

# **MINUTES**

## **STATE MINERAL AND ENERGY BOARD**

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

**SEPTEMBER 12, 2012**

A Regular Meeting and Lease Sale of the State Mineral and Energy Board was held on Wednesday, September 12, 2012, beginning at 11:00 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, called the meeting to order. He then requested Ms. Stacey Talley, Deputy Assistant Secretary, to call the roll for the purpose of establishing a quorum.

W. Paul Segura, Jr., Vice-Chairman  
Thomas L. Arnold, Jr.  
Stephen Chustz, DNR Interim Secretary  
John C. "Juba" Diez  
Robert "Michael" Morton  
Thomas W. Sanders  
Chip Kline (sitting in for Garret Graves, Governor Jindal's designee to the Board)

The following members of the Board were recorded as absent:

Scott A. Angelle, Chairman  
Emile B. Cordaro  
Bay E. Ingram  
Darryl D. Smith  
Helen G. Smith

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

Also recorded as present were:

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

The Chairman then stated that the next order of business was the approval of the August 8, 2012 Minutes. A motion was made by Mr. Arnold to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Sanders and unanimously adopted by the Board. (No public comment was made at this time.)

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

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

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

The Chairman then announced that the Board would recess its regular meeting at 11:02 a.m. and go into executive session for technical briefing in order to consider matters before the Board which were confidential in nature. A motion was made by Mr. Arnold, seconded by Mr. Morton, and unanimously adopted by the Board.

During the technical briefing, the Board conferred with staff personnel concerning the merit of the bids that were submitted and opened earlier today at a public meeting\*, based on geological, engineering and other confidential data and analyses available to the Board and staff, after which, upon motion of Mr. Arnold, seconded by Mr. Sanders, and unanimously adopted by the Board, the Board reconvened in open session at 11:12 a.m.

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

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

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to reject the bid on Tract 42896 for insufficient consideration and to re-advertise with minimums.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 42897, said portion being 4.170 acres more particularly described in said bid and outlined on accompanying plat, to Mack Energy Company.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on another portion of Tract 42897, said portion being 150.250 acres more particularly described in said bid and outlined on accompanying plat, to Merit Energy Services, L.L.C.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on a portion of Tract 42899, said portion being 49.640 acres more particularly described in said bid and outlined on accompanying plat, to Mack Energy Company.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to reject the bid on Tract 42901 for insufficient consideration.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to reject the bid on Tract 42902 for insufficient consideration.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to reject the bid on Tract 42903 for insufficient consideration.

Upon motion of Mr. Arnold, seconded by Mr. Sanders, the Board voted unanimously to award a lease on Tract 42904 to Tacoma Energy Corporation.

This concluded the awarding of the leases.

The following announcements were then made:

Ms. Talley stated that "the total for today's Lease Sale is \$337,576.00 bringing the fiscal year-to-date total to \$5.7 million.

Also, the new force majeure system is now online and active. If anyone needs to request a force majeure due to Bayou Corne, Hurricane Isaac or any other event, you can enter that online. If you have any questions about how to work the online system, you can call Mr. Charles Bradbury and he will guide you through it.

Finally, I just want to thank all of the speakers and attendees from the oil and gas conference. It was a very successful conference and we appreciate everyone's participation."

The Chairman stated "I would also like to thank the staff for their hard work. Also, Mr. Cordaro could not be here today and he asked me to pass on that he thought the seminar was another good year and he wanted to thank the staff for all their planning and efforts in putting together a really successful seminar. If you haven't gone, you should try to go next year.

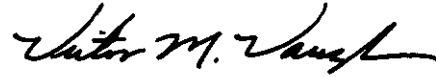
Also, we would like to welcome Mr. Chustz as the new DNR Secretary. Thank you for coming."

September 12, 2012

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The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Sanders, seconded by Mr. Morton, the meeting was adjourned at 11:16 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Victor M. Vaughn". The signature is fluid and cursive, with a long, sweeping underline.

Victor M. Vaughn  
Executive Officer  
State Mineral and Energy Board

**THE FOLLOWING BID OPENING MEETING REPORT,  
COMMITTEE REPORTS AND RESOLUTIONS  
WERE MADE A PART OF THE SEPTEMBER 12, 2012 MINUTES  
BY REFERENCE**

A public meeting for the purpose of opening sealed bids was held on Wednesday, September 12, 2012, beginning at 8:30 a.m. in the La Belle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

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

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

September 12, 2012

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. 42895 through 42904, have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended.

Yours very truly,

(Original signed)

Frederick D. Heck  
Director  
Petroleum Lands Division

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

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

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

#### INLAND TRACTS

##### Tract 42895

No Bids

##### Tract 42896

Bidder	:	Classic Petroleum, Inc.
Primary Term	:	Three (3) years
Cash Payment	:	\$8,456.00
Annual Rental	:	\$4,228.00
Royalties	:	25.00% on oil and gas
	:	25.00% on other minerals
Additional Consideration	:	None

##### Tract 42897

(Portion – 4.170 acres)

Bidder	:	Mack Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$1,255.17
Annual Rental	:	\$627.59
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

##### Tract 42897

(Portion – 150.250 acres)

Bidder	:	Merit Energy Services, L.L.C.
Primary Term	:	Three (3) years
Cash Payment	:	\$72,270.25
Annual Rental	:	\$36,136.00
Royalties	:	23.00000% on oil and gas
	:	23.00000% on other minerals
Additional Consideration	:	None

##### Tract 42898

No Bids



Tract 42899  
(Portion – 49.640 acres)

Bidder	:	Mack Energy Company
Primary Term	:	Three (3) years
Cash Payment	:	\$14,941.64
Annual Rental	:	\$7,470.82
Royalties	:	25.00000% on oil and gas
	:	25.00000% on other minerals
Additional Consideration	:	None

Tract 42900

No Bids

STATE AGENCY TRACTS

Tract 42901

Bidder	:	Tacoma Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$184,485.82
Annual Rental	:	\$92,242.91
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42902

Bidder	:	Tacoma Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$145,739.50
Annual Rental	:	\$72,869.75
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42903

Bidder	:	Tacoma Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$22,040.00
Annual Rental	:	\$11,020.00
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

Tract 42904

Bidder	:	Tacoma Energy Corporation
Primary Term	:	Three (3) years
Cash Payment	:	\$249,099.94
Annual Rental	:	\$124,549.97
Royalties	:	22.5% on oil and gas
	:	22.5% on other minerals
Additional Consideration	:	None

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 8:40 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, September 12, 2012 at 9:53 a.m. with the following members of the board in attendance: DNR Interim Secretary, Mr. Stephen Chutz, Mr. Thomas L. Arnold Jr., Mr. Robert "Michael" Morton, Mr. W. Paul Segura Jr., Mr. Thomas W. Sanders and Mr. Chip Kline (sitting in for Garrett Graves, Governor Jindal's designee to the State Mineral and Energy Board).

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

**I. Geological and Engineering Staff Review**

According to SONRIS there are 1,909 active State Leases covering nearly 844,000 acres. The Geological and Engineering Division has reviewed approximately 170 leases covering 50,000 acres.

Items on the Force Majeure report submitted to the Board by Mr. Charles Bradbury, Petroleum Engineer, were as follows:

**II. Report on Force Majeure**

1. Request by Chevron to extend recognition of force majeure on the unitized portions of State Leases 19534, 19536 and 19547 for six months, until the March 13, 2013 meeting.
2. Apache, Black Elk Energy, Energy Properties and Hilcorp Energy request extension of the force majeure recognition for the state leases and operating agreements listed below for an additional six months or until the March 13, 2013 State Mineral and Energy Board meeting.
3. Mack Energy requests recognition of force majeure due to rig availability for operating agreement A0313.
4. Saratoga requests recognition of force majeure for operating agreement A0311 due to rig availability.

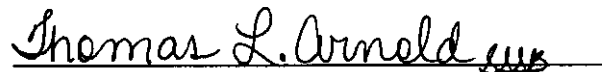
Updated 8/15/2012

Company Name	Lease Numbers
<b>Leases Off Production Due to Non-storm Related Force Majeure Events</b>	
Apache Corporation	A0137, 12105
Black Elk Energy	4237, 14905
Brammer Engineering	19141
Chevron	19534, 19536, 19547
Energy Properties Inc.	725
Hilcorp Energy Corp.	16100, 16293
Mack Energy	A0313
Saratoga	A0311
Stone Energy	15074, 17309, A0285

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

Mr. Arnold adjourned the September 12, 2012 meeting at 9:57 a.m.

