Annual Rental	:	\$94,847.08
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 9:10 a.m.

Respectfully submitted,



Victor M. Vaughn  
 Executive Officer  
 State Mineral and Energy Board



**State of Louisiana**  
DEPARTMENT OF NATURAL RESOURCES  
OFFICE OF MINERAL RESOURCES  
STATE MINERAL AND ENERGY BOARD  
**LEASE REVIEW COMMITTEE REPORT**

A meeting of the Lease Review Committee of the State Mineral and Energy Board convened on Wednesday, October 13, 2010 at 9:35 a.m. with the following members of the board in attendance: Mr. Thomas L. Arnold, Jr., Mr. Emile B. Cordaro, Mr. Robert "Michael" Morton, Mr. Darryl D. Smith, Ms. Helen G. Smith, Mr. W. Paul Segura, Jr. and Mr. Thomas W. Sanders.

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

I. Geological and Engineering Staff Review

According to SONRIS there are 1784 active State Leases covering approximately 840,000 acres. The Geological and Engineering Division has reviewed 162 leases covering nearly 109,000 acres.

1. A staff report on **State Lease 195-C**, Quarantine Bay Field, Plaquemines and St. Bernard Parishes. Cox Operating L.L.C. is the operator.

The staff recommends that this lease be referred to the Legal and Title Controversy Committee for any further action.

2. A staff report on **State Leases SLs 2220, 2221, 4039, and 4147**, Eloi Bay and or Half Moon Lake Fields, Plaquemines and St. Bernard Parishes. Cox Operating L.L.C. is the operator.

The staff recommends that these leases be referred to the Legal and Title Controversy Committee for any further action.

3. A staff report on **State Lease 328-A**, Bay Baptiste Field, located in Lafourche and Terrebonne Parishes. Hilcorp Energy I, LP is lessee.

The staff recommends that the 349 acre proposed partial release be accepted and that Hilcorp be granted until April 1, 2011 to restore this lease to production or, in lieu thereof, release another 349 acres.

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

As long as RockWell's drilling program proceeds as planned the staff will be satisfied with Gemini's plans as submitted. Therefore, the staff recommends that the plan of development submitted by RockWell Petroleum, Inc. And the plug and abandon plan submitted by Gemini Explorations, Inc. be accepted and that RockWell submit by January 1, 2011 a status report on the horizontal well.

III. Report on Force Majeure

1. Mr. Charles Bradbury, Petroleum Engineer, presented the following two matters recognizing new force majeure conditions:

- a. Stone Energy – SL 14498, 15310, 15970, 16255, 16256, & 16257 in Bay Marchand Block 2 Offshore Field, Lafourche Parish, Louisiana.

On motion by Mr. Arnold, seconded by Mr. Sanders the Committee moved to recognize force majeure event as of July 9, 2010 affecting State Leases 14498, 15310, 15970, 16255, 16256 and 16257 in Bay Marchand Block 2 Offshore Field, Lafourche Parish, Louisiana as requested by Stone Energy Corporation.

- b. IG Petroleum – OA A0232 in West Delta Block 84 Field, Plaquemines Parish Louisiana.

On motion by Ms. Smith, seconded by Mr. Cordaro the Committee moved to recognize force majeure event as of September 3, 2010 requested by IG Petroleum affecting OA A0232 in West Delta Block 84 Field, Plaquemines Parish, Louisiana.



2. Upon motion of Mr. Arnold, seconded by Ms. Smith, the Committee moved to approve the following Force Majeure Report as presented by Mr. Bradbury.

Last Updated: 10/01/2010	
Company Name	Lease Numbers
Leases Off Production Due to Non-storm Related Force Majeure Events	
Apache	16473, 16475, 18121
Century	3770, 12806, 15683, 16735, 16736, 16737, 16738, 17674, 17675, 17860, 17861, 17863, 17942
IG Petroleum	A0232
Mariner Energy	8690, 12457, 13287
Stone Energy	14498, 15310, 15970, 16255, 16256, 16257

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

On motion by Mr. Sanders, seconded by Mr. Arnold, the Committee moved to adjourn its October 13, 2010 meeting at 9:50 a.m.

Respectfully submitted,

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

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEASE REVIEW COMMITTEE

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

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

**WHEREAS**, a request was made by Stone Energy Corporation to recognize that a force majeure condition exists due to damage cause during the Hurricane Alex evacuation to the oil transport pipeline affecting State Leases 14498, 15310, 15970, 16255, 16256, & 16257, Lafourche Parish, Louisiana.

**WHEREAS**, State Lease 14498, 15310, 15970, 16255, 16256, & 16257, contains a "Force Majeure" provision which allows the Operator to maintain this agreement without complying with the actual drilling or reworking operations or by actual production requirements for as long as the force majeure is in effect;

**WHEREAS**, Jesse Lyons submitted a notarized affidavit on behalf of Stone Energy Corporation, which stated that the activities and/or fortuitous events which caused the force majeure was beyond the control, not the cause, and/or due to said company and/or business entity's negligence or intentional commission or omission;

**WHEREAS**, Mr. Lyons's affidavit also stated that said company and/or business entity did not fail to take reasonable and timely, foreseeable preventive measures which could have mitigated or negated the effective of said activities and/or fortuitous events;

**NOW THEREFORE BE IT RESOLVED** that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby recognize and acknowledge the force majeure event as of July 9, 2010, due to the failure of the oil transport pipeline servicing State Leases 14498, 15310, 15970, 16255, 16256, & 16257 in Lafourche Parish, Louisiana. Furthermore, the Board requires that Stone Energy Corporation in a due diligent manner, mitigate or negate the effective of said activities which caused the force majeure.

## CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral Board in the City of Baton Rouge Louisiana, on the 13<sup>th</sup> day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



Louisiana State Mineral & Energy Board



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEASE REVIEW COMMITTEE

On Motion of Ms. Smith, seconded by Mr. Cordaro the following resolution was offered and adopted:

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

**WHEREAS**, a request was made by IG Petroleum, L.L.C. to recognize that a force majeure condition exists for Operating Agreement A0232 due to a leak in a Tennessee gas pipeline that provides gas lift gas to produce the operating agreement in Plaquemines Parish, Louisiana.

**WHEREAS**, Operating Agreement A0232, contains a "Force Majeure" provision which allows the Operator to maintain this agreement without complying with the actual drilling or reworking operations or by actual production requirements for as long as the force majeure is in effect;

**WHEREAS**, Robert M. Hallmark submitted a notarized affidavit on behalf of IG Petroleum LLC, which stated that the activities and/or fortuitous events which caused the force majeure was beyond the control, not the cause, and/or due to said company and/or business entity's negligence or intentional commission or omission;

**WHEREAS**, Mr. Hallmark's affidavit also stated that said company and/or business entity did not fail to take reasonable and timely, foreseeable preventive measures which could have mitigated or negated the effective of said activities and/or fortuitous events;

**NOW THEREFORE BE IT RESOLVED** that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby recognize and acknowledge the force majeure event as of September 3, 2010, due to the failure of the Tennessee gas pipeline servicing State Operating Agreement A0232, Plaquemines Parish, Louisiana. Furthermore, the Board requires that IG Petroleum, L.L.C. in a due diligent manner, mitigate or negate the effective of said activities which caused the force majeure.

## CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral Board in the City of Baton Rouge Louisiana, on the 13<sup>th</sup> day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



Louisiana State Mineral & Energy Board

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: October 15, 2010 11:37 AM

District Code 1 New Orleans- East

Get Review Date October 13, 2010

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00195C		QUARANTINE BAY	QB 3 RB SU	9200	15357	OCT. OB 9-9-10 MTG WITH STAFF< COX MTG W/STAFF BY 9/8/10 POD, WELL, REL, P&AS
00195C		QUARANTINE BAY, SOUTH	QB 3 RB SU	9200	15357	OCT. OB 9-9-10 MTG WITH STAFF< COX MTG W/STAFF BY 9/8/10 POD, WELL, REL, P&AS
01732		POINTE A LA HACHE	VUG,DELACROIX	85	85	OCT. AR
02220		ELOI BAY , HALF MOON LAKE , RABBIT ISLAND	4650 RA SUA;LED SL 17002 07/15/2003 659-N 03-530	2800	4163	OCT. OB COX MTG W/STAFF 9/9/10 POD, WELL, REL, P&AS
02221		ELOI BAY	215867-SL 2221-064-D 06/23/1993	1600	2621	OCT. OB COX MTG W/STAFF 9/9/10 POD, WELL, REL, P&AS
04039		HALF MOON LAKE	228302-SL 4039-027 07/30/2003	400	670	OCT. OB COX MTG W/STAFF 9/9/10 POD, WELL, REL, P&AS
04147		ELOI BAY , HALF MOON LAKE	6020 SUA;SL 2220 11/01/1992	500	1383.61	OCT. OB COX MTG W/STAFF 9/9/10 POD, WELL, REL, P&AS
06420		QUARANTINE BAY	137.94 08/19/2009	94.82	94.82	OCT. AR
618		CHANDELEUR SOUND BLOCK 71	119.667 02/16/2004	50.961	50.961	OCT. AR
15339		SOUTH PASS BLOCK 6	77 212 09/03/2003	210.873	210.873	OCT. AR
16443		BRETON SOUND BLOCK 18	136.34 05/21/2003	290.66	290.66	OCT. AR
18011		BRETON SOUND BLOCK 48		61.01	61.01	OCT. 9/9/10 PAID 2ND ILR TO 3/9/11 AR
19445		MAIN PASS BLOCK 49	VUA;SL 19445 04/14/2010	64.99	64.99	OCT. SUGGEST AR 241050, 306346, BEGAN PRDG 6/10. PT 7/11/10
19446		MAIN PASS BLOCK 49	VUA;SL 19445 04/14/2010	51.75	51 75	OCT. SUGGEST AR 306346, 6/10 PRODUCTION. PT 7/11/10
19718				0	425.25	OCT. PT 7/9/13
19742				0	171	OCT. PT 7/9/11 PASS-A-LOUTRE
19743				0	124	OCT. PT 7/9/11 PASS-A-LOUTRE
20099				0	205	OCT. PT 7/8/12
20101				40	40	OCT. PT 7/8/10 *1YR PT; 9/21/10 CCB:CO RPTD LEASES ON PRD 7/10 *AC: ATTEMPT TO REACTIVATE SN 227578, OR PAY \$4,000 BY 7/8/10.
20103				40	40	OCT. PT 7/8/10 *1YR PT; 9/21/10 CCB:CO RPTD LEASES ON PRD 7/10 *AC: ATTEMPT TO REACTIVATE SN 227578, OR PAY \$4,000 BY 7/8/10.