Respectfully submitted,

  
Mr. Thomas L. Arnold, Jr., Acting 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. Sanders, seconded by Mr. Segura, the following resolution was offered and adopted:

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

**WHEREAS**, a request was made by Chevron USA Inc. (herein "Chevron") to recognize that a force majeure condition existed for State Leases 19534, 19536, and 19547 in Cameron Parish, Louisiana due to the necessity to re-equip the drilling rig and install additional blow-out prevention equipment beginning December 28, 2011;

**WHEREAS**, State Leases 19534, 19536, and 19547 includes a "Force Majeure" provision which allows the Operator to maintain these leases without complying with the actual drilling or reworking operations or by actual production requirements for as long as the force majeure is in effect;

**WHEREAS**, Chevron was forced to suspend drilling operations on the OLIG-PAL RA SUA; BPAPC Well No. 1 (SN 242221) due to the necessity to re-equip the rig and blow-out preventers to safely continue drilling deeper;

**WHEREAS**, the State Mineral and Energy Board recognized the force majeure condition at the March 14, 2012 meeting for a period of six months until the September 12, 2012 meeting,

**WHEREAS**, Chevron requests a six (6) month extension of the force majeure recognition;

**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 extends recognition of the force majeure event as described herein until such time drilling operations are restored on State Leases 19534, 19536, and 19547, Cameron Parish, Louisiana or until the March 13, 2013 State Mineral and Energy Board meeting. Once drilling operations begin Chevron shall maintain the leases in accordance with the normal language in the lease form concerning continuing operations and production. The Board requires that Chevron submit to the staff monthly updates due no later than the 1<sup>st</sup> of each month. Furthermore, the Board requires that Chevron in a due diligent manner, mitigate, or negate the effect of future events and make timely notification of any future events to the State Mineral and Energy Board's staff of said activities which cause 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 and Energy Board in the City of Baton Rouge, Louisiana, on the 12<sup>th</sup> day of September, 2012, 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

### LEASE REVIEW COMMITTEE

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

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

**WHEREAS**, on April 9, 2012, a Texas Gas pipeline ruptured and exploded in the vicinity of Bay Junop Field causing the temporary cessation of production to several operators who utilized the line to sell and transport gas;

**WHEREAS**, Apache Corporation, Black Elk Energy, Energy Properties Inc. and Hilcorp Energy Corporation requested recognition of a force majeure condition preventing the continuous operation and production of the state leases and operating agreements in Terrebonne and Lafourche Parishes as a result of the pipeline explosion;

**WHEREAS**, these companies report that the following State Leases and Operating Agreements are currently shut-in as a direct result of the pipeline explosion: State Leases 725, 4237, 12105, 14905, 16100 and 16293 and Operating Agreement A0137;

**WHEREAS**, at the June 13, 2012 the State Mineral and Energy Board recognized this force majeure event and suspended the leases and operating agreements continuous operation clauses until such time at pipeline service is restored or the September 12, 2012 meeting;

**WHEREAS**, these companies have submitted an update report stating that the process of acquiring the pipeline from Texas Gas will require an additional five (5) months and request an extension of the force majeure recognition;

**NOW THEREFORE BE IT RESOLVED** that the Louisiana State Mineral and Energy Board, in consideration of the facts stated herein, by these present does hereby recognize and acknowledge the force majeure event as of April 9, 2012 due to rupture and subsequent explosion of the pipeline operated by Texas Gas that prevent sale and transportation of gas from wells and production facilities to maintain State Leases 725, 4237, 12105, 14905, 16100 and 16293 and Operating Agreement A0137 in Terrebonne and Lafourche Parishes, Louisiana. The Board extends recognition of the force majeure condition until such time as the gas pipeline service is restored permitting the companies to restore production to the state leases or until the March 13, 2013 Board Meeting whichever occurs first. The operators shall submit monthly updates and diligently pursue re-establishing production. The Board reserves its right to reconsider this matter at any time.

### CERTIFICATE

I hereby certify that the above is true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 12<sup>th</sup> day of September, 2012, 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

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### LEASE REVIEW COMMITTEE

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

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

**WHEREAS**, a request was made by Mack Energy Company (herein Mack) to recognize that a force majeure condition exists for Operating Agreement A0313 in Acadia Parish, Louisiana due to availability of a workover rig necessary to complete reworking operations affecting the operating agreement beginning July 25, 2012;

**WHEREAS**, Operating Agreement A0313 includes a "Force Majeure" provision which allows the Operator to maintain these leases without complying with the actual drilling or reworking operations or by actual production requirements for as long as the force majeure is in effect;

**WHEREAS**, Timothy F. Ledet, District Landman of Mack, submitted a notarized affidavit on behalf of Mack, 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. Ledet'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 effect 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 beginning July 25, 2012 until such time as Mack Energy Company obtains a rig to complete reworking operations affecting Operating Agreement A0313 or the December 12, 2012 meeting whichever occurs earlier. Once production operations begin Mack Energy Company shall maintain the lease in accordance with the normal language in the lease concerning continuing operations and production. The Board requires that Mack Energy Company submit to the staff monthly updates due no later than the 1<sup>st</sup> of each month. Furthermore, the Board requires that Mack Energy Company in a due diligent manner, mitigate, or negate the effect of future events and make timely notification of any future events to the Mineral and Energy Board's staff of said activities which cause 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 and Energy Board in the City of Baton Rouge, Louisiana, on the 12<sup>th</sup> day of September, 2012, 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

### LEASE REVIEW COMMITTEE

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

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

**WHEREAS**, a request was made by The Harvest Group, LLC a subsidiary of Saratoga Resources Inc. (herein Saratoga) to recognize that a force majeure condition exists for Operating Agreement A0311 in Saint Mary Parish, Louisiana due to availability of a workover rig necessary to complete reworking operations affecting the operating agreement beginning May 14, 2012;

**WHEREAS**, Operating Agreement A0311 includes a "Force Majeure" provision which allows the Operator to maintain these leases without complying with the actual drilling or reworking operations or by actual production requirements for as long as the force majeure is in effect;

**WHEREAS**, Brian P. Daigle, Vice President of Operations of Saratoga Resources Inc., submitted a notarized affidavit on behalf of Saratoga, 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. Daigle'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 effect 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 beginning May 14, 2012 until such time as Saratoga Resources Inc. obtains a rig to complete reworking operations affecting Operating Agreement A0311 or the December 12, 2012 meeting whichever occurs earlier. Once production operations begin Saratoga shall maintain the lease in accordance with the normal language in the lease concerning continuing operations and production. The Board requires that Saratoga submit to the staff monthly updates due no later than the 1<sup>st</sup> of each month. Furthermore, the Board requires that Saratoga in a due diligent manner, mitigate, or negate the effect of future events and make timely notification of any future events to the Mineral and Energy Board's staff of said activities which cause 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 and Energy Board in the City of Baton Rouge, Louisiana, on the 12<sup>th</sup> day of September, 2012, 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



Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: September 13, 2012 1:43 PM

District Code 1 New Orleans- East

Get Review Date September 12, 2012

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
03508		MAIN PASS BLOCK 69	237742-SL 3508-036 07/12/2008	683	2921.08	SEP. RCD APACHE RPT/GRANT EXTENSION/ POD DUE 8/8/12;;7/14/11 RCD APACHE RQD AD'L TIME. 7/14/10 DEVON SOLD TO APACHE 3/16/10 DEVON POD BY 6-9-10 6AR
06420		QUARANTINE BAY	137.94 08/19/2009	94.82	94.82	SEP. 7/19/12 REL RQD 7/13/12 RS JMB: APP EXP, LAST PRD 6/11 OCT. AR THIS IS A B LEASE (WORKING INTEREST ONLY) PER GREG D.
12002		MAIN PASS BLOCK 31	220.47 07/10/2008	283.005	283.005	SEP. AR 8/15/12 CCB ADVISED LEASE IS BACK ON PRD 4/11/12 FM EXTENDED TO 7/11/12
16849		MAIN PASS BLOCK 47	235675-BA BB RA SUA;SL 16849-002-ALT 06/05/2007	122.23	122.23	SEP. AR
16851		MAIN PASS BLOCK 47	BA BB RA SUA;SL 16849 10/29/2002 1331-F 06-633	63.36	63.36	SEP. AR
16867		SOUTHEAST PASS		319.56	319.56	SEP. AR
17546		LAKE BORGNE	85.92 07/30/2003	185.56	185.56	SEP. AR
17814		MAIN PASS BLOCK 69		657.75	657.75	SEP. AR
18622		POINTE A LA HACHE	28.631 08/20/2007	.369	.369	SEP. AR
19277		STUARDS BLUFF, EAST	142.718 06/04/2010	162.282	162.282	SEP. 7/16/12 FU REL RQD 3/16/12 REL RQD 3/15/12 RS JMB APP EXP REQ REL
19391		BRETON SOUND BLOCK 53	VUD; 03/14/2012	572.71	572.71	SEP. 7/23/12 LEASE 100% PROD UNDER VUD SL 19050 PER JT SUGGEST AR PT 6/13/12 8/1/12 MTG 29E WAIVER & DOWNHOLE
19563		STUARDS BLUFF, EAST	72.955 06/04/2010	59.335	59.335	SEP. 7/16/12 FU REL RQD 3/13/12 REL RQD 3/13/12 APP EXP PER MB
19680				0	142	SEP. PT 6/11/13
19706		COQUILLE BAY	80 10/04/2011	108	108	SEP. AR 9/4/12 JPT 100% HBP 43.50 NET /108. GROSS AC - 9400 RA SUA 243180 617399

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: September 13, 2012 1:43 PM