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: October 15, 2010 11:37 AM

District Code 1W New Orleans- West
Get Review Date October 13, 2010

Table with 7 columns: Lease Num, DA, Field, Latest lease Activity, Productive Acreage, Present Acreage, Flagged for Review In. Rows include lease details for Queen Bess Island, Golden Meadow, South Pass Block 27, Pass Wilson, South Pass Block 24, Main Pass Block 69, Bayou Sorrel, Burrwood, West Bay, Lake Raccourci, Lake Washington, West Delta Block 53, and Saturday Island.

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: October 15, 2010 11:37 AM

District Code 1W New Orleans- West

Get Review Date October 13, 2010

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			07/04/2008			S FINAL DD TO 7/13/10 PT 7/13/08
19199		LAKE SALVADOR	VUA; 10/14/2009	22.91	22.91	OCT. SUGGEST AR 050500 PRD BEGAN 6/10 PT 12/13/09
19200		LAKE SALVADOR	VUA; 10/14/2009	18.82	18.82	OCT. SUGGEST AR 050500 PRD BEGAN 6/10 PT 12/13/09
19202		LAKE SALVADOR	VUA; 10/14/2009	78.07	78.07	OCT. SUGGEST AR 050500 PRD BEGAN 6/10 PT 12/13/09
19203		LAKE SALVADOR	VUA; 10/14/2009	43.33	43.33	OCT. SUGGEST AR 050500 PRD BEGAN 6/10 PT 12/13/09
19204		LAKE SALVADOR	VUA; 10/14/2009	65.38	65.38	OCT. SUGGEST AR 050500 PRD BEGAN 6/10 PT 12/13/09
19205		LAKE SALVADOR	240338-VUA;SL 19205-003 01/20/2010	172.35	172.35	OCT. SUGGEST AR 050500 PRD BEGAN 6/10 PT 12/13/09
19206		LAKE SALVADOR	VUA; 10/14/2009	97.78	97.78	OCT. SUGGEST AR 050500 PRD BEGAN 6/10 PT 12/13/09
19207		LAKE SALVADOR	VUA; 10/14/2009	3.39	3.39	OCT. SUGGEST AR 050500 PRD BEGAN 6/10 PT 12/13/09
19232		LAKE SALVADOR	VUA; 10/14/2009	1538.87	1538.87	OCT. SUGGEST AR 050500 PRD BEGAN 6/10 PT 12/13/09
19428				0	1250	OCT. PT 7/11/12
19429				0	1311.17	OCT. PT 7/11/12
19431				0	55.73	OCT. PT 7/11/12
19432				0	72.98	OCT. PT 7/11/12
19486		LITTLE LAKE	TP 6 RD SUA;J FISHER HEIRS 09/16/2008 604-G-3	5.824	315.66	OCT. DD APPROVED TO 9/12/11 9/9/10 DDPMT TO STEVE DD & PT 9/12/10
19487		LITTLE LAKE	TP 6 RD SUA;J FISHER HEIRS 09/16/2008 604-G-3	101.742	182	OCT. DD APPROVED TO 9/12/11 9/9/10 DDPMT TO STEVE DD & PT 9/12/10
19863		DELTA FARMS	239998-VUA;SL 19863-001 07/26/2009	40	139	OCT. 9/10/10 RS STEVE: 39.44 HBP, REST EXP. PT 12/10/11 10/8/11
20096				0	183	OCT. PT 7/8/12
20097				0	427	OCT. PT 7/8/12
20102				0	97	OCT. PT 7/8/12
20110				0	2.547	OCT. PT 7/8/12

## Louisiana Department of Natural Resources (DNR)

## SONRIS

## Staff Reviews

Report run on: October 15, 2010 11:37 AM

District Code 2 Lafayette  
Get Review Date October 13, 2010

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00188A	1	CAILLOU ISLAND	SL 188 U2	3	47	OCT. AR 9/22/10 JPT: HBP ON 188-A-0; 0 PRDG LEASE WELLS; 0 PRDG UNIT WELLS
00188A	0	CAILLOU ISLAND	SL 188 U2	4478	7640	OCT. AR 9/22/10 JPT: HBP FROM LEASE & UNIT PRD; 10 LEASE WELLS, 12 UNIT WELLS
00199B	0	LAKE BARRE	VU26;LB U26	7870	7870	OCT. AR 9/22/10 JPT: HBP FROM MULTIPLE UNITS; 0 LEASE WELLS, 21 UNIT WELLS
00200B		DOG LAKE	VUJ;DGL U10	2484	3895.736	OCT. 9/15/10 RCD UNOFL PR OF 159.60, RTNG 3736.136 AC
00301B	0	LAKE BARRE	96.79 01/23/2004	0	401.99	OCT. STAFF REVIEW
00328A		BAY BAPTISTE	4 04/01/2009	0	1400	OCT. OB DEFERRED 9/8/10
00329A		BAYOU SALE	VUC;SL 329 SMPL U1	820	820	OCT. AR 9/22/10 JPT: HBP FROM MULTIPLE UNITS; 0 LEASE WELLS, 14 UNIT WELLS
00500		WEEKS ISLAND	SMITH-STATE UNIT C	317	570	OCT. AR 9/22/10 JPT: HBP FROM MULTIPLE UNITS; 0 LEASE WELLS, 11 UNIT WELLS 9/14/10 RCD UNOFL PR OF 150, RTNG 420 PER JPT
00711		DUCK LAKE	DL D-1 SU	405	658	OCT. AR 9/22/10 JPT: HBP FROM MULTIPLE UNITS; 6 LEASE WELLS, 1 UNIT WELL
01021		CAILLOU ISLAND	L 14000 RB SUA;SL 1249 02/26/2008 411-SSSS 08-246	200	480	OCT. AR 9/22/10 JPT: HBP FROM 2 UNITS; 2 UNIT WELLS
01247		CAILLOU ISLAND	U-W1 RA SUA;SL 2856 02/26/2009 411-UUUU 09-204	1750	1886	OCT. AR 9/22/10 JPT: HBP FROM LEASE AND UNIT PROD; 3 LEASE; 2 UNIT WELLS
01249	2	CAILLOU ISLAND	U-W1 RA SUA;SL 2856 02/26/2009 411-UUUU 09-204	542.4	542.4	OCT. AR 9/22/10 JPT: HBP FROM UNIT PROD; 1 UNIT WELL
01249	0	CAILLOU ISLAND	U-W1 RA SUA;SL 2856 02/26/2009 411-UUUU 09-204	1043	3134.586	OCT. AR 9/22/10 JPT: HBP FROM UNIT PROD; 4 LEASE; 2 UNIT WELLS
02366		BELLE ISLE	L RA SUA;SL 340 08/04/2009 576-K-2 09-843	302	302	OCT. AR 9/22/10 JPT: HBP FROM 2 UNITS; 6 UNIT WELLS
02585		BELLE ISLE	BI N VUA COMP ALLOW 07/01/1976	812	812	OCT. AR 9/22/10 JPT: HBP FROM 2 UNITS; 6 UNIT WELLS
02703		CAILLOU ISLAND	12000 RA SUA;SL 188 10/22/2008 411-TTTT	220	773	OCT. AR 9/22/10 JPT: HBP FROM 2 UNITS; 1 LEASE & 1 UNIT WELL
02826		CAILLOU ISLAND		740	1549.1	OCT. AR 9/22/10 JPT: HBP FROM LEASE PROD; 6 LEASE WELLS
02986	2	CAILLOU ISLAND	241	125.82	125.82	OCT. AR 9/22/10 JPT: HBP

## Louisiana Department of Natural Resources (DNR)

## SONRIS

## Staff Reviews

Report run on: October 15, 2010 11:37 AM

District Code 2 Lafayette  
Get Review Date October 13, 2010

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			03/22/2002			FROM 2986-0; 0 PRDG LEASE, 0 PRDG UNIT WELLS
02986	0	CAILLOU ISLAND	241 03/22/2002	533	533	OCT. AR 9/22/10 JPT: HBP FROM LEASE PROD; 1 LEASE WELL
03090		CAILLOU ISLAND		700	901.92	OCT. AR 9/22/10 JPT: HBP FROM LEASE PROD; 4 LEASE WELLS
03184		BELLE ISLE	L RA SUA;SL 340 08/04/2009 576-K-2 09-843	119	119	OCT. AR 9/22/10 JPT: HBP FROM 2 UNITS; 6 UNIT WELLS
03185		BELLE ISLE	L RA SUA;SL 340 08/04/2009 576-K-2 09-843	175	175	OCT. AR 9/22/10 JPT: HBP FROM 2 UNITS; 6 UNIT WELLS
03586		BELLE ISLE	L RA SUA;SL 340 08/04/2009 576-K-2 09-843	204	204	OCT. AR 9/22/10 JPT: HBP FROM 2 UNITS; 6 UNIT WELLS
03909		BELLE ISLE	L RA SUA;SL 340 08/04/2009 576-K-2 09-843	524	524	OCT. AR 9/22/10 JPT: HBP FROM 2 UNITS; 4 UNIT WELLS
04218		LAWSON	12900 RA SUA;RH SCHUH ETAL 02/22/2000 660-N 00-83	29.447	42	OCT. AR 9/22/10 JPT: HBP FROM 3 UNITS; 3 UNIT WELLS
04237		SOUTH TIMBALIER BLOCK 8	239104-SL 4237-004 12/06/2008	65	459.85	OCT. 9/14/10 OMR RQD BLACK ELK CONSIDER 395 AC PR. 2/19/10 RCD BLACK ELK LTR RQG UNTIL 4/14/11 FOR POD. 2AR
16244		PASS WILSON	9300 RA VUA;SL 3403	24.732	24.732	OCT. AR 9/22/10 JPT: HBP FROM 2 VUAS; 2 UNIT WELLS
16859		MYETTE POINT, NW	538.904 01/09/2003	55.096	55.096	OCT. AR 9/22/10 JPT: LEASE MAINTAINED BY UNIT ACTIVITY; 5/24/10 HUNT BEGAN DRGL VUB;SL 14914 #3 COMPD 8/9/10. CK FOR PRD 12/10
17156		VERMILION BLOCK 16		160	1418	OCT. RCD HARVEST POD/REL BY 8/11/10 <1 GAS WELL, 304771 TO 3/10 \$28,581 JUL. AR
17174		LAKE DE CADE, EAST		240	445.14	OCT. AR 9/22/10 JPT: HBP LEASE PROD; 1 LEASE WELL
18601		VERMILION BLOCK 12		160	1352.91	OCT. 9/14/10 POD RQD FROM STONE DUE 11/10/10 8/30/10 JPT:HBP FROM LEASE PRD PT 6/8/10
18614		BAYOU CARLIN	MA 7 RD SUA;C M PETERSON JR 10/11/2005 570-C-14 05-1075	20.589	173	OCT. SUGGEST AR 9/17/10 RCD UNOFL PR OF 152.411, RTNG 20.589 PR RQD 7/6/10 6/30/10 RS TO JPT:20.589 HBP, 152.411 EXP FINAL DD TO 6/8/10 PT 6/8/08
18640		EUGENE ISLAND BLOCK 10	VUB;SL 19266 06/11/2008	474.53	474.53	OCT. SUGGEST AR 9/22/10 JPT: HBP FROM LEASE & UNIT PRD; 1 LEASE & 1 UNIT WELL PT 7/13/10

Louisiana Department of Natural Resources (DNR)

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**Staff Reviews**

Report run on: October 15, 2010 11:37 AM

District Code 2 Lafayette  
Get Review Date October 13, 2010

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
18677		FOUR LEAGUE BAY	14100 RA SUA;LL&E 07/01/2009 1190-E-1 09-676	43.137	688	OCT. SUGGEST AR UPON RCT OF PR 9/22/10 JPT: UNIT AC HPB 43.137AC, OUTSIDE AC 644.863 AC EXP START RS FINAL DD TO 7/13/10
19433				0	209.72	OCT. 9/22/10 JPT: HB RNTL 2010 PT 7/11/12
19440		BATEMAN LAKE	9600 RC SUA;EMERALD LAND CORP  89-V-2 08-909	13.9	13.9	OCT. 9/22/10 JPT: LAST UNIT PRD 6/10 RECK 12/10 PT 7/11/10 1/12/10 RCD OFL PR OF 31.1, RTNG 13.9 AC EFF 11/18/09
19475		BAY ST ELAINE	7.974 10/20/2009	2.026	2.026	OCT. 9/22/10 JPT: HBP FROM 12900 RA SUA; UNIT WELL =SUGGEST AR PT 8/8/10
19495		WHITE LAKE, WEST	SD RB SUA;SL 15038 06/03/2008 75-J-1	740	740	OCT. 9/22/10 JPT: APP EXP, START RS; PAST PT, NO UNIT PROD
19719				0	359	OCT. 9/22/10 JPT: HB RNTL 2010 PT 7/9/13
19720				0	418.62	OCT. 9/22/10 JPT: HB 2010 RNTL PT 7/11/13
19721				0	320	OCT. 9/22/10 JPT: HB 2010 RNTL PT 7/9/13
19727		DONNER	ROBU L RC SUA;COUGET ETAL 11/13/2008 641-A-3 08-1751	3.81	5	OCT. 9/22/10 JPT: HB 2010 RNTL PT 7/9/11 < DD, ACTIVITY, RNTL? PT 7/9/11
19728				0	399	OCT. 9/22/10 JPT: HB 2010 RNTL PT 7/9/11
19729				0	1.95	OCT. 9/22/10 JPT: HB 2010 RNTL PT 7/9/11
19732				0	1072.12	OCT. 9/22/10 JPT: HB 2010 RNTL PT 7/9/11
19745				0	49.13	OCT. 9/22/10 JPT: HB 2010 RNTL PT 7/9/11
20088				0	1359.78	OCT. 9/22/10 JPT: HB 2010 RNTL PT 7/8/14
20089				0	1659.63	OCT. 9/22/10 JPT: HB 2010 RNTL PT 7/8/14
20090				0	36.74	OCT. 9/22/10 JPT: HB 2010 RNTL PT 7/8/14
20100				0	21	OCT. 9/22/10 JPT: HB 2010 RNTL PT 7/8/12

Louisiana Department of Natural Resources (DNR)

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**Staff Reviews**

Report run on: October 15, 2010 11:37 AM

District Code 3 Lake Charles- North

Get Review Date October 13, 2010

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00173		CADDO PINE ISLAND	235209-SL 173 CT-001 05/10/2007	800	6500	OCT OB RCD 9/14/10 GEMINI LTR & 8/25/10 MTG GEMINI & ROCK WELL POD, REL, P&AS
00542		LUCKY	VUD;NEBO OIL CO	120	120	OCT. AR 9/22/10 SAM: NO CHANGE = AR
02852		ANTIOCH	C V PALMER 01/09/2001 344-E-1 01-05	46	46	OCT. AR 9/22/10 SAM: 200579 A SMK A SU; 601228 = AR
03552		LITTLE CREEK , TULLOS URANIA	3.802 08/21/1991	10.307	10.307	OCT. AR 9/22/10 SAM: NO CHANGE = AR
04596		BLACK LAKE	BLKE PZU 07/01/1976	53	53	OCT. AR 9/22/10 SAM: NO CHANGE = AR
05156		ADA	HOSS A RA SUNN;COLE E 07/01/1990	31.438	34	OCT. AR 9/22/10 SAM: 225557 HOSS B RA SUNN; 607514 = AR
06760		KINGSTON	117 05/06/2004	59.54	59.54	OCT. AR 9/22/10 SAM: 228588 HOSS RA SUC; 614014 = AR
06964		ATHENS	15.49 03/23/1990	5.51	5.51	OCT. AR 9/22/10 SAM: NO CHANGE = AR
06900		REDOAK LAKE	U GR RA SUE;HANNA 03/01/1982	35.18	35.18	OCT. AR 9/22/10 SAM: NO CHANGE = AR
12605		LAKE ARTHUR, SOUTH	.923 10/18/1990	7.511	7.511	OCT AR 9/22/10 SAM: NO CHANGE = AR
14574		ELM GROVE	HA RA SUZ;C M HUTCHINSON 37 H 11/13/2008 361-L-10	8.932	8.932	OCT. AR 8/30/10 GJD: NEW TRNSMTL HA RA SUZ 616004, 240388 W/ 8.932 AC PRD 6/10
14984		MASTERS CREEK	11.303 01/24/2008	19.57	19.57	OCT. 9/2/10 RS SAM: APP EXP. MAR. AR
15718		SUGRUE	AUS C RA SUB;CROSBY 22 A 05/01/1997	36.9	46	OCT. 9/22/10 SAM: BARELY PRDG, RECK 3MOS (JUL. AR 6/11/10 SAM: BARELY PRDG, RECK 3MOS)
17064		PITKIN	AUS C RA SUJ;HUNT FRST PROD 31 03/10/1998 1412-A-4 98-166	34.305	34.305	OCT. AR 9/22/10 SAM: INCREASED PRODUCTION = AR
17734		ELM GROVE , SWAN LAKE	CV RA SUK;MENDENHALL 10 01/14/2003 691-B-1	24.36	24.36	OCT. AR 9/22/10 SAM: 237961 CV RA SUB; 613998 = AR
17948		THORN LAKE	HA RA SUI;REX YOUNG 6 H 12/09/2008 1145-B-7 08-1738	17.35	17.35	OCT. AR 9/22/10 SAM: NO CHANGE = AR
18353		KINGSTON	HA RA SUC;BRAZZEL 8 11/18/2008 376-D 08-1791	117.05	117.05	OCT. AR 9/22/10 SAM: NO CHANGE = AR
18370		ELM GROVE	HA RA SUGG;TENSAS DELTA A	28.503	28.503	OCT. AR 9/16/10 SAM NEW TRNSMTL HA RA SUGG W/



## Louisiana Department of Natural Resources (DNR)

## SONRIS

## Staff Reviews

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District Code 3 Lake Charles- North

Get Review Date October 13, 2010

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			07/08/2008 361-L-7 08-959			83 797 TO 5849 & 28.503 TO 18370 PRD 6/10 ;; 8/26/10 SRVY PLAT RQD HA RA SUGG, 615860.
19295		JOHNSON BRANCH	HA RA SULL;JPIL BEAIRD 27 H 08/19/2009 994-D-19 09-906	320	320	OCT. AR 9/22/10 SAM: 240477 HA RA SULL, WAITING ON SURVEY PLAT
19435		CADDO PINE ISLAND	CV RE SUC;LIGHT ETAL 13 06/26/2007 122-M-9 07-685	26.05	52	OCT. 10/7/10 REL RQD 9/22/10 SAM: NO DDPMT, START RS PT 7/11/10
19542		ELM GROVE	HA RA SU88;TALIAFERRO 28 H 08/11/2009 361-L-54	163.522	234	OCT. 9/16/10 SAM NEW TRNSMTL HA RA SU88 616073, 240540 W/ 163.522 PRD 6/10 (NO PLAT, PLANIMETERED) MAR. PT 12/12/10
19724				0	28	OCT. RNTL PD TO 2011 PT 7/9/11
19756				16.2	30	OCT. 9/16/10 SRVY PLAT RQD HA RA SUKK 616206. DD & PT 8/13/11
19757				4	10	OCT. 8/30/10 DDPMT APPROVED CONTINGENT UPON COMPLETION OPERATIONS STARTING AROUND 10/26/10 PT 8/13/11
19760		SWAN LAKE	CV RA SUS;ALLUMS ETAL 7 07/07/2009 691-B-14	8.7	50	OCT. 9/15/10 DD APPROVED 9/14/2010 GJD WO 2ND UNIT WELL 241681 TO SPUD, PERMITTED 7/13/2010 8/17/10 DDPMT TO GJD. PT 8/13/11
19764		SWAN LAKE	HA RA SUP;MARTIN 26 H 05/05/2009 691-C-5	401	401	OCT. 9/14/2010 DUGAS:OPS HELD HA RA SUV. PT 8/13/11 3/11/10 SRVY PLAT RQD 615863 HA RA SUV
19765		THORN LAKE	233 06/17/2010	427	316	OCT. 9/2/10 SRVY PLAT RQD HA RA SUN, 616171 PT 8/13/11 7/13/10 SRVY PLAT RQD 616045 6/3/10 SRVY PLAT RQD 615021 2/19/10 2ND FUL 11/19/09 FUL PR
19768				7.46	8.71	OCT. 9/9/10 GJD: LEASE NOT EXPIRED. DD 8/13/10 PT 8/13/11 6/3/10 PLAT RQD 615939
19779				160.76	212	DEC. SAL OMR MANAGED WLF PT 8/13/11 9/2/10 SAM TRNSMTL HA RA SU81 615939 239732
19779				160.76	212	OCT. 9/2/10 SAM TRNSMTL HA RA SU81 615939 239732 DEC. SAL OMR MANAGED WLF PT 8/13/11
19786		ELM GROVE	HA RA SU69;WILLIS ETAL 36 H 06/23/2009	94.53	94.53	OCT. 6/21/10 GJD TRNSMTL: 239875, 615752 W/ 94.53 AC PRDG TO 6/10 PT 8/13/11

Louisiana Department of Natural Resources (DNR)

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**Staff Reviews**

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District Code 3 Lake Charles- North