District Code 1W New Orleans- West

Get Review Date September 12, 2012

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
00328B		LAKE LONG	185 01/09/2012	833	1334	SEP AR
00356D		QUEEN BESS ISLAND	LBLD RB SUA;SL 17617  747-D-4	64.85	4159	SEP. 7/31/12 OMR TO HLCP MTG BY 2/13/13 TO DISCUSS RESULTS OF GEOPHYSICAL STUDY RCD 6/13/12 HLCP RPT
00800		GRAND ISLE BLOCK 16	SL 800	1364	3075.41	SEP. AR
01922		BURRWOOD , SOUTH PASS BLOCK 24 , SOUTH PASS BLOCK 24 OFFSHORE(8453 7/97 , WEST DELTA BLOCK 83	8000 (S) RH SUH;SL 978  227-A-2 98-781	1093	2000	SEP. AR
02084		MAIN PASS BLOCK 69 , QUEEN BESS ISLAND	VUA;SL 2084 U1	1411	2160	SEP AR
03279		BASTIAN BAY	J RC SUA,LL&E FEE  339-J-5 97-242	441	574	SEP. AR
07394		TIMBALIER BAY OFFSHORE	TB NVUA 08/01/1989	49 028	49.028	SEP. AR
08512		BAY BATISTE	28 RA SUA;SL 9570 04/01/1996	29.778	234.803	SEP AR 8/2/07 JMB: 29.778AC HBP > NOTE ON QLD: UNABLE TO OBTAIN PR FROM WIOS, SENT TO FILE UNTIL ENTIRE LEASE EXPIRES 5-19-00
11293		WEST LAKE PONTCHARTRAIN BLK 38	217806-SL 11293-008 07/12/1995	864	893	SEP. AR 8/15/12 RQD STATUS OF REL LTR TO TRAVER OIL CO, INC. RETURNED - SENT TO 2ND ADDRESS 9-29-11 8/24/11 REL REQD
15822		SATURDAY ISLAND	83.886 09/17/2002	182.114	182.114	SEP. AR
15918		TIGER PASS	256.662 02/05/2007	486.814	486.814	SEP. AR
17716		STELLA	8750 RA SUA;MEYER ETAL 02/17/2004 27-J 04-127	.001	.24	SEP. AR --REC'D PR, NEED LEGAL DESCR., PLAT, DXF AND WORD DOC FILE 8/28/07.
17720		STELLA	8750 RA SUA;MEYER ETAL 02/17/2004 27-J 04-127	.016	.11	SEP. AR-- REC'D PR, NEED LEGAL DESR., PLAT, DXF & WORD DOC FILE 8/28/07
17739		QUEEN BESS ISLAND	LBLD RB SUA;SL 17617  747-D-4	25.817	25.817	SEP. AR
18010		LITTLE LAKE	37 04/06/2009	145	145	SEP. AR
18139		LAKE PALOURDE, EAST	22.372 08/05/2009	3.628	3.628	SEP. AR
18651		DELTA FARMS		169.99	169.99	SEP. AR

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19428				0	1250	SEP. 7/25/12 REL RQD PT 7/11/12
19429				0	1311.17	SEP. 7/25/12 REL RQD PT 7/11/12
19490		LAKE WASHINGTON	10.625 05/07/2012	5.145	5.145	SEP. SAR 5/15/12 RCD OFL PR OF 10.625, RTNG 5.145 EFF 5/7/12 - PRD WEAK, SAR
19681				0	220.91	SEP. PT 6/11/13
19682				0	433.12	SEP. PT 6/11/13
19683				0	182.5	SEP. PT 6/11/13
19684				0	777.44	SEP. PT 6/11/13
19685				0	1250	SEP. PT 6/11/13
19949		MANILA VILLAGE	9400-BIG T RA SUA;HASSINGER 12/20/2011 582-BB	22.956	34	SEP. SUGGEST AR 9/7/12 EFF 12/20/11 JMB NEW W PLAT 9400-BIG T RA SUA 244512 050980 PRDG 6/12 8/8/12 RCD UNOFL PR OF 11, RTNG 23 AC. JMB: 244512 COMP 6/21/12, NO LUW, NO OFL SRVY PLAT(RQD7/17/12): PR APPEARS OKAY. 1/19/12 JCJ RNTL PD TO NEW PT 6/10/12 PT 12/10/11 11/12/11
19961				0	1261	SEP. 7/16/12 FU REL RQD 2/22/12 REL RQD
20624				0	155.39	SEP. PT 6/8/14
20625				0	85.21	SEP. PT 6/8/14 6/21/11 B.JACKSON: ADJUSTED AC FROM 85.39 TO 85.21
20626		LAKE SALVADOR		0	721.94	SEP. 1ST ILR PD 6/8/12 TO 12/8/12 PT 6/8/14 244227-SL 20626001-D 12/21/11 COMP GAS - 12/24/11 SI WOP
20627				0	219	SEP. PT 6/8/14 8/16/12 SRVY PLAT RQD CRIS I RA SUA; ORDER 1543, LK SALVADOR, W. 244757, 617459
20628				0	204	SEP. PT 6/8/14 6/24/11 E.WLMS: SL 20627 - AC BID - 173.67 - REVISED AC 204 AC.
20629				0	52	SEP. PT 6/8/14 6/24/11 E.WLMS: SL 20627 - AC BID - 19.65 - REVISED AC 52 AC.
20630				0	209.255	SEP. PT 6/8/14
20643				0	153.11	SEP. PT 6/8/14 OPTION TRACT 42099 174.71 AC BID, OPTION 153.11 REMAINED.
20644				0	125.23	SEP. PT 6/8/14 OPTION TRACT 42099 210.44 AC BID, OPTION 125.23 REMAINED



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20645				0	151.96	SEP. PT 6/8/14 OPTION TRACT 42099 175.9 AC BID, OPTION 151.96 REMAINED.

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00532		AVERY ISLAND	D-3 RA SUA;AVERY ISLAND INC M 05/18/2010 284-Z 10-549	34	288	SEP. AR 8/13/12 RWB CKED LEASE 8/25/11 REID WILL F-U RCD 10/8/10 TPIC LTR ><8/30/10 JPT:HBP FROM 4 PROPERTIES; EMAILED TPIC A MAP SUGGESTING AC TO REL.
00540		WHITE LAKE, WEST	SL 15038	4067	4810	SEP. AR 8/13/12 RWB CKED LEASE
00743		WEEKS ISLAND	138 66 06/07/2007	158.62	158.62	SEP. AR 8/13/12 RWB 100% HBP
01337		BATEMAN LAKE , SWEET BAY LAKE	9700 RSW1B SUA;SL 1337 WAX U1  89-K-3 90-110	600	2076	SEP. 8/10/12 ILR RETURNED 8/7/12 CCB CANNOT ACCEPT ILR. 8/6/12 SYLVAN SENT PKG TO SUPPORT LEASE MAINTENANCE 7/25/12REL RQD 7/23/12 JPT RS APP EXP: LAST PRD 2/12
01755		TIGRE LAGOON	PLAN 6 SU A; E. DELCAMBRE 07/01/2003 192-L 70-202	6	6	SEP. AR 8/13/12 RWB 100% HBP
02024		BAYOU BOUILLON	MT 1 RA SUA, 03/01/1997	94	720	SEP. AR 8/13/12 RWB CKED, REDUCED PRD AC FROM 190 TO 94 12/16/11 JPT EMAILED HLCP RE REL OF NON PROSPECTIVE AC. RCD HLCP POD/REL BY 12/8/11, WHICH RQD TIME FOR PROPOSED WELL IN 2ND HALF OF 2012.
02276		LAKE SAND	LSA ROB 5 RA SU  216-C-1	422	480.1	SEP. AR 8/13/12 RWB CKED LEASE
02412		LIVE OAK	LIVE OAK PLANTATION TRUST  300-C-3	67.642	67.642	SEP. AR 8/13/12 RWB 100% HBP
02413		LIVE OAK	46 04/30/2008	19	71	SEP. AR 8/13/12 RWB CKED LEASE
07712		LAKE ARTHUR, SOUTH	CAM 4 RC SUA;FRITZ LANG 12/09/2008 745-J-2 08-1864	641.52	641.52	SEP. AR 8/13/12 RWB 100% HBP
07868		EUGENE ISLAND BLOCK 18	104.34 07/14/2009	12.01	12.01	SEP. AR 8/13/12 RWB 100% HBP
07870		EUGENE ISLAND BLOCK 18	586.992 07/02/2009	108.508	108.508	SEP. AR 8/13/12 RWB 100% HBP
14795		SHIP SHOAL BLOCK 65		40	503.88	SEP. AR 8/21/12 OMR TO S2 ENERGY BY 11/14/12 PLAN TO RESTORE PRD TO PAYING QUANTITIES 8/13/12 RWB CKED
15612		WEEKS ISLAND	17.325 05/15/2002	265	.265	SEP. AR 8/13/12 RWB 100% HBP
16100		PASS DES ILETTES	824.624 10/10/2002	134.376	134.376	SEP. AR 8/13/12 RWB 100% HBP