Get Review Date October 13, 2010

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			361-L-40			VACANT STATE LANDS
19794				2.32	2.32	OCT. 9/14/10 CCB: LEASE HBP NOV. PT 8/13/11 VACANT STATE LANDS
19799		CASPIANA	HA RA SU81;L YEARLING ETAL 22 05/19/2009 191-H-43 09-495	160.76	107.66	OCT. 9/2/10 SAM TRNSMTL HA RA SU81;L YEARLING ETAL 22 239732, 615939 W/160/76 AC PRDG 6/10 PT 12/10/13 10/8/13
19832		RED RIVER-BULL BAYOU	HA RB SUZ;MATTHEWS TRUST 7 03/24/2009 109-X-30 09-324	53	53	OCT. 9/15/10 RQD PETROHAWK PLAT HA RB SUN, 616203 PT 12/10/11 10/8/11
20015		RED RIVER-BULL BAYOU	HA RD SUP,JAMES MARSTON 19 H 03/03/2009 109-X-26 09-233	35.107	85	OCT. 9/15/10 RQD ENCANA PLAT HA RD SUQ 616202 MAY. PT 2/11/12
20038		BRACKY BRANCH	HA RA SUV;CRESWOOD LAND 4 H 03/17/2009 917-L-5	5.574	49	OCT. 8/23/10 GJD: NEW TRNSMTL HA RA SUV 616124, 240298 PRD 6/10 DD 4/8/11 PT 4/8/12 (5/27/10 \$500 ILR PMT, NOT APPROVED YET 6/11/10)
20091		CASPIANA	CV RA SUG;EMW LAND CO LLC 29 02/15/1975 191-A 75-28	.929	.929	OCT. 9/22/10 SAM: NO CHANGE = AR PT 7/8/12
20109				0	6	OCT. 9/23/10 SAM: 20109 IS ALSO WITHIN SUFF - 7/13/10 SRVY PLAT RQD HA RB SUFF, 615949, 239918 PT 7/8/12
20234				0	24	OCT. 9/16/10 SRVY PLAT RQD HA RA SUN 616199 PT 1/13/13
20287		ELM GROVE	HA RA SU104;POWERS 28 H 11/03/2009 361-L-62	0	24	OCT. 9/16/10 SRVY PLAT RQD HA RA SU 104 616197. PT 4/14/13

## Louisiana Department of Natural Resources (DNR)

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## Staff Reviews

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
02048		BANCROFT, NORTH	VUA 07/01/1976	10.79	10.79	OCT. AR 9/17/10 KAM: HBP SN 44319, 003765 CONTINUE AR
04318		FRISCO , JUDGE DIGBY	20350 TUSC RC SUA;MARTIN ETAL 02/19/2008 1046-A-66 08-241	27.18	25	OCT. AR 9/17/10 KAM: 27.18 AC HBP SN 235445, 615205. CONTINUE AR
04917		OPELOUSAS	C 2 RH SUA;W H JARRELL 01/01/1977	7	19.42	OCT. AR 9/17/10 KAM: 6.91 AC HBP SN 143962, 602679, CKF 3A RD SUA. CONTINUE AR ;;
15346		MONCRIEF	28.823 11/13/1998	13.177	13.177	OCT. AR 9/17/10 KAM: HBP SN 221516, 048682 CONTINUE AR ;; TC TITLE DISPUTE
15350		MONCRIEF	12 501 11/13/1998	3.499	3.499	OCT. AR 9/17/10 KAM: HBP SN 219028, 048364 CONTINUE AR ;; TC TITLE DISPUTE
15354		MONCRIEF	AUS C RA SUQ;TURNER 22 02/01/1997	34	34	OCT. AR 9/17/10 KAM: HBP SN 219728, 048365 CONTINUE AR
15774		GILLIS-ENGLISH BAYOU	9 44 12/06/2004	33.66	33.66	OCT. AR 9/17/10 KAM: HBP SN 223540, 613252, HB RA SUA, 252-FF CONTINUE AR
16505		FENTON, WEST , WILDCAT-SO LA LAFAYETTE DIST	HBV RB SUA;J D FOLLEY ETUX  1448-C	6.638	6.638	OCT. AR 9/17/10 KAM: HBP SN 223614, 613128, HB RB SUA, 1448-C. CONTINUE AR
18646		LAKE ARTHUR, SOUTHWEST	45.859 09/14/2007	126.681	126.681	OCT. AR 9/17/10 KAM: HBP SN 233005, 614697, PLAN HET RA SUA. CONTINUE AR
18887		LAKE ARTHUR, SOUTHWEST	11.986 04/22/2009	34.014	34.014	OCT. AR 9/17/10 KAM: HBP SN 233005, 614697, PLAN HET RA SUA. AR 5/19/10 KAM. SPORADIC PRD. 233005, 614697. CK PROD IN 3 MOS. JUN. AR
19031		CREOLE OFFSHORE	80.38 08/04/2010	38	38	OCT. 9/17/10 KAM: HBP VUB;SL 18521. CONTINUE AR 8/6/10 RCD OFL PR OF 80.38, RTNG 38 AC EFF 8/4/10 DD 7/12/10 PT 7/12/11
19072		GRAND CHENIERE	86.409 09/03/2009	21.591	21.591	OCT. AR 9/17/10 KAM: HBP SN 234427, 615103, 15000 RB SUA, 199-BB-1. CONTINUE AR
19512		JUDGE DIGBY	21100 TUSC RA SUL;BOMER BLANKS 06/02/1998 1046-D 98-335	103.539	247.358	OCT. 8/31/10 KAM: NEW TRNSMTL 21100 TUSC RA SUL 615762 JAN. PT 10/10/2010 TAX ADJUDICATED LAND
19544		PORT BARRE	F RB SUA;NEZAT 06/23/2009 116-T-1 09-645	9.09	50	OCT. 9/16/10 RCD UNOFL PR OF 40.91, RTNG 9.09 AC 8/16/10 3RD FUPR RQD 4/28/10 FUPR 1/20/10 PR RQD PT 12/12/10
1678		JUDGE DIGBY	21100 TUSC RA SUL;BOMER BLANKS	62.192	62.222	OCT. 8/31/10 KAM: NEW TRNSMTL 221100 TUSC RA SUL

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**Staff Reviews**

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Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			06/02/1998 1046-D 98-335			615762 PT 5/14/11 TAX ADJUDICATED
19679		JUDGE DIGBY	21100 TUSC RA SUL,BOMER BLANKS 06/02/1998 1046-D 98-335	.185	.185	OCT. 8/31/10 KAM: NEW TRNSMTL 21100 TUSC RA SUL 615762, 238167 PT 5/14/11 TAX ADJUDICATED
19726				0	36	OCT. 9/17/10 KAM: HB 2010 RNTL PMT CONTINUE AR PT 7/9/11
<b>163</b>				<b>59,552.933</b>	<b>109,045.809</b>	



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

***NOMINATION AND TRACT COMMITTEE REPORT***

The Nomination and Tract Committee, convened at **9:50 a.m.** on Wednesday, **October 13, 2010** with the following members of the Board in attendance:

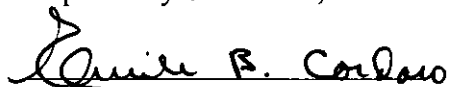
Mr. Thomas L. Arnold, Jr.    Mr. Emile B. Cordaro    Mr. Robert M. Morton  
Mr. Thomas W. Sanders    Mr. W. Paul Segura, Jr.    Mr. Darryl David Smith  
Ms. Helen Godfrey Smith

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the December 8, 2010 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of **Mr. Sanders** duly seconded by **Mr. Segura**, the Committee voted unanimously to recommend to the Board the granting of authority to the staff to advertise all such tracts as have been reviewed by the State Land Office and the staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report presented by Mr. Fontenot.

The Committee was informed of a letter of protest from Miami Corporation received by this office on September 9, 2010 pertaining to Tract No. 41604 (September 8, 2010 Lease Sale). No action was required.

The Committee, on motion of **Ms. Smith**, seconded by **Mr. Smith**, voted to adjourn at **9:52 a.m.**

Respectfully Submitted,

by *E.F.*

Emile B. Cordaro

Chairman

Nomination and Tract Committee

Nomination and Tract Committee Report  
October 13, 2010  
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Refer to Board Meeting Minutes for any action taken by the Board regarding matters in this report.

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## NOMINATION AND TRACT COMMITTEE

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

WHEREAS, Mr. Emile Fontenot presented to the State Mineral and Energy Board 51 tracts that had been nominated for the December 8, 2010 Mineral Lease Sale, and that same are to be advertised pending staff review; now therefore

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

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

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 13th day of October 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



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

**AUDIT COMMITTEE REPORT**

The regular meeting of the Audit Committee of the State Mineral and Energy Board was held on Wednesday, October 13, 2010, following the Nomination and Tract Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building, located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Thomas L. Arnold, Jr.  
Robert "Michael" Morton  
Darryl D. Smith

Emile B. Cordaro  
Thomas W. Sanders  
Helen G. Smith

Bay E. Ingram  
W. Paul Segura, Jr.

Mr. Arnold convened the Committee at 9:53 a.m.

The first matter considered by the Committee was a penalty waiver requested by Mission Resources Corporation.

Upon recommendation of the staff and upon motion of Mr. Ingram, seconded by Mr. Segura, the Committee voted to approve 75% penalty waiver of \$18,405.85.

The second matter considered by the Committee was a recoupment requested by Devon Energy Corporation.

Upon recommendation of the staff and upon motion of Mrs. Smith, seconded by Mr. Ingram, the Committee voted unanimously to approve the recoupment request in the amount of \$26,749.02.

The third matter considered by the Committee was a recoupment requested by Stone Energy Corporation.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Sanders, the Committee voted unanimously to approve the recoupment request in the amount of \$27,350.38.

The fourth matter considered by the Committee was a request to place Dune Operating Company on demand for unpaid oil & gas royalties which were the result of a field audit.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mrs. Smith, the Committee voted unanimously to approve the demand request.

The fifth matter considered by the Committee was a request to place Callon Petroleum Operating Co. on demand for unpaid penalty billed as a result of late payment of royalty.



Upon recommendation of the staff and upon motion of Mrs. Smith, seconded by Mr. Sanders, the Committee voted unanimously to approve the demand request.

The sixth matter considered by the Committee was a request to place Texas Petroleum Investment Co. on demand for unpaid interest and penalty billed as a result of late payment of royalty.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mrs. Smith, the Committee voted unanimously to approve the demand request.

The seventh matter considered by the Committee was the election of the October 2010 Texaco 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.


The eighth matter considered by the Committee was a settlement offer from Louisiana Land & Exploration Company.

Upon motion of Mrs. Smith, seconded by Mr. Segura, the Committee voted unanimously to convene into executive session at 10:04 a.m. to discuss the settlement offer.

Upon motion of Mr. Ingram, seconded by Mr. Segura, the Committee voted unanimously to adjourn executive session at 10:54 a.m.

On the eighth matter, upon recommendation of the staff and upon motion of Mr. Ingram, seconded by Mr. Segura, the Committee voted unanimously to accept the settlement offer from Louisiana Land & Exploration Company.

On Motion of Mrs. Smith, seconded by Mr. Segura, the Board voted unanimously to adjourn the Audit Committee at 10:55 a.m.

  
Thomas L. Arnold, Jr., Chairman  
Audit Committee

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

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### AUDIT COMMITTEE

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

**WHEREAS**, the State Mineral and Energy Board caused an audit to be performed of Mission Resources Corporation payments of state royalty in the East Cameron Block 17, Lac Blanc, and Lake Verret West fields; State Leases 346, 3050, 3052, 3055, 3057 and 11508 which audit revealed that Mission Resources Corporation owed the state \$68,284.50 in underpayment of royalty and \$59,488.79 in interest and penalty for a total of \$127,773.29; and

**WHEREAS**, Mission Resources Corporation has remitted payment of \$103,232.16 for the outstanding principal and interest; and

**WHEREAS**, Mission Resources Corporation has made a letter application for reduction of penalties assessed in the amount of \$24,541.13 due to incorrect royalty payments; and

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

**WHEREAS**, the Mineral Income Division staff recommends that seventy-five percent (75%) of the penalty be waived; and

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

**THEREFORE, BE IT RESOLVED**, that the Board does waive seventy-five percent (75%), which amounts to \$18,405.85 of the total penalty assessed to Mission Resources Corporation

### 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 13<sup>th</sup> day of October 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

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

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### AUDIT COMMITTEE

*ON MOTION* of Mrs. Smith, seconded by Mr. Ingram, the following resolution was offered and unanimously adopted:

*WHEREAS*, Devon Energy Corporation has made a letter application for an adjustment of \$26,749.02 for the Main Pass Block 69 Field, State Leases 988, 1277, 1278, 1353, 1354, 1355, 1357, 1359, 2557, 3508, 3851, 18479; and

*WHEREAS*, this amount was based on Devon Energy Corporation submitting an overpayment of oil royalties based on incorrect volumes and values for the period of June 2010 in the Main Pass Block 69 Field; and


*WHEREAS*, the Mineral Income Division has verified that an overpayment in the amount of \$26,749.02 was made and that the applicant is entitled to a credit adjustment; and

*WHEREAS*, the State Mineral and Energy Board after reviewing the work of the Mineral Income Division, agrees that the applicant is entitled to an adjustment, does recommend that the State allow Devon Energy Corporation to recoup the \$26,749.02 overpayment.

*NOW, BE IT THEREFORE RESOLVED*, that the Board does authorize and direct the Mineral Income Director to effectuate the credit adjustment of \$26,749.02 to Devon Energy Corporation on a one-time or lump sum basis or on such terms deemed necessary by the Director, which are legally permissible, and without prejudice to any other rights of the state.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 13<sup>th</sup> day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

*WHEREAS*, Stone Energy Corporation has made a letter application for an adjustment of \$27,350.38 for the Bay Marchand Block 2 Field, State Leases 18603; and

*WHEREAS*, this amount was based on Stone Energy Corporation submitting an overpayment of oil royalties based on incorrect volumes and values for the period of July 2008 in the Bay Marchand Block 2 Field; and

*WHEREAS*, the Mineral Income Division has verified that an overpayment in the amount of \$27,350.38 was made and that the applicant is entitled to a credit adjustment; and

*WHEREAS*, the State Mineral and Energy Board after reviewing the work of the Mineral Income Division, agrees that the applicant is entitled to an adjustment, does recommend that the State allow Stone Energy Corporation to recoup the \$27,350.38 overpayment.

*NOW, BE IT THEREFORE RESOLVED*, that the Board does authorize and direct the Mineral Income Director to effectuate the credit adjustment of \$27,350.38 to Stone Energy Corporation on a one-time or lump sum basis or on such terms deemed necessary by the Director, which are legally permissible, and without prejudice to any other rights of the state.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana on the 13<sup>th</sup> day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Louisiana State Mineral and Energy Board and is now in full force and effect.

  
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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

**WHEREAS**, the State Mineral and Energy Board caused an audit to be performed of Dune Operating Company respecting the royalty payments under State Lease Nos 214, 341, 1393, 10835, 11279, 11282, 12897, 13403, and 18816 in the Bateman Lake, Garden Island Bay, Lake Sand, and Leeville fields; and

**WHEREAS**, there are differences between Dune Operating Company and the Board regarding the amount of royalty due and interest and penalty charges due by Dune Operating Company; and

**WHEREAS**, the staff of the Office of Mineral Resources has been unable to resolve and settle the outstanding audit issues and interest and penalty billings with Dune Operating Company,

**THEREFORE BE IT RESOLVED**, that James Caldwell, Attorney General of the State of Louisiana is hereby authorized to place formal demand upon Dune Operating Company and further is authorized to take all appropriate action, including the filing of suit on behalf of the Board against Dune Operating Company for collection of all royalty due, along with interest, penalty, and all other remedies prescribed by law.

## 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 13<sup>th</sup> day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral Board and is now in full force and effect.

  
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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

**WHEREAS**, the State Mineral and Energy Board caused a billing letter issuance to Callon Petroleum Operating Co. regarding late payments of royalty for the period December 2009 under State Lease No 18121 in the Hog Bayou – Offshore field and determined that Callon Petroleum Operating Co. owes the State some \$1,000 in penalty; and

**WHEREAS**, the staff of the Office of Mineral Resources has been unable to resolve and settle the outstanding billing issues and interest and penalty billings with Callon Petroleum Operating Co.,

**THEREFORE BE IT RESOLVED**, that James Caldwell, Attorney General of the State of Louisiana is hereby authorized to place formal demand upon Callon Petroleum Operating Co. and further is authorized to take all appropriate action, including the filing of suit on behalf of the Board against Callon Petroleum Operating Co. for collection of all interest, penalty due, and all other remedies prescribed by law.

## 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 13<sup>th</sup> day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral Board and is now in full force and effect.

  
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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

**WHEREAS**, the State Mineral and Energy Board caused a billing letter issuance to Texas Petroleum Investment Company regarding late payments of royalty for the period August 2009 through December 2009 under State Lease Nos 00042, 00335, 00348, 00402, 00532, 01610, 12974, 16286, B16286, and 19863 in the Avery Island, Bayou Des Allemands, Big Bayou Pigeon, Delta Duck Club, Delta Farms, Lockport, Romere Pass, and West Hackberry fields and determined that Texas Petroleum Investment Company owes the State some \$1,255.78 in interest & penalties; and

**WHEREAS**, the staff of the Office of Mineral Resources has been unable to resolve and settle the outstanding billing issues and interest and penalty billings with Texas Petroleum Investment Company,

**THEREFORE BE IT RESOLVED**, that James Caldwell, Attorney General of the State of Louisiana is hereby authorized to place formal demand upon Texas Petroleum Investment Company and further is authorized to take all appropriate action, including the filing of suit on behalf of the Board against Texas Petroleum Investment Company for collection of all interest, penalty due, and all other remedies prescribed by law.

## 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 13<sup>th</sup> day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral Board and is now in full force and effect.

  
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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### AUDIT COMMITTEE

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

**WHEREAS**, the State Mineral and Energy Board caused an audit to be performed of Louisiana Land & Exploration Company regarding royalties due from the production of oil for royalty purposes on State Lease Nos. 188, 199, 301, 1021, 1249, 2986, 3278, 3722, 3723, 15110, 15836 and 16529 in the Caillou Island, Lake Barre, Lake Pelto, and Lake Raccourci fields; and

**WHEREAS**, as a result of that audit the State assessed to Louisiana Land & Exploration Company the amount of \$215,146.17 in royalty, interest and penalty due to oil pricing issue attributable to said leases; and

**WHEREAS**, Louisiana Land & Exploration Company in an effort to resolve the amount due the State, has now tendered an offer to settle the outstanding audit; and

**WHEREAS**, the Board has reviewed and considered the settlement offer of Louisiana Land & Exploration Company and has reviewed and considered the report and recommendation of the staff regarding said settlement offer; and

**WHEREAS**, the Board does hereby accept the settlement offer of Louisiana Land & Exploration Company, and does hereby direct the staff to advise Louisiana Land & Exploration Company of such;

**THEREFORE, BE IT RESOLVED**, that the Board does formally accept the offer of Louisiana Land & Exploration Company, subject to the terms and particulars of a settlement agreement acceptable to both parties.

### 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 13<sup>th</sup> day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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Louisiana State Mineral and Energy Board





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

**LEGAL AND TITLE CONTROVERSY COMMITTEE REPORT**

The regular meeting of the Legal and Title Controversy Committee of the State Mineral and Energy Board was held on October 13, 2010, following the Audit Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Secretary Robert D. Harper  
Mr. Bay Elliott Ingram  
Mr. Thomas L. Arnold, Jr.  
Mr. W. Paul Segura, Jr.  
Mr. Robert "Michael" Morton

Mr. Thomas W. Sanders  
Mr. Emile B. Cordaro  
Mr. Darryl David Smith  
Ms. Helen Godfrey Smith

The Legal and Title Controversy Committee was called to order by Mr. Sanders at 10:57 a.m.

The first matter considered by the Committee was a request by Hilcorp Energy Company to negotiate an Operating Agreement affecting State Lease No. 2084 which will cover the 137.63 acres of unleased waterbottoms that are located within the QBI LWR EG RA SU, #12ST well, located in Queen Bess Island Field, Jefferson Parish, and that the acreage in question be deemed unavailable for leasing while negotiations are ongoing.

Upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to recommend that the Louisiana State Mineral and Energy Board grant Staff the authority to negotiate an Operating Agreement with Hilcorp Energy Company on unleased acreage within the LWR EG RA SU unit and to hold the acreage unavailable for leasing until the Operating Agreement is completed or until the January 12, 2011 meeting, whichever comes first. No comments were made by the public

The second matter considered by the Committee was a request by Yuma Exploration and Production Company, Inc., on its behalf and on the behalf of BlackHawk Management, Inc., Capital General, Inc., Coastal Management Trust, Hew-Tex Oil & Gas Corporation, Liberty National Bank, Nortex Corporation, Nytex Petroleum, LLC, Oil2 Starfish Prospect, LP, Patriot Exploration Co., Inc., PetroQuest Exploration, Inc., Sailon Resources, Inc., Sam L. Banks, Summit Investment Group II, Inc., The Chalkley Exploration Group, L.L.C., and Venture Exploration Corporation d/b/a Combined

Resources Group, for the waiver of all or a portion of the liquidated damage assessments levied on the late partial release of the following state leases:

- (a) State Lease No. 19563 in the amount of \$5,600.00, St. Bernard Parish, Louisiana; and
- (b) State Lease No. 19277 in the amount of \$2,000.00, St. Bernard Parish, Louisiana.

Upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to recommend that the Louisiana State Mineral and Energy Board grant a reduction of the liquidated damage assessment on the late release of State Lease No. 19563 to \$3,088.28 and a reduction of the liquidated damage assessment for the late release of State Lease No. 19277 to \$935.86. No comments from the public were made.

The third matter considered by the Committee was a request by Sylvan Energy & Environmental, LLC for the recognition of a Force Majeure event as it pertains to State Lease No 1337, Bateman Lake Field, St. Mary & Terrebonne Parishes, referred to the Mineral and Energy Board by the Lease Review Committee for resolution.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Committee voted unanimously to recognize the Force Majeure event with relation to State Lease No. 1337, Bateman Field, St. Mary & Terrebonne Parishes. No comments from the public were made.