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16103		PASS WILSON	204.438 09/07/2001	50.55	185.562	SEP. AR 8/13/12 RWB CK PRD 9/12 9-13-11 PR RQD IN ERROR 9/1/11 PR RQD 8/25/11 RS RWB: VUD HBP, 135.01 EXP
16293		PASS DES ILETTES	151.08 01/29/2004	4.92	4.92	SEP. AR 8/13/12 RWB 100% HBP
16815		RAMOS	17.337 11/22/2005	55.204	55.204	SEP. AR 8/13/12 RWB 100% HBP
17208		INTRACOASTAL CITY	35.841 11/15/2011	1.691	1.691	SEP. 8/13/12 RWB HB DOWNHOLE ACTIVITY 228882 LAST PRD 12/11, RECK PRD 9/12 5/21/12 OFL PR OF 35 841, RTNG 1.691 EFF 11/15/11, ON 5/12 REL LIST
17895		LAPEYROUSE	PELICAN RA SUA,SL 16446 08/02/2005 416-B-10 05-795	270	270	SEP. AR 8/13/12 RWB 100% HBP
19268				0	183.37	SEP. 7/19/12 REL RQD 2/22/12 REL RQD 2/17/12 RS REID APP EXP PT 2/14/12
19642		KENT BAYOU	25.032 07/01/2011	44.968	44.968	SEP. AR 8/13/12 RWB 100% HBP
19719				0	359	SEP. 8/6/12 REL RQD PT 7/9/13
19721				0	320	SEP. 8/6/12 REL RQD PT 7/9/13
19957				0	240.78	SEP. 8/13/12 RWB 1ST ILR PD 6/30/12 TO 12/30/12 4/13/12 CCB: SL20255#1, 241743 LAST DOWNHOLE WORK 4/5/12=1ST SIPMT DUE 7/3/12 FOR 19957 PT 12/10/11 11/12/11 ATCHAFALAYA DELTA WMA
20090				0	36.74	SEP. 8/6/12 REL RQD PT 7/8/14
20352				0	305.78	SEP. 8/14/12 SSB 2012 RNTL PD PT 6/9/15
20368		ATCHAFALAYA BAY	SL 20369 12/14/2011	266.75	266.75	SEP. 8/13/12 RWB 100% HBP PT 6/9/13 ATCHAFALAYA DELTA WMA
20369		ATCHAFALAYA BAY	SL 20369 12/14/2011	235.84	235.84	SEP. 8/13/12 RWB 100% HBP PT 6/9/13 ATCHAFALAYA DELTA WMA 6/8/12 SSSB: 242873 SL 20369 #1 VUB 306527 PROD 11/11 TO 3/12
20568				0	313	SEP. 8/20/12 RWB RQD RS, APP EXP 6/6/12 RWB DRLD DRY HOLE, 90 DAYS FROM 5/8/12 (8/6/12) TO PAY RNTL OR REL ALL AC ;; 4/3/12 LEASE NOT EXP 3/27/12 RS TO REID B ;;3/28/12 SRVY PLAT RQD 244375, NO LUW, YET PT 3/9/14 WHITE LAKE ERODED SHORELINE

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20569				0	670	SEP. 8/20/12 RWB RQD RS, APP EXP 6/6/12 RWB: DRLD DRY HOLE, 90 DAYS FROM 5/8/12 (8/6/12) TO PAY RNTL OR REL ALL PT 3/9/14 WHITE LAKE
20570				0	366	SEP. 8/20/12 RWB RQD RS, APP EXP 6/6/12 RWB: DRLD DRY HOLE, 90 DAYS FROM 5/8/12 (8/6/12) TO PAY RNTL OR REL ALL AC ;; PT 3/9/14 WHITE LAKE
20631				0	30	SEP. 8/13/12 RWB 2012 RNTL PD PT 6/8/14
20632				0	444.773	SEP. 8/13/12 RWB 2012 RNTL PD PT 6/8/14

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00651		DELHI	DELHI HOLT BRYANT SU; 07/01/1976	.06	.06	SEP. AR 8/3/12 SAM: HBP = AR
00652		DELHI	DELHI HOLT BRYANT SU; 07/01/1976	3.036	3.036	SEP. AR 8/3/12 SAM: HBP = AR
00736		DELHI	DELHI MENGEL UGR SU; DELHI UT. 07/01/1976	20	20	SEP. AR 8/3/12 SAM: HBP = AR
00737		DELHI	DELHI MENGEL UGR SU; DELHI UT. 07/01/1976	2.88	2.88	SEP. AR 8/3/12 SAM: HBP = AR
00902		DELHI	DELHI MENGEL UGR SU; DELHI UT. 07/01/1976	3.39	3.39	SEP. AR 8/3/12 SAM: HBP = AR
01461		CATAHOULA LAKE , CATAHOULA LAKE, WEST	40 03/08/2004	221.645	345	SEP. AR 8/3/12 SAM: HBP = AR
01462		CATAHOULA LAKE , CATAHOULA LAKE, WEST	2810 08/11/1999	72.611	207	SEP. AR 8/3/12 SAM: HBP = AR
02178		DELHI	DELHI HOLT BRYANT SU; 07/01/1976	5.78	5.78	SEP. AR 8/3/12 SAM: HBP = AR
02179		DELHI	DELHI HOLT BRYANT SU; 07/01/1976	1.4	1.4	SEP. AR 8/3/12 SAM HBP = AR
02225		DELHI	DELHI HOLT BRYANT SU; 07/01/1976	3.67	3.67	SEP. AR 8/3/12 SAM HBP = AR
02231		CADDO PINE ISLAND		80	80	SEP. AR 8/3/12 SAM: 100% HBP = AR CHANGED PRD FROM 40 TO 80 PER SAM
02259		CADDO PINE ISLAND		80	80	SEP. AR 8/3/12 SAM: 100% HBP = AR CHANGED PRD FROM 40 TO 80 PER SAM
02524		GREENWOOD-WASKOM	G W H.L. SU 12/01/1993	328.45	328.45	SEP. AR 8/3/12 SAM: 100% HBP = AR
02630		BETHANY LONGSTREET	HA RA SU78;MCFERREN 36 H 09/10/2009 289-R-49 09-965	16	16	SEP. AR 8/3/12 SAM: 100% HBP = AR 4/16/12 SRVY PLAT RQD HA RA SU78 240528; 616016
02659		CADDO PINE ISLAND	CAPI VIV RA SU 03/01/1993	1	1	SEP. AR 8/3/12 SAM: 100% HBP = AR
04724		DANVILLE	HOSS A SUD: ALLEN 07/01/1976	30	30	SEP. 7/19/12 REL RQD 7/19/12 RS JPT. APP EXP 7/10/12 SAM. 100% HBP = RECK PRD 6 MOS SAR



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06002		MISSIONARY LAKE, NORTH	SMK A RA SUC;MCCALMAN 09/01/1989	44.552	250	SEP. AR 8/3/12 SAM: HBP = AR 8/16/10 FUPR RQD 4/28/10 PR RQD
06037		ELM GROVE	HA RA SUBB;HUTCHINSON 10 H 11/13/2008 361-L-10	10.27	10.27	SEP. AR 8/3/12 SAM: 100% HBP = AR
06316		CEDAR GROVE	25.628 12/15/2003	39.237	65.394	SEP. 7/16/12 FU PR RQD APR. AR 3/26/12 REL RQD 3/22/12 RS- LEASE NOT EXP. PARTIALLY HELD HOSS RA SUA- 26.157 AC TO BE REL PER JT
10413		CADDO PINE ISLAND	CAPI VIV RA SU 03/01/1993	4	4	SEP. AR 8/3/12 SAM: 100% HBP = AR
10415		SLIGO	11.647 07/19/2010	26.2	26.2	SEP. AR 8/3/12 SAM: 100% HBP = AR
12060		MONROE		48	48	SEP. AR 8/3/12 SAM: 100% HBP = AR
12894		MILLIGAN BAYOU, NORTHEAST	16.67 11/24/1999	26.4	26.4	SEP. AR 8/3/12 SAM: 100% HBP = AR
13398		MILLIGAN BAYOU, NORTHEAST	32.66 03/02/1992	1.34	1.34	SEP. AR 8/3/12 SAM: 100% HBP = AR
13920		CASPIANA	HA RA SUJJ;FRIERSON 11 H 10/21/2008 191-H-19 08-1596	8.068	8.068	SEP. AR 7/30/12 EFF 9/1/11 SAM: 242747, 617129 HA RA SUJJ OOC CERTIFIED PLAT DATED 7/5/12 -5 AC CHANGED PER PLAT
14499		SHREVEPORT	PXY RA SUD;WOOLWORTH 02/01/1995	99.228	99.228	SEP. AR 8/3/12 SAM: 100% HBP = AR
14983		MASTERS CREEK	41.39 12/17/1998	40.61	40.61	SEP. AR 8/3/12 SAM: 100% HBP = AR
14988		MASTERS CREEK	7 05/21/2001	8	8	SEP. AR 8/3/12 SAM: 100% HBP = AR
14990		MASTERS CREEK	38.386 09/22/1999	41.614	41.614	SEP. AR 8/3/12 SAM: 100% HBP = AR
14993		MASTERS CREEK	15.748 09/29/2004	33.82	33.82	SEP. AR 8/3/12 SAM: 100% HBP = AR
15045		MIDDLEFORK	CV DAVIS RB SUR;ROBERSON 01/01/1996	12	12	SEP. AR 8/3/12 SAM: 100% HBP = AR
15046		MIDDLEFORK	CV DAVIS RB SUW;FULLER 11/01/1995	14	14	SEP. AR 8/3/12 SAM: 100% HBP = AR
15388		BURR FERRY, NORTH	67.712 09/17/2003	83.539	83.539	SEP. SAR 8/3/12 SAM: BARELY PRDG, \$187.57 TO 5/12 = SAR
15808		SUGRUE	AUS C RA	9.96	9.96	SEP. SAR 8/3/12 SAM CKED:

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			SUB;CROSBY 22 A 05/01/1997			POOR PRD, \$ .54 ROYALTY PD 2012
15809		SUGRUE	AUS C RA SUB;CROSBY 22 A 05/01/1997	4.968	4.968	SEP. SAR 8/3/12 SAM CKED: POOR PRD, \$ .26 ROYALTY PD 2012
16833		ELM GROVE	647 12/05/2003	6.292	6.292	SEP AR 8/3/12 SAM: 100%HBP = AR (TITLE CONFLICT AREA)
17221		INDIAN VILLAGE	6.572 12/02/2002	.228	228	SEP. AR 8/3/12 SAM: 100%HBP = AR
17877		ELM GROVE	CV RA SU87;FRIERSON 05/25/1977 361-B-5 77-296	10.497	10.947	SEP. AR 8/3/12 SAM: 100%HBP = AR
17880		EOLA		15	15	SEP. AR 8/3/12 SAM: HBP = AR
18245		SWAN LAKE	HA RA SUD;DAVIS 11- 15-11 H 01/27/2009 691-C-1 09-94	9.46	9.46	SEP AR 8/3/12 SAM: HBP = AR
18503		BRACKY BRANCH , RED RIVER-BULL BAYOU	HA RB SU68;ELMWOOD 30 H 10/20/2009 109-X-67 09-1120	215	215	SEP. AR 8/3/12 SAM: 100% HBP. ADVISED ACCOUNTING THAT NO ROYALTY PMTS SINCE 2010. 3/19/12 JPT 616553 PRELIM 115 9/21/11 JPT 616280 PRELIM 80 6/14/11 JPT 616491 PRELIM 18 & 6/10/11 JPT PRELIM 15 616024 & PRELIM 13 616553
18606		BRACKY BRANCH , RED RIVER-BULL BAYOU	HA RB SU65;DUPREE LAND 20 H 08/10/2009 109-X-62 09-971	30	30	SEP. AR 8/3/12 SAM: 100% HBP. ADVISED ACCOUNTING THAT NO ROYALTY PMTS SINCE 2010.
18764		CASPIANA , THORN LAKE	HA RA SUB;LA WILDLIFE 05/20/2010 1145-B-32 10-515	92	92	SEP. AR 8/3/12 SAM: HBP = AR SAL OMR MANAGED WLF
18768		CASPIANA	HA RA SUM;EVANS 4H  191-H-13 08-1047	16	16	SEP. AR 8/3/12 SAM: 100% HBP = AR VACANT STATE LANDS
18863		RED RIVER-BULL BAYOU	HA RB SU68;ELMWOOD 30 H 10/20/2009 109-X-67 09-1120	28.16	28.16	SEP. AR 8/3/12 SAM: 100% HBP. ADVISED ACCOUNTING RE: NO ROYALTY PMTS SINCE 2010.
19011		CASPIANA	HA RA SU117;CHK MIN 16-14-12 H 03/15/2011 191-H-131 11-117	3	3	SEP. AR 8/3/12 SAM: 100% HBP = AR 7/3/12 JPT EFF 1/1/12 617308 HA RA SU117 PRELIMINARY 140 6/30/11 JPT 616483 PRELIM 73
19027		CASPIANA	HA RA SU117;CHK MIN 16-14-12 H 03/15/2011 191-H-131 11-117	108.015	108.015	SEP. AR 8/3/12 SAM: 100% HBP = AR 7/3/12 JPT EFF 1/1/12 617308 HA RA SU117 PRELIMINARY 140 6/30/11 JPT 616483 PRELIM 73 SAL OMR MANAGED WLF PT 6/14/09
19349		CEDAR GROVE	HA RA SUO;B&K	314.32	326	SEP. SUG AR 8/9/12 RCD

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			EXPLORATION 35 H 12/19/2010 967-C-8 10-70			UNOFL PR OF 11 68, RTNG 314.32 AC, RQD 6/27/12 7/10/12 ALL UNITS PROD EXCEPT FOR 1. PROD AC GEOL EST 6/20/12 RS TO SAM RQD BY JPT: 121 PRD CHANGED TO 316 PER JPT FINAL DD 5/9/12 PT 5/9/10
19459		CASPIANA	HOSS RA SU134;MCFERREN 36 10/21/2008 191-B-217 08-1601	1.43	192.08	SEP. 8/8/12 L&T REFERRED TO AG ><CK PRD & PR 5/10/12 FUL RQD PR 3/22/12 RQD STATUS OF PR 8/24/11 PR RQD 8/18/11 RS SAM: 1.43 HPB, ~ 195 AC APP EXP 6/9/11 JPT: PRELIM 2 TRNSMTL 6-9-11 616299
19695		RED RIVER-BULL BAYOU	HA RB SU78;KERVIN 13 H 01/26/2010 109-X-81 10-99	258	258	SEP. AR 8/3/12 SAM: 100% HBP. ADVISED ACCOUNTING THAT NO ROYALTY PMTS SINCE 2010.
19831		CASPIANA , RED RIVER- BULL BAYOU	HA RC SUGG;CALHOUN 9-13- 12 H 04/27/2010 109-X-97 10-451	80	80	SEP. AR 8/1/12 3 LUWS PRDG TO 5/12, 1 LUW COMP 6/12/12 2/22/12 SAM: 100% HBP & UNIT ACTIVITY
20014		WOODARDVILLE	HA RA SU64;EDGAR CASON 6H 04/28/2009 990-D-14 09-463	56	56	SEP. AR 8/3/12 SAM: 100%HBP
20075		GAHAGAN	HA RA SUP;WILKINSON- ALMOND 14H 05/04/2010 909-H-10 10-500	125.65	125.65	SEP. 8/3/12: SAM 100%HBP 41.24 CHANGED TO 125.65 PRD AC. SUGGEST AR PT 6/10/12 7/19/11 PRELIM 62 616885 BEGAN PRD 5/11(FULL RNTL PD 2011)
20079		THORN LAKE	HA RA SUS;LDW&F 15- 14-12 H 01/19/2010 1145-B-25 10-88	27.5	27.5	SEP. SUGGEST AR 8/3/12 SAM: 100% HBP SAL OMR MANAGED WLF PT 6/10/12 7/19/11 JPT PRELIMINARY 54 616613
20080		THORN LAKE	HA RA SUS,LDW&F 15- 14-12 H 01/19/2010 1145-B-25 10-88	13.5	13.5	SEP. SUGGEST AR 8/3/12 SAM: 100% HBP PT 6/10/12 SAL OMR MANAGED WLF 6/27/12 SRVY PLAT RQD, HA RA SUS; 241465; 616613 4/12 =7/8/11 SAM 616769 NEW ADDED TRACTS 7/19/11 PRELIM 54 616613
20081		RED RIVER-BULL BAYOU	HA RD SUBB;GUION 23-14-12 H 10/13/2009 109-X-65 09-1106	68	68	SEP. SUGGEST AR 8/3/12 SAM: 100% HBP PT 6/10/12 SAL OMR MANAGED WLF
20354		ELM GROVE , SLIGO	.386 06/07/2011	10.614	10.614	SEP. 8/3/12 SAM: 100% HBP PT 6/9/13 7/24/12 EFF 6/1/10 JPT: CORRECTION REPLACES PRELIM 4 240485, 616206 HA RA SUKK, CERTIFIED PLAT RCD 7/23/12
20355		ELM GROVE , LAKE BISTINEAU	89 09/13/2011	448.01	456	SEP. PT 6/9/13 6/27/12 JPT EFF 12/1/11 617404 HA RA SU131 PRELIMINARY 136 6/27/12

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: September 13, 2012 1:43 PM

District Code 3 Lake Charles- North

Get Review Date September 12, 2012

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
						SRVY PLAT RQD HA RA SU131 243110, 617404 6/6/12 SRVY PLAT RQD HA RA SU132 243637 617364 2/14/12 JPT: 617102 PRELIM 107
20356		CASPIANA , ELM GROVE	14 10/18/2011	22	22	SEP. 8/3/12 SAM: 100% HBP PT 6/9/13
20357				0	21	SEP. 8/3/12 SAM: 2012 RNTL PD PT 6/9/13
20358		LISMORE LANDING, EAST	WX VUA;PITTS-BRANE STROM 07/14/2010	22.61	22.61	SEP. 8/3/12 SAM: 100% HBP PT 6/9/13
20370		ELM GROVE	LCV RA SU119;LEONARD RD FRMS32 10/22/2008 361-E-546 08-1636	8.91	8.91	SEP. 8/3/12 SAM: 100% HBP PT 6/9/13 TAX ADJUDICATED LAND
20619		ELM GROVE	HA RA SUWW;COTSWOLD 17-16-10 H 04/27/2010 361-L-82 10-450	241	241	SEP. 8/3/12 SAM: 100% HBP PT 6/8/14 6/27/12 JPT EFF 12/1/11 617404 HA RA SU131 PRELIM 136 6/27/12 SRVY PLAT RQD; HA RA SU131 243110; 617404 5/3/12 JPT. 617269 PRELIM 124
20620		ALABAMA BEND	HA RA SUV;BURKETT 5-15-10 H 03/16/2010 1490-C-9 10-274	22	22	SEP. 8/3/12 SAM: 100% HBP PT 6/8/14 3/21/12 JPT 617277 PRELIM 117
20621		SWAN LAKE	HA RA SUF;BOURGEOIS 13- 15-11 H 01/27/2009 691-C-1 09-94	.15	.15	SEP. 8/3/12 SAM: 100% HBP PT 6/8/14 7/30/12 EFF 9/1/11 JPT: 242842, 617072 CORRECTION REPLACES PRELIM 128 HA RA SUF

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: September 13, 2012 1:43 PM

Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
08129		RACCOURCI ISLAND	272.926 02/10/1993	119.73	119.73	SEP. AR 8/13/12 RWB 100% PROD 8/14/12 SSSB 607965 6/12, \$5/12
14999		CHENEYVILLE, WEST	5.665 12/05/2006	19.28	19.301	SEP. SAR 8/13/12 RWB 100% PROD 8/14/12 SSB: 048648 4/12 = RECK PRD ;\$5/12
15000		CHENEYVILLE, WEST	.321 06/09/2006	41.936	41.936	SEP. SAR 8/13/12 RWB 100% PROD 8/14/12 SSB: 048648 4/12 = RECK PRD ;\$5/12
16473		HOG BAYOU-OFFSHORE	392.2 12/16/2005	147.519	147.519	SEP. AR 8/13/12 RWB 100% PROD 8/14/12 SSSB 149241 & 613415 5/12, \$5/12
16475		HOG BAYOU-OFFSHORE	262.09 10/25/2006	134.75	134.75	SEP. AR 8/13/12 RWB 100% PROD 8/14/12 SSB: 149241 & 613415 5/12; \$5/12
18121		HOG BAYOU-OFFSHORE		160	220	SEP. AR 8/13/12 RWB PROD 8/14/12 SSB: 305888 5/12; \$6/12
18158		SABINE LAKE, SOUTH		157.01	157.01	SEP. 7/19/12 REL RQD 7/19/12 RS JPT: LAST PRD 10/11 APP EXP SSSB 7/27/12: 7/12 SCOUT RPT: RECOMP 6/13/12 AS GAS IN MARG HOWEI RES: OOC: 4/12 PROD
18560		GILLIS-ENGLISH BAYOU	7000 RA SUA;SL 18593 11/16/2010 252-LL 10-1193	16.21	16.21	SEP. AR 8/13/12 RWB 100% PROD 8/14/12 SSB: 049965 & 050741 5-6/12; \$6/12
18561		GILLIS-ENGLISH BAYOU	14.8 08/29/2007	1.22	1.22	SEP. AR 8/13/12 RWB 100% PROD 8/14/12 SSB: 049965 5/12; \$1,2,6/12
19014		STARKS	52.47 08/19/2010	13.53	13.53	SEP. AR 8/13/12 RWB 100% PROD 8/14/12 SSB: 615587 5/12; \$6/12
19544		PORT BARRE	40.91 09/10/2010	9.09	9.09	SEP. AR 8/13/12 RWB 100% PROD 8/14/12 SSB: 615598 6/12; \$6/12
20359				0	33	SEP. RWB 2012 RNTL PD PT 6/9/13
20361		GRAND CHENIERE	15000 RC SUA;STURLESE 09/07/2011 199-B-2	23.3	84	SEP. PT 6/9/13 8/13/12 RWB AFTER PR, 100% PRD 8/14/12 SSB 617358 6/12, \$5/12 7/24/12 RCD UNOFL PR OF 60.70, RTNG 23.30 AC. 6/27/12 JPT EFF 4/1/12 617358 15000 RC SUA PRELIMINARY 137
20371				0	39.73	SEP. 8/14/12 RWB 2012 RNTL PD PT 6/9/13 TAX ADJUDICATED LAND
20377				0	24	SEP. 8/6/12 REL RQD PT 7/14/13
20622				0	27	SEP. 8/14/12 RWB 2012 RNTL PD PT 6/8/14
20623		BANCROFT, SOUTH	WX RA SUC;COLUMBIA LAND 28 10/11/2011	28.53	109	SEP. 8/22/12 PR REQD 8/20/12 RS: NEED ~ 80 AC PR 8/14/12 RWB RQD RS, SAM RS

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: September 13, 2012 1:43 PM

District Code		3S Lake Charles- South				
Get Review Date		September 12, 2012				
Lease Num	DA	Field	Latest lease Activity	Productive Acreage	Present Acreage	Flagged for Review In
			771-E-1 11-593			8/14/12:APPROX 80 AC PR NEEDED. SSB 617391 4&5/12, \$5/12 PRD AC? DRLG, DD OR RNTL PT 6/8/14
20671				0	16	SEP. 8/6/12 REL RQD PT 7/13/14
20677				0	21	SEP. 8/6/12 REL RQD PT 7/13/14
<b>169</b>				<b>22,389.161</b>	<b>50,033.913</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 **9:57 a.m.** on Wednesday, **September 12, 2012** with the following members of the Board in attendance:

Mr. Thomas L. Arnold, Jr.    Mr. Stephen Chustz    Mr. John C. Diez  
Mr. Robert M. Morton    Mr. Thomas W. Sanders    Mr. Paul Segura, Jr.  
Mr. Chip Kline (sitting in for  
Garret Graves, Gov. Jindal's  
Designee)

The Committee heard the report of Mr. Emile Fontenot, relative to nominations received for the November 14, 2012 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, voted to adjourn at **10:00 a.m.**

Respectfully Submitted,

*Thomas L. Arnold Jr.* *by G.F.*

Thomas L. Arnold, Jr.  
Acting Chairman  
Nomination and Tract Committee

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## NOMINATION AND TRACT COMMITTEE

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

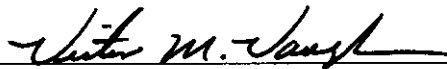
WHEREAS, Mr. Emile Fontenot presented to the State Mineral and Energy Board that 25 tracts had been nominated for the November 14, 2012 Mineral Lease Sale, and that same are to be advertised pending staff review; now therefore

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 12th day of September 2012, 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, September 12, 2012, 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:

Stephen Chustz	Chip Kline	W. Paul Segura, Jr.
Thomas L. Arnold, Jr.	Robert "Michael" Morton	
John C. "Juba" Diez	Thomas W. Sanders	

Mr. Thomas L. Arnold, Jr. convened the Committee at 9:59 a.m.

The first matter considered by the Committee was a recoupment request from Apache 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 of \$86,307.86.

The second matter considered by the committee was a recoupment request from Apache Corporation.

Upon recommendation of the staff and upon motion of Mr. Sanders, seconded by Mr. Segura, the committee voted unanimously to approve the recoupment request of \$171,752.82.

The third matter considered by the committee was a recoupment request from Maritech Resources, Inc.

Upon recommendation of the staff and upon motion of Mr. Sanders, seconded by Mr. Segura, the committee voted unanimously to approve the recoupment request of \$26,023.40.

The fourth matter considered by the committee was a penalty waiver request from Aspect Energy, LLC.

Upon recommendation of the staff and upon motion of Mr. Sanders, seconded by Mr. Segura, the committee voted unanimously to approve the 100% penalty waiver of \$18,103.59.


The fifth matter considered by the committee was a penalty waiver request from WLE, Inc.

Upon recommendation of the staff and upon motion of Mr. Sanders, seconded by Mr. Segura, the committee voted unanimously to approve the 100% penalty waiver of \$17,127.07.

The sixth matter considered by the Committee was the election of the September 2012 gas royalty to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

No action required.

On motion of Mr. Sanders, seconded by Mr. Segura, the Board voted unanimously to adjourn the Audit Committee at 10:06 a.m.

  
Thomas L. Arnold, Jr., Chairman  
Audit Committee

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## AUDIT COMMITTEE

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

**WHEREAS**, Apache Corporation has made a letter application for an adjustment of \$86,295.61 for the Main Pass Block 74 Field, State Leases 13287, 15042; and

**WHEREAS**, this amount was based on Apache Corporation submitting an overpayment of oil royalties based on incorrect volumes and values for the period of May 2009 and March 2012 in the Main Pass Block 74 Field; and

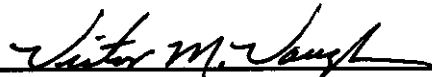
**WHEREAS**, the Mineral Income Division has verified that an overpayment in the amount of \$86,307.86 was made and that the applicant is entitled to a credit adjustment; and

**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 Apache Corporation to recoup the \$86,307.86 overpayment.

**NOW, BE IT THEREFORE RESOLVED**, that the Board does authorize and direct the Mineral Income Director to effectuate the credit adjustment of \$86,307.86 to Apache 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 12<sup>th</sup> day of September, 2012, 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**, Apache Corporation has made a letter application for an adjustment of \$171,752.82 for the Eugene Island Block 18 Field, State Leases 20223, 20224; and

**WHEREAS**, this amount was based on Apache Corporation submitting an overpayment of gas royalties based on incorrect volumes and values for the period of November 2011 in the Eugene Island Block 18 Field; and

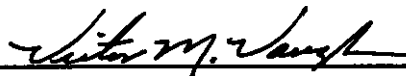
**WHEREAS**, the Mineral Income Division has verified that an overpayment in the amount of \$171,752.82 was made and that the applicant is entitled to a credit adjustment; and

**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 Apache Corporation to recoup the \$171,752.82 overpayment.

**NOW, BE IT THEREFORE RESOLVED**, that the Board does authorize and direct the Mineral Income Director to effectuate the credit adjustment of \$171,752.82 to Apache 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 12<sup>th</sup> day of September, 2012, 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. Sanders, seconded by Mr. Segura, the following resolution was offered and unanimously adopted:

**WHEREAS**, Maritech Resources, Inc. has made a letter application for an adjustment of \$26,023.40 for the Timbalier Bay Onshore Field, State Leases 1772; and

**WHEREAS**, this amount was based on Maritech Resources, Inc. submitting an overpayment of oil royalties based on incorrect volumes and values for the period of February 2011 in the Timbalier Bay Onshore Field; and

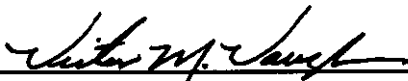
**WHEREAS**, the Mineral Income Division has verified that an overpayment in the amount of \$26,023.40 was made and that the applicant is entitled to a credit adjustment; and

**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 Maritech Resources, Inc. to receive a check in the amount of the \$26,023.40 overpayment.