Upon motion of Mr. Arnold, seconded by Mr. Cordaro, the Legal and Title Controversy Committee recessed at 11:04 a.m. to convene the State Mineral and Energy Board Meeting.

The Legal and Title Controversy Committee reconvened at 11:06 a.m.

The fourth matter considered by the Committee was a request for final approval of a Settlement Agreement by and between the State Mineral and Energy Board, Biloxi Marsh Lands Corporation, Lake Eugenie Land & Development, Inc., 50196 L.L.C. and Biloxi Marsh Land 1 Royalty, L.L.C., whereas said parties agree on compromising and settling the Concursus Suits and allocating payment of royalties on certain Disputed Tracts, affecting State Lease Nos. 16158, 17002, 17086, 17768, 17772, 17810, 17979, 17890, 18041 and 18307, St. Bernard Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 10-42.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Smith, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of a Settlement Agreement by and between the State Mineral and Energy Board, Biloxi Marsh Lands Corporation, Lake Eugenie Land & Development, Inc., 50196 L.L.C. and Biloxi Marsh Land 1 Royalty, L.L.C., on the docket as Item No. 10-42. No comments from the public were made.

The fifth matter considered by the Committee was a request by Staff to place in default, by written notice, pursuant to La. R.S. 31:136, all current State lease working interest owners for State Lease Nos. 195-C, 2220, 2221, 4039 and 4147, for the failure and refusal of Cox Operating, L.L.C., as operator and, thereby, representative of the current State lease working interest owners of said State leases, to comply, with its obligations to reasonably develop and further explore all portions of the State-owned lands currently burdened by said leases.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant the request of Staff to place in default, by written notice, pursuant to La. R.S. 31:136, all current State lease working interest owners for State Lease Nos. 195-C, 2220, 2221, 4039 and 4147, for the failure and refusal of Cox Operating, L.L.C., as operator and, thereby, representative of the current State lease working interest owners of said State leases, to comply, with its obligations to reasonably develop and further explore all portions of the State-owned lands currently burdened by said leases. Public comments were made on behalf of the Oliver family by David Sollenberger, Jr.

Upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee went into Executive Session at 11:25 a.m.

The Legal and Title Controversy Committee returned to open session at 11:50 a.m.

The sixth matter considered by the Committee was a discussion in executive session of possible intervention in existing litigation.

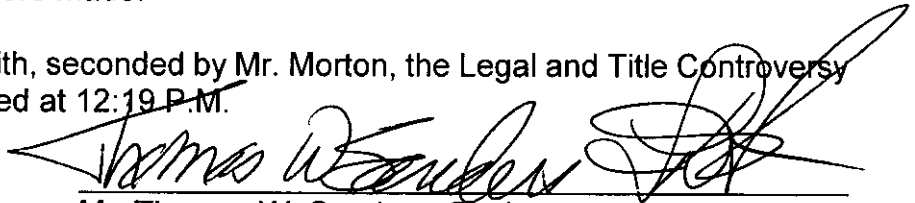
Upon recommendation of the staff and upon motion of Mr. Ingram, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant authority to the Attorney General's office to intervene in litigation in the Eastern District of Louisiana on behalf the State Mineral & Energy Board and the State of Louisiana. No comments from the public were made.

The seventh matter considered by the Committee was a discussion in executive session by request of Chesapeake Louisiana, L.P. to negotiate an Operating Agreement affecting State Lease No. 18243 in the Haynesville Shale, and to take the acreage covered by the lease and included within the HA RA SU 67 Unit, Elmgrove Field, Caddo and Bossier Parishes, out of commerce while negotiations are ongoing.

A motion was made by Mr. Segura, seconded by Mr. Arnold, to recommend that the State Mineral and Energy Board not grant Staff the authority to negotiate an Operating Agreement with Chesapeake Louisiana, L.P., but after discussion was had and a vote of the Committee members, this motion was not passed.

Upon motion of Mr. Smith, seconded by Mr. Ingram, with Mr. Segura opposing and Mr. Harper abstaining, the Committee voted to recommend that the State Mineral and Energy Board grant Staff the authority to negotiate an Operating Agreement with Chesapeake Louisiana, L.P., affecting State Lease No. 18243 in the Haynesville Shale, and to take the acreage covered by the lease and included within the HA RA SU 67 Unit, Elmgrove Field, Caddo and Bossier Parishes, out of commerce while negotiations are ongoing until the January 12, 2011 State Mineral and Energy Board Meeting. No comments from the public were made.

On motion of Ms. Smith, seconded by Mr. Morton, the Legal and Title Controversy Committee meeting adjourned at 12:19 P.M.

A handwritten signature in black ink, appearing to read "Thomas W. Sanders", is written over a horizontal line. The signature is stylized and cursive.

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

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

**WHEREAS**, a request was made by Hilcorp Energy Company to negotiate an Operating Agreement affecting State Lease No. 2084 which will cover the 137.63 acres of unleased waterbottoms that are located within the QBI LWR EG RA SU, #12ST well, located in Queen Bess Island Field, Jefferson Parish, and that the acreage in question be deemed unavailable for leasing while negotiations are ongoing;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant Staff the authority to negotiate an Operating Agreement with Hilcorp Energy Company on unleased acreage within the LWR EG RA SU unit and to hold that acreage unavailable for leasing until the Operating Agreement is completed or until the January 12, 2011 meeting, whichever comes first.

## 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 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.

  
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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

**WHEREAS**, a request was made by Yuma Exploration and Production Company, Inc., on its behalf and on the behalf of BlackHawk Management, Inc., Capital General, Inc., Coastal Management Trust, Hew-Tex Oil & Gas Corporation, Liberty National Bank, Nortex Corporation, Nytex Petroleum, LLC, Oil2 Starfish Prospect, LP, Patriot Exploration Co., Inc., PetroQuest Exploration, Inc., Sillon Resources, Inc., Sam L. Banks, Summit Investment Group II, Inc., The Chalkley Exploration Group, L.L.C., and Venture Exploration Corporation d/b/a Combined Resources Group, for the waiver of all or a portion of the liquidated damage assessments levied on the late partial release of the following state leases:

- (a) State Lease No. 19563 in the amount of \$5,600.00, St. Bernard Parish, Louisiana; and
- (b) State Lease No. 19277 in the amount of \$2,000.00, St. Bernard Parish, Louisiana;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant a reduction of the liquidated damage assessment on the late release of State Lease No. 19563 to \$3,088.28 and a reduction of the liquidated damage assessment for the late release of State Lease No. 19277 to \$935.86.

## 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 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

**WHEREAS**, a request was made by Sylvan Energy & Environmental, LLC for the recognition of a Force Majeure event as it pertains to State Lease No 1337, Bateman Lake Field, St. Mary & Terrebonne Parishes, referred to the Mineral and Energy Board by the Lease Review Committee for resolution;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board recognize the Force Majeure event with relation to State Lease No. 1337, Bateman Field, St. Mary & Terrebonne Parishes.

## 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 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.

  
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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

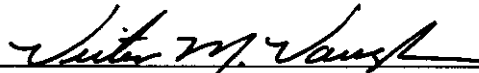
**WHEREAS**, a request was made by Staff for final approval of a Settlement Agreement by and between the State Mineral and Energy Board, Biloxi Marsh Lands Corporation, Lake Eugenie Land & Development, Inc., 50196 L.L.C. and Biloxi Marsh Land 1 Royalty, L.L.C., whereas said parties agree on compromising and settling the Concursus Suits and allocating payment of royalties on certain Disputed Tracts, affecting State Lease Nos. 16158, 17002, 17086, 17768, 17772, 17810, 17979, 17890, 18041 and 18307, St. Bernard Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 10-42;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval of a Settlement Agreement by and between the State Mineral and Energy Board, Biloxi Marsh Lands Corporation, Lake Eugenie Land & Development, Inc., 50196 L.L.C. and Biloxi Marsh Land 1 Royalty, L.L.C., on the docket as Item No. 10-42.

## 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 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### LEGAL AND TITLE CONTROVERSY COMMITTEE

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

WHEREAS, the State of Louisiana has a strong and vital interest in developing its natural resources for the benefit of its citizens;

WHEREAS, Louisiana Revised Statute 30:129 requires the State Mineral and Energy Board, hereinafter referred to as the "Board", to take all appropriate action to assure that undeveloped or nonproducing State lands and water bottoms are reasonably and prudently explored, developed, and produced for the public good;

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

WHEREAS, the State Mineral and Energy Board recognizes that it is essential to continue the growth and development of the mineral resources of the State of Louisiana in order to ensure the continued prosperity and welfare of the people of the State;

WHEREAS, the State Mineral and Energy Board understands that the continued development of the mineral resources of the State of Louisiana has a significant stimulating effect on the economy of Louisiana,

WHEREAS, the Louisiana Supreme Court in Carter v. Arkansas Louisiana Gas Company, 36 So 2d, 26 (La 1948), stated: "the law of this state is well settled that the main consideration of a mineral lease is the development of the leased premises for minerals, and that the lease must develop with reasonable diligence or give up the contract; having due regard for the interest of both contracting parties.";

WHEREAS, the Courts of Louisiana have upheld the jurisprudence in Taussig v Goldking Properties, Co, 495 So 2d 1008, (La.App. 3d Cir.1986), which stated that each mineral lease contains an implied covenant that the lessee has a duty to develop the leased premises;

WHEREAS, pursuant to Louisiana Revised Statute 31:122, a mineral Lessee is not under a fiduciary obligation to his Lessor, but he is bound to perform the contract in good faith and to develop and operate the property leased as a reasonably prudent operator for the mutual benefit of himself and his Lessor,

WHEREAS, pursuant to Louisiana Revised Statute 31.136, if a mineral Lessor seeks relief from his Lessee arising from the claim that the Lessee has failed to develop and operate the property leased as a prudent operator, he must give his Lessee written notice of the asserted breach to perform and allow a reasonable time for performance by the Lessee as a prerequisite to a judicial demand for damages or dissolution of the lease,

WHEREAS, pursuant to Louisiana Civil law doctrine of jurisprudence constante, Louisiana jurisprudence has consistently held that the purpose of the requirement of putting in default for non-development is (1) to provide the Lessee notice that the Lessor considers the Lessee's actions (or inaction) as violative of the implied obligation to develop the leased premises, and (2) to afford the Lessee a reasonable opportunity to perform its development obligations;

WHEREAS, on or about June 1, 2004, Cox Operating, L.L.C. hereinafter referred to as "Cox", acquired the operations from Source Petroleum of Quarantine Bay, State Lease 195-C, and Eloi Bay/Half Moon Lake, State Lease Nos 2220, 2221, 4039, 4147 and became the Operator of Record;

WHEREAS, from January 2005 to the Present, the Geological and Engineering Section of the Office of Mineral Resources, hereinafter referred to as "G&E", has notified Cox on numerous occasions via correspondence, that the development of the non-productive acreage of said State leases must begin since there has been no development or drilling operations for oil, gas, or other minerals being prosecuted by Cox on said State leases,

WHEREAS, from January 2005 to the Present, G&E has on numerous occasions requested that Cox commit, to drilling a new well on the non-productive acreage on the State leases covering the water bottoms of Quarantine Bay Field and Eloi Bay/Half Moon Field;

WHEREAS, G&E has granted Cox relief from the requirement of production and development on the non-productive acreage of said State leases due to the damages caused by hurricanes; and

**WHEREAS**, Cox has continually refused to commit to drill a new well, but rather has relied on seismic and field studies in an effort to demonstrate that it has complied with its obligations to develop the non-productive acreage of the leased premises;

**WHEREAS**, Cox did not comply with the State Mineral and Energy Board's Resolution adopted at its January 13, 2010 meeting, which required Cox to submit by June 9, 2010, a plan of development, specifically, the drilling of a new well or the sidetracking of an existing well, for the non-productive acreage of State Lease Nos 195-C, 2220, 2221, 4039 and 4147,

**WHEREAS**, Cox did not comply with the State Mineral and Energy Board's Resolution adopted at its July 14, 2010 meeting, which required Cox to submit by September 8, 2010, a plan of development, including the drilling of a well on or affecting the non-productive acreage of State Lease Nos. 195-C, 2220, 2221, 4039 and 4147 and a time table for carrying out their plan;

**WHEREAS**, present repeated attempts by G&E to obtain further exploration or release of non-productive acreage has failed and Cox's continues to refuse to comply with its obligations to produce and develop the non-productive acreage of said State leases by making a commitment to drill additional wells on the above referenced State leases, and

**WHEREAS**, due to the fact that Cox has failed to tender to this State Mineral and Energy Board either a plan for additional development of said State leases or the voluntary release of the non-productive acreage of said State leases, thus the State Mineral and Energy Board finds that Cox has breached its obligations to produce and develop said State leases on the non-productive acreage, therefore, said State leases have not been prudently developed.

**NOW, THEREFORE, BE IT RESOLVED**, that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby authorize the staff of the Office of Mineral Resources to place in default, by written notice, pursuant to La R.S. 31:136, all current State lease working interest owners for State Lease Nos. 195-C, 2220, 2221, 4039 and 4147, for the failure and refusal of Cox, as operator and, thereby, representative of the current State lease working interest owners of said State leases, to comply, with its obligations to reasonably develop and further explore all portions of the State-owned lands currently burdened by said leases.

**FURTHERMORE, THEREFORE, BE IT RESOLVED**, that the Louisiana State Mineral and Energy Board, authorizes the staff of the Office of Mineral Resources to include in the written notifications of default, again pursuant to the requirements set forth in LA R.S 31 136, a request that all the non-productive acreage of said State leases either be:

1. Further developed by spudding a new well on or before April 1, 2011, on the non-productive acreage of the State leases in Quarantine Bay Field and the State leases in Eloï Bay/Half Moon Lake Field (e.g. a new well in each field); or
2. Release on or before April 1, 2011.

**FURTHERMORE, THEREFORE, BE IT RESOLVED**, that if Cox fails to comply with the terms of the notice of default as set forth herein, the Louisiana State Mineral and Energy Board may further authorize the Attorney General's Office to place on formal written demand all of the working interest owners of record of said State leases to immediately release all undeveloped and non-producing portions of State Lease Nos 195-C, 2220, 2221, 4039 and 4147 or, should that not occur, to take whatever legal action which may be necessary to secure release of same.

**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 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.

  
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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

**WHEREAS**, a discussion in executive session was held regarding possible intervention in existing litigation;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant authority to the Attorney General's office to intervene in litigation in the Eastern District of Louisiana on behalf the State Mineral & Energy Board and the State of Louisiana.

## 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 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.

  
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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

**ON MOTION** of Mr. Smith, seconded by Mr. Ingram, with Mr. Segura opposing and Mr. Harper abstaining, the following resolution was offered and adopted:

**WHEREAS**, a discussion was held in executive session by request of Chesapeake Louisiana, L.P. to negotiate an Operating Agreement affecting State Lease No. 18243 in the Haynesville Shale, and to take the acreage covered by the lease and included within the HA RA SU 67 Unit, Elmgrove Field, Caddo and Bossier Parishes, out of commerce while negotiations are ongoing;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant Staff the authority to negotiate an Operating Agreement with Chesapeake Louisiana, L.P., affecting State Lease No. 18243 in the Haynesville Shale, and to take the acreage covered by the lease and included within the HA RA SU 67 Unit, Elmgrove Field, Caddo and Bossier Parishes, out of commerce while negotiations are ongoing until the January 12, 2011 State Mineral and Energy Board Meeting.

## CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.

  
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LOUISIANA STATE MINERAL AND ENERGY BOARD



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

**DOCKET REVIEW COMMITTEE REPORT**

The Docket Review Committee convened at 12:20 p.m. on Wednesday October 13, 2010. Board Members present were Mr. Robert D. Harper, Mr. Bay E Ingram, Mr. Robert "Michael" Morton, Mr. Thomas L. Arnold, Jr., Mr. Emile Cordaro, Mr. Darryl D. Smith, Ms. Helen G. Smith, Thomas W. Sanders and Mr. W. Paul Segura, Jr.

The Committee made the following recommendations:

Approve State Agency Lease A on page 1;

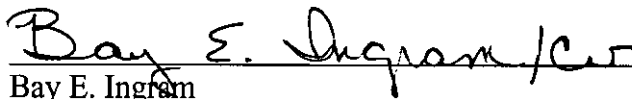
Approve all Assignments on pages 2 through 11 with the following exceptions; Docket Item Nos. 23, 24 and 26 on pages 9 and 10 would be approved subject to the approval of the Governor of Louisiana;

Approve the following item upon recommendation of the Legal and Title Controversy Committee: Docket Item No. 10-42 on page 12.

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

There being no further business to come before the committee, upon motion of Mr. Smith, and seconded by Ms. Smith, the committee voted unanimously to adjourn the meeting at 12:22 p.m.

Respectfully submitted,

  
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Bay E. Ingram  
Vice-Chairman  
Docket Review Committee

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

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the October 13, 2010 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Lafourche Parish School Board, dated July 7, 2010, awarded to EBR Louisiana, L.L.C., covering lands located in Sections 92 and/or 101, Township 14 South, Range 16 East, Lafourche Parish, Louisiana, containing approximately 6.6386, more or less, with further contractual obligations being more enumerated in the instrument.

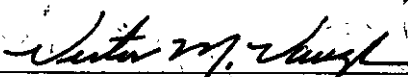
The State of Louisiana, through the State Mineral and Energy Board, asserts and claims title to the beds and bottoms of any navigable waterbed that may be located within the boundaries of the lands leased, and this approval shall not cover or extend to, or be construed as affecting the State's title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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Harold J. Anderson, Inc. to ConocoPhillips Company, of all of Assignor's right, title and interest in and to State Lease Nos 20054, 20056, 20057, 20058, 20059, 20060, 20061, 20062, 20063, 20199, 20202, 20204, 20209, 20210, 20225 and 20226, Jefferson, Lafourche and Plaquemines Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

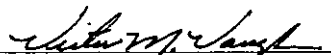
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Classic Petroleum, Inc to Chesapeake Louisiana, L.P., of all of Assignor's right, title and interest in and to State Lease No 20355, Bienville and Bossier Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

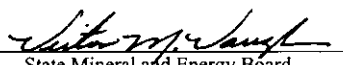
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Classic Petroleum, Inc. to Chesapeake Louisiana, L.P., of all of Assignor's right, title and interest in and to State Lease No 20337, Bienville and Bossier Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

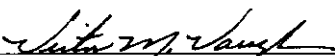
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Catapult Exploration, LLC, of an undivided 94% interest to the following in the proportions set out below:

Walter Oil & Gas Corporation	31.3333%
BTA Oil Producers, LLC	31.3333%
Manti Equity Partners, LP	29.4534%
Manti Exploration & Production, Inc.	1.8800%

in and to State Lease Nos. 20271, 20272 and 20286, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

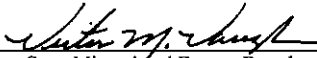
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows:

- 1) That all terms and conditions of the basic lease will be fulfilled, including, but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;
- 4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;
- 5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and
- 6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 5 from the October 13, 2010 Meeting be approved, said instrument being an Assignment and Correction of Assignment from Cabot Oil & Gas Corporation to Penn Virginia Oil & Gas, L.P., successor by merger to interest of Synergy Oil & Gas, Inc., of all of Assignor's right, title and interest in and to State Lease No. 13199, Calcasieu Parish, Louisiana, with further particulars being stipulated in the instrument.

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

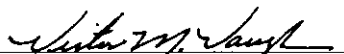
This approval is expressly granted and accepted subject to certain conditions in the absence of which conditions approval of said instrument would not have been given as follows

- 1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any nonsignatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;
- 4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30:128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;
- 5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and
- 6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Penn Virginia Oil & Gas L.P. to Hilcorp Energy I, L.P., of all of Assignor's right, title and interest in and to State Lease Nos. 13199, 13420, 17265, 17714, 17715, 17717, 17718, 17720, 18233, 18614, 18859 and Operating Agreement "A0165", Calsasieu, Iberia, Plaquemines and St. Mary Parishes, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No.7 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas & Land Services, LLC to Justiss Oil Company, Inc., of all of Assignor's right, title and interest in and to State Lease No. 20374, Natchitoches Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

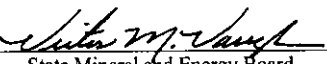
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 8 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Basin Properties, Inc. to Anadarko E&P Company LP, of all of Assignor's right, title and interest in and to State Lease Nos. 20289, 20290, 20291, 20292, 20293, 20294, 20295, 20317, 20318, 20319, 20320, 20321, 20322, 20323, 20324, 20325, 20326, 20327, 20328, 20330, 20331, 20332, 20333 and 20334, Beauregard and Vernon Parishes, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

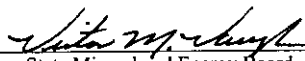
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 9 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from PetroQuest Energy, L.L.C. to Energy One LLC, an undivided 20% of 8/8ths in and to State Lease No. 20183, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

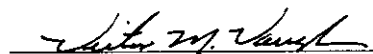
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from PetroQuest Energy, L.L.C. to Teikoku Oil (North America) Co., Ltd., an undivided 25% of 8/8ths interest in and to State Lease No. 20183, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