**NOW, BE IT THEREFORE RESOLVED**, that the Board does authorize and direct the Mineral Income Director to issue a check in the amount of \$26,023.40 to Maritech Resources, Inc. 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 12<sup>th</sup> day of September, 2012, 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. Sanders, 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 Aspect Energy, LLC payments of state royalty in Lake Pagie field; State Leases 17894 which audit revealed that Aspect Energy, LLC owed the state \$63,619.85 in underpayment of royalty and \$30,768.74 in interest and penalty for a total of \$94,388.59; and

**WHEREAS**, Aspect Energy, LLC has remitted payment of \$76,285.00 for the outstanding principal and interest; and

**WHEREAS**, Aspect Energy, LLC has made a letter application for reduction of penalties assessed in the amount of \$18,103.59 due to incorrect royalty payments; and

**WHEREAS**, the Mineral Income Division has reviewed the background and circumstances connected with Aspect Energy, LLC'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 Aspect Energy, LLC; and

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

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

**THEREFORE, BE IT RESOLVED** that the Board does waive one hundred percent (100%), which amounts to \$18,103.59 of the total penalty assessed to Aspect Energy, LLC.

### 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 12<sup>th</sup> day of September 2012, 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

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### AUDIT COMMITTEE

**ON MOTION** of Mr. Sanders, 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 WLE, Inc. payments of state royalty in Fausse Point Field; State Leases 293 which audit revealed that WLE, Inc. owed the state \$64,811.72 in underpayment of royalty and \$24,499.64 in interest and penalty for a total of \$89,311.36; and

**WHEREAS**, WLE, Inc. has remitted payment of \$72,184.29 for the outstanding principal and interest; and

**WHEREAS**, WLE, Inc. has made a letter application for reduction of penalties assessed in the amount of \$17,127.07 due to incorrect royalty payments; and

**WHEREAS**, the Mineral Income Division has reviewed the background and circumstances connected with WLE, Inc.'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 WLE, Inc.; and

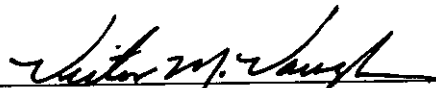
**WHEREAS**, the Mineral Income Division staff recommends that one hundred percent (100%) of the penalty be waived; and

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

**THEREFORE, BE IT RESOLVED** that the Board does waive one hundred percent (100%), which amounts to \$17,127.07 of the total penalty assessed to WLE, Inc..

### 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 12<sup>th</sup> day of September 2012, 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 September 12, 2012, following the Audit Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building located at 617 North Third Street, Baton Rouge, Louisiana. Committee Members present were:

Mr. Stephen Chustz  
Mr. Thomas L. Arnold, Jr.  
Mr. John C. "Juba" Diez  
Mr. Chip Kline for Garret Graves  
(Governor's Designee)

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

The Legal and Title Controversy Committee was called to order by Mr. Sanders at 10:07 a.m.

The first matter considered by the Committee was a request for final approval of an Operating Agreement by and between the State of Louisiana, through the State Mineral and Energy Board and Texas Petroleum Investment Company, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 25% before payout, increasing to 25.5% after payout, in and to the Operating Tract, whereas operator desires and intends to obtain production from the E. H. Peterman No. 6 Well, SN 63863, covering a portion of former State Lease No. 17852, containing .866 acres, more or less, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-25.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of the Operating Agreement with Texas Petroleum Investment Company, on the docket as Item No. 12-25. No comments were made by the public.

The second matter considered by the Committee was a request for final approval of a Compromise Agreement and Release by and between the State of Louisiana, ex rel., The Department of Natural Resources and the Louisiana Office of Mineral Resources and Albert A. Prats, Jr., et al, regarding pending litigation entitled Chevron USA, Inc., et al, v. State of Louisiana, et al, Suit Nos. 46-169, 16-170, 16171, 48-696, 48-697, and 49-438, Division A, Plaquemines Parish, State of Louisiana, whereas said parties desire to settle a dispute between the state and other claimants, affecting State



Lease Nos. 15918, 16628 and 17382, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-29.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant final approval of the Compromise Agreement and Release by and between the State of Louisiana, ex rel. The Department of Natural Resources and the Louisiana Office of Mineral Resources and Albert A. Prats, Jr., et al, on the docket as Item No. 12-29. No comments were made by the public.

The third matter considered by the Committee was a request by Energy Properties, Inc. for authority to negotiate with Staff for an Operating Agreement on a 40 acre tract affecting a portion of former State Lease No. 11136 located in Couba Island Field, Jefferson and St. Charles Parishes, Louisiana.

Upon recommendation of the staff and upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant Staff the authority to negotiate an operating agreement with Energy Properties, Inc. and that the 40 acre tract be made unavailable for leasing for a period of ninety (90) days or until an operating agreement is negotiated and placed on the Docket of the Mineral and Energy Board for approval, whichever occurs first. No comments were made by the public.

The fourth matter considered by the Committee was an update by Staff regarding the demand made to Chesapeake Louisiana, L.P. for the partial release of State Lease No. 19459 located in Caddo and DeSoto Parishes.

This matter was merely a discussion and no action was required by the Board.

The fifth matter considered by the Committee was a request by Wadi Petroleum, Inc. for the waiver of all or a portion of the liquidated damage assessment levied on the late partial release of State Lease No. 17991 in the amount of \$34,700.00, Terrebonne Parish.

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 Wadi Petroleum, Inc. a full waiver of the liquidated damages assessment levied on the late partial release of State Lease No. 17991 in the amount of \$34,700.00. No comments were made by the public.

The sixth matter considered by the Committee was a request by Chevron U.S.A. Inc. to: 1) amend the lease to extend the deferred development period on State Lease No. 19547 for one (1) year in return for the payment of the full bonus price per acre on the deferred development acreage, with an option for an additional year's extension of the deferred development period in return for the payment of a rental payment per acre on the deferred development acreage, and 2) amendment of State Lease Nos. 19534

and 19536 to extend the primary terms of each in consideration of the payment of a full bonus with an option to Chevron U.S.A. Inc. to extend the primary terms for an additional one (1) year period in consideration of the payment of a full bonus and a one-half (½) percent increase, and 3) amendments of State Lease Nos. 19537 and 19540 to extend the primary term for one (1) year in consideration of the payment of a full bonus and a one-half (½) percent increase in the royalty for each lease, with the option to Chevron U.S.A. Inc. to further extend the primary term for an additional year in consideration of the payment of a full bonus per each lease only.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Diez, the Committee voted unanimously to recommend that the State Mineral and Energy Board grant authority to Chevron USA to (1) amend State Lease No. 19547 to extend the deferred development period for one year in consideration of the payment of a full bonus price per acre on the deferred development acreage, with an option to Chevron USA to further extend the deferred development period for an additional year in consideration of the payment of a full bonus price per acre on the deferred development acreage, and, 2) amend State Lease Nos. 19534 and 19536 to extend the primary terms of each for an additional year in consideration of the payment of a full bonus price and an increase in royalty of one-half (½) percent for each lease, with an option to Chevron USA to further extend the primary terms of each lease for an additional year in consideration of the payment of a full bonus price for each lease only, and 3) and amend State Lease Nos. 19537 and 19540 to extend the primary terms of each lease for an additional year in consideration for the payment of a full bonus and an increase in royalty of one-half (½) percent for each lease, with an option to Chevron USA to further extend the primary terms of each lease for an additional year in consideration of the payment of a full bonus for each lease only. No comments were made by the public.

Upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to go into Executive Session at 10:23 A.M.

Upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to return to Open Session at 10:52 A.M.

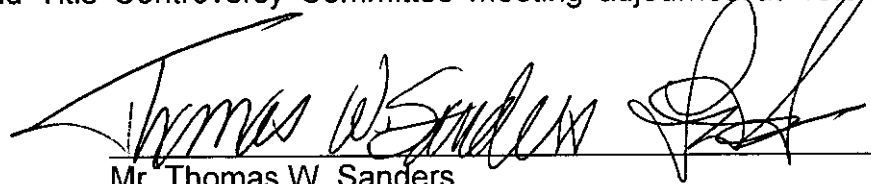
The seventh matter considered by the Committee was a discussion in executive session of the pending litigation entitled: **State of Louisiana v. ASA Properties, LP, et al**, Suit No. 72779, Division "B", Parish of DeSoto, State of Louisiana.

Upon motion of Mr. Segura, seconded by Mr. Arnold, the Committee voted unanimously to recommend that the State Mineral and Energy Board reject the offer made by Pintail Properties, LLC, and other defendants.

The eighth matter considered by the Committee was a discussion in executive session of the pending litigation entitled: **State of Louisiana ex rel Plaquemines Parish School Board v. Louisiana Department of Natural Resources**, Suit No. 2011-CA-1734, 4<sup>th</sup> Circuit Court of Appeals, State of Louisiana.

Upon motion of Mr. Arnold, seconded by Mr. Segura, the Committee voted unanimously to recommend that the State Mineral and Energy Board authorize the office of Ottinger Hebert, L.L.C. to file a writ application with the Louisiana Supreme Court on behalf of the Louisiana Department of Natural Resources in this matter.

Upon recommendation of the staff and upon motion of Mr. Arnold, seconded by Mr. Segura, the Legal and Title Controversy Committee meeting adjourned at 10:54 a.m.

A handwritten signature in black ink, appearing to read "Thomas W. Sanders", is written over a horizontal line. To the right of the signature is a smaller, more stylized handwritten mark.