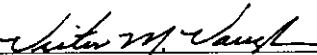
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11 from the October 13, 2010, Meeting be approved, said instrument being a Correction of Resolution No. 20 from the December 8, 1999 Meeting, being an Assignment from Jarvis Petroleum, Inc. to Travelers Exploration Company, whereas State Lease Nos. 1450 and 1451 were omitted from said resolution and are hereby being added, affecting State Lease Nos. 1450, 1451, 1480, 14284, 14589 and 15819, Lafourche Parish, Louisiana.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

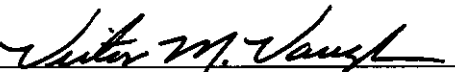
## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12 from the October 13, 2010, Meeting be approved, said instrument being a Correction of Resolution No. 21 from the December 8, 1999 Meeting, being an Assignment from Jarvis Petroleum, Inc. to BASA Interest, Inc., whereas State Lease Nos. 1450 and 1451 were omitted from said resolution and are hereby being added, affecting State Lease Nos. 1450, 1451, 1480, 14284, 14589 and 15819, Lafourche Parish, Louisiana.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

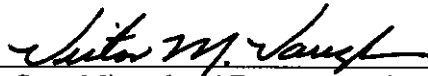
## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13 from the October 13, 2010, Meeting be approved, said instrument being a Correction of Resolution No. 22 from the December 8, 1999 Meeting, being an Assignment from Jarvis Petroleum, Inc. to American National Insurance Company, Inc., whereas State Lease Nos. 1450 and 1451 were omitted from said resolution and are hereby being added, affecting State Lease Nos. 1450, 1451, 1480, 14284, 14589 and 15819, Lafourche Parish, Louisiana.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

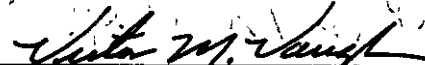
## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 14 from the October 13, 2010, Meeting be approved, said instrument being a Correction of Resolution No. 23 from the December 8, 1999 Meeting, being an Assignment from Jarvis Petroleum, Inc. to William L. Moody, IV, whereas State Lease Nos. 1450 and 1451 were omitted from said resolution and are hereby being added, affecting State Lease Nos. 1450, 1451, 1480, 14284, 14589 and 15819, Lafourche Parish, Louisiana.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 15 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Patrick L. Donohue Petroleum Properties, Inc. to Neumin Production Company, of all of Assignor's right, title and interest in and to State Lease Nos. 20275 and 20276, Pointe Coupee Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Cypress Energy Corporation to Century Exploration Houston, Inc., of all of Assignor's right, title and interest in and to State Lease No 19940, Assumption Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 17 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Samson Contour Energy E&P, LLC to Southwestern Energy Production Company, of all of Assignor's right, title and interest in and to State Lease No. 19623, Caldwell Parish, Louisiana, INsofar AND ONLY INsofar AS said lease covers Township 14 North, Range 4 East, Section 11, Lots 4 and 5, LIMITED TO those depths between the surface of the earth and the base of the Reynolds coal formation or 4,200', whichever is greater, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

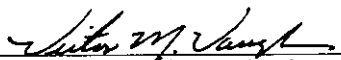
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION


## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18 from the October 13, 2010, Meeting be approved, said instrument being a Correction of Resolution No. 36 from the July 9, 2008 Meeting, being an Assignment from Cypress energy Corporation to Wilson Production 16, L.L.C., whereas State Agency Lease No. 19027 was omitted and is hereby being added, affecting State Lease Nos. 19011, 19027 and 19180, DeSoto and Red River Parishes, Louisiana.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 19 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from White Oak Energy V, LLC to Dune Properties, Inc., of all of Assignor's right, title and interest in and to State Lease Nos. 2412 and 2413, Vermilion Parishes, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 20 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Samson Contour Energy E&P, LLC to Riley-Huff Energy Group, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 19558, 19559 and 19560, Caldwell, Ouachita and Richland Parishes, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 21 from the October 13, 2010 Meeting be approved, said instrument being a Correction of that certain Assignment from Howell Petroleum Corporation to Merit Management Partners I, LP, et al, dated December 10, 2004, effective September 1, 2004, whereas said parties desire to correct said Assignment by adding State Lease No 3599 and 14703 which were omitted from the original Assignment. **INSOFAR AND ONLY INSOFAR AS** said Leases lie within the surface boundaries of the MW-Goodrich-Lake Raccourci Voluntary Unit "A", affecting State Lease Nos. 3258, 3599 and 14703, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

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

- 1) That all terms and conditions of the basic lease will be fulfilled, including but not limited to the full payment of rentals and royalties, regardless of the division of leasehold interests resulting from the instrument;
- 2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, sublessor or sublessee, prior or subsequent hereto, shall not be deemed waived by the approval of said instrument by the State Mineral and Energy Board for the State of Louisiana, it being distinctly understood that the State Mineral and Energy Board for the State of Louisiana does not recognize said instrument as creating a novation, as regards any right or interest of the State or Board;
- 3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease, for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any non-signatory lessee to such remedy, if any, as such party may have against the lessee or lessees, who may execute a release purporting to cover the entirety of the lease or of a segregated portion thereof;
- 4) That this approval is given merely for the purpose of validating the assignment or transfer under the provisions of R.S. 30 128, but by giving its approval, the Board does not recognize the validity of any other instrument referred to therein that has not also been considered and approved by the Board in its entirety nor of any descriptions nor adopt any of the terms and conditions in the assignment or transfer, including but not limited to any election to convert an overriding royalty interest to a working interest, and any such election shall not be effective until written notice thereof is given to the Board and assignment or transfer of such working interest in recordable form is docketed for approval and approved by the Board, and, furthermore, that this approval may not operate as the Board's approval of any sales contract, which may have been entered into by the parties to the assignment or transfer, inasmuch as the Board specifically reserves the right to take its royalty oil, gas and other minerals in kind;
- 5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and
- 6) That nothing herein shall be construed as approval for any assignment, sublease or transfer to or from any individual, partnership, corporation or other legal entity who has filed bankruptcy proceedings unless such status is specifically recognized in this resolution.

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 22 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas & Land Services, LLC to Triumph Energy IV, LLC, of all of Assignor's right, title and interest in and to State Lease No. 20184, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

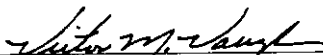
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

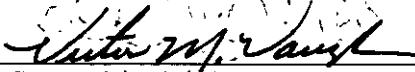
## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 23 from the October 13, 2010, Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being a Correction of Resolution No. 30 from the April 14, 2010 Meeting, being an Assignment from LaBay Exploration Company to Castex Energy 2005, L.P. and Castex Energy 2008, L.P., whereas said resolution incorrectly read... "in and to State Lease No. 340" and is hereby being correcting to read..."in and to Operating Agreement "A0301", affecting State Lease No. 340 and Operating Agreement "A0301", St. Mary Parish, Louisiana.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board

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

By: \_\_\_\_\_  
Scott A. Angelle  
Chairman, State Mineral Board

# RESOLUTION

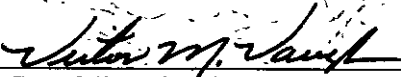
## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 24 from the October 13, 2010, Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being a Correction of Resolution No. 23 from the May 12, 2010 Meeting, being an Assignment from Castex Energy 2005, L.P. and Castex Energy 2008, L.P. to Phoenix Exploration Louisiana C LLC, whereas said resolution incorrectly read... in and to State Lease No. 340" and is hereby being correcting to read..."in and to Operating Agreement "A0301", affecting State Lease No. 340 and Operating Agreement "A0301", St. Mary Parish, Louisiana.

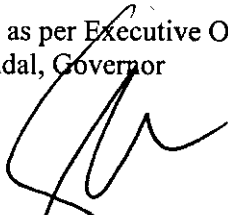
### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
\_\_\_\_\_  
State Mineral and Energy Board

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

By: \_\_\_\_\_

  
Scott A. Angelle  
Chairman, State Mineral Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 25 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Phoenix Exploration Louisiana C LLC to CL&F Resources, LP, an undivided 40% of 8/8ths interest in and to Operating Agreement "A0301", St. Mary Parish, Louisiana, **INSOFAR AND INSOFAR AS** said lease covers that portion of that certain 860 acre tract of the Belle Isle selection of State Lease No. 340, which is located within the boundaries of the L RA SUA Unit, **AND FURTHER LIMITED TO** rights from the surface down to the stratigraphic equivalent of a depth of 14,766' MD as seen in the SL 340 Atchafalaya Bay #44 well, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

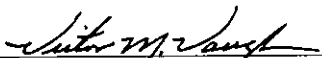
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
\_\_\_\_\_  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 26 from the October 13, 2010 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from Phoenix Exploration Louisiana C LLC to CL&F Resources, LP, an undivided 40% of 8/8ths interest in and to State Lease Nos. 340 and 3184, St. Mary Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said leases fall within the confines for the L RA SU A, **FURTHER LIMITED TO** the unitized depths and horizons covered by said L RA SU A, described as those specific said horizons occurring between the depths of 13,619' and 14,845', measured depths, as seen in the electric log of the Sun-Belle Isle Unit No. 1-57, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

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

By:   
Scott A. Angelle  
Chairman, State Mineral Board



# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 27 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Phoenix Exploration Louisiana C LLC to CL&F Resources, LP, an undivided 40% of 8/8ths interest in and to State Lease Nos 2366, 2585, 3184, 3185, 3586 and 3909, St Mary Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said leases fall within the confines for the L RA SU A, **FURTHER LIMITED TO** the unitized depths and horizons covered by said L RA SU A, described as those specific said horizons occurring between the depths of 13,619' and 14,845', measured depths, as seen in the electric log of the Sun-Belle Isle Unit No. 1-57, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

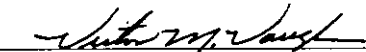
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 28 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Chroma Oil & Gas, LP to Chesapeake Exploration, LLC, an undivided 29.166667% interest in and to State Lease No. 15993, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 29 from the October 13, 2010 Meeting be approved, said instrument being an Assignment from Chesapeake Exploration, LLC to Indigo Minerals LLC, of all of Assignor's right, title and interest in and to State Lease No. 15993, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

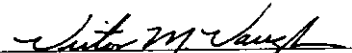
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

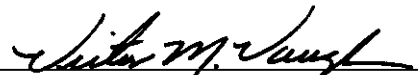
On motion of Mr. Segura, seconded by Mr. Cordaro, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10-42 from the October 13, 2010, Meeting be approved, said instrument being A Settlement Agreement by and between the State Mineral and Energy Board, Biloxi Marsh Lands Corporation, Lake Eugenie Land & Development, Inc., 50196 L.L.C. and Biloxi Marsh Land 1 Royalty, L.L.C., whereas said parties agree on compromising and settling the Concursus Suits and allocating payment of royalties on certain Disputed Tracts, affecting State Lease Nos. 16158, 17002, 17086, 17768, 17772, 17810, 17979, 17980, 18041 and 18307, St. Bernard Parish, Louisiana, with further particulars being stipulated in the instrument.

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 13th day of October, 2010 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.

  
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State Mineral and Energy Board