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

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

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

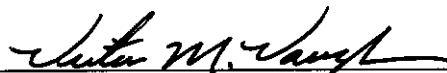
**WHEREAS**, a request was made for final approval of an Operating Agreement by and between the State of Louisiana, through the State Mineral and Energy Board and Texas Petroleum Investment Company, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 25% before payout, increasing to 25.5% after payout, in and to the Operating Tract, whereas operator desires and intends to obtain production from the E. H. Peterman No. 6 Well, SN 63863, covering a portion of former State Lease No. 17852, containing .866 acres, more or less, Iberia Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-25;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Operating Agreement with Texas Petroleum Investment Company, on the docket as Item No. 12-25.

## 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 12th day of September, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

**WHEREAS**, a request was made for final approval of a Compromise Agreement and Release by and between the State of Louisiana, ex rel., The Department of Natural Resources and the Louisiana Office of Mineral Resources and Albert A. Prats, Jr., et al, regarding pending litigation entitled Chevron USA, Inc., et al, v. State of Louisiana, et al, Suit Nos. 46-169, 16-170, 16171, 48-696, 48-697, and 49-438, Division A, Plaquemines Parish, State of Louisiana, whereas said parties desire to settle a dispute between the state and other claimants, affecting State Lease Nos. 15918, 16628 and 17382, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument, on the docket as Item No. 12-29;

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

**NOW, BE IT THEREFORE RESOLVED**, that the Committee recommends that the State Mineral and Energy Board grant final approval of the Compromise Agreement and Release by and between the State of Louisiana, ex rel. The Department of Natural Resources and the Louisiana Office of Mineral Resources and Albert A. Prats, Jr., et al, on the docket as Item No. 12-29.

## 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 12th day of September, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

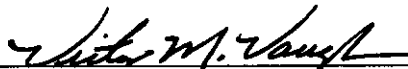
**WHEREAS**, a request was made by Energy Properties, Inc. for authority to negotiate with Staff for an Operating Agreement on a 40 acre tract affecting a portion of former State Lease No. 11136 located in Couba Island Field, Jefferson and St. Charles Parishes, Louisiana;

**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 Staff the authority to negotiate an operating agreement with Energy Properties, Inc. and that the 40 acre tract be made unavailable for leasing for a period of ninety (90) days or until an operating agreement is negotiated and placed on the Docket of the Mineral and Energy Board for approval, whichever occurs 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 12th day of September, 2012, 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. Segura, the following resolution was offered and unanimously adopted:

**WHEREAS**, a request was made by Wadi Petroleum, Inc. for the waiver of all or a portion of the liquidated damage assessment levied on the late partial release of State Lease No. 17991 in the amount of \$34,700.00, Terrebonne Parish;

**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 Wadi Petroleum, Inc. a full waiver of the liquidated damages assessment levied on the late partial release of State Lease No. 17991 in the amount of \$34,700.00.

## 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 12th day of September, 2012, 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. Diez, the following resolution was offered and unanimously adopted:


**WHEREAS**, a request was made by Chevron U.S.A. Inc. to: 1) amend the lease to extend the deferred development period on State Lease No. 19547 for one (1) year in return for the payment of the full bonus price per acre on the deferred development acreage, with an option for an additional year's extension of the deferred development period in return for the payment of a rental payment per acre on the deferred development acreage, and 2) amendment of State Lease Nos. 19534 and 19536 to extend the primary terms of each in consideration of the payment of a full bonus with an option to Chevron U.S.A. Inc. to extend the primary terms for an additional one (1) year period in consideration of the payment of a full bonus and a one-half (½) percent increase, and 3) amendments of State Lease Nos. 19537 and 19540 to extend the primary term for one (1) year in consideration of the payment of a full bonus and a one-half (½) percent increase in the royalty for each lease, with the option to Chevron U.S.A. Inc. to further extend the primary term for an additional year in consideration of the payment of a full bonus per each lease only;

**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 Chevron USA to (1) amend State Lease No. 19547 to extend the deferred development period for one year in consideration of the payment of a full bonus price per acre on the deferred development acreage, with an option to Chevron USA to further extend the deferred development period for an additional year in consideration of the payment of a full bonus price per acre on the deferred development acreage, and, 2) amend State Lease Nos. 19534 and 19536 to extend the primary terms of each for an additional year in consideration of the payment of a full bonus price and an increase in royalty of one-half (½) percent for each lease, with an option to Chevron USA to further extend the primary terms of each lease for an additional year in consideration of the payment of a full bonus price for each lease only, and 3) and amend State Lease Nos. 19537 and 19540 to extend the primary terms of each lease for an additional year in consideration for the payment of a full bonus and an increase in royalty of one-half (½) percent for each lease, with an option to Chevron USA to further extend the primary terms of each lease for an additional year in consideration of the payment of a full bonus for each lease only.

### 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 12th day of September, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



LOUISIANA STATE MINERAL AND ENERGY BOARD



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## LEGAL AND TITLE CONTROVERSY COMMITTEE

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

*WHEREAS*, a discussion in executive session of the pending litigation entitled: State of Louisiana v. ASA Properties, LP, et al, Suit No. 72779, Division "B", Parish of DeSoto, State of 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 reject the offer made by Pintail Properties, LLC, and other defendants.

## 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 12th day of September, 2012, 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. Segura, the following resolution was offered and unanimously adopted:

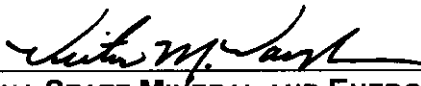
**WHEREAS**, a discussion in executive session of the pending litigation entitled: State of Louisiana ex rel Plaquemines Parish School Board v. Louisiana Department of Natural Resources, Suit No. 2011-CA-1734, 4<sup>th</sup> Circuit Court of Appeals, State of Louisiana;

**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 authorize the office of Ottinger Hebert, L.L.C. to file a writ application with the Louisiana Supreme Court on behalf of the Louisiana Department of Natural Resources in this matter.

## 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 12th day of September, 2012, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



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LOUISIANA STATE MINERAL AND ENERGY BOARD



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

DOCKET REVIEW COMMITTEE REPORT

The Docket Review Committee convened at 10:55 a.m. on Wednesday, September 12, 2012. Board Members present were Mr. Stephen Chustz, DNR Interim Secretary, Mr. John C. "Juba" Diez, Mr. W. Paul Segura, Jr., Mr. Thomas W. Sanders, Mr. Thomas L. Arnold, Jr., Mr. Robert "Michael" Morton and Mr. Chip Kline (sitting in for Garret Graves, Governor Jindal's designee to the State Mineral and Energy Board)

The Committee made the following recommendations:

Approve all Assignments on pages 2 through 8; Nos. 3, 20, 21 and 22 on pages 3, 7 and 8 would be approved subject to the approval of the Governor of Louisiana;

Approve Docket Item Nos. 12-26, 12-27 and 12-30 on pages 10 and 11;

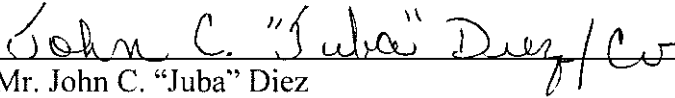
Approve Docket Item No. 12-28 on page 11 subject to the approval of the Governor of Louisiana;

Approve the following items upon recommendation of the Legal and Title Controversy Committee: Docket Item Nos. 12-25 and 12-29 on pages 10 and 11.

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

There being no further business to come before the committee, upon motion of Mr. Arnold, and seconded by Mr. Sanders, the committee voted unanimously to adjourn the meeting at 10:58 a.m.

Respectfully submitted,

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

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

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the September 12, 2012 Meeting be approved, said instrument being an Assignment from Patrick L. Donohue Petroleum Properties, Inc to Hilcorp Energy I, L.P., of all of Assignor's right, title and interest in and to State Lease No. 20547, Acadia and Lafayette Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

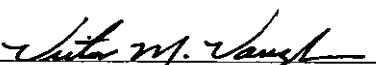
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of September, 2012, 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. Arnold seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the September 12, 2012 Meeting be approved, said instrument being a Change of Name whereby Shamrock Equipment Company, Inc is changing its name to Shamrock Kelly Energy, Inc., affecting State Lease Nos 16710, 16849, 16850 and 16851, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

BE IT FURTHER RESOLVED that 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 12th day of September, 2012, 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. Arnold seconded by Mr. Sanders, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 3 from the September 12, 2012 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from Vlastic Fal, L.P to Texoil Energy, Inc., of all of Assignor's right, title and interest in and to State Lease Nos. 195, 1349 and 1350, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Texoil Energy, 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

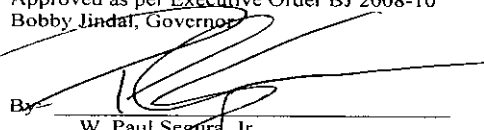
BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

### 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 12th day of September, 2012, 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 Lindal, Governor

By   
W. Paul Segura, Jr.  
Vice Chairman, State Mineral Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 4 from the September 12, 2012 Meeting be approved, said instrument being an Assignment from Antrim Exploration, LLC to Energy XXI GOM, LLC, of all of Assignor's right, title and interest in and to State Lease Nos 20906 and 20908, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Energy XXI GOM, 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 12th day of September, 2012, 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. Arnold seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the September 12, 2012 Meeting be approved, said instrument being a Change of Name whereby Chesapeake Exploration Limited Partnership is changing its name to Chesapeake Exploration, L.L.C., affecting State Lease Nos. 4080 and 4183, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, 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 12th day of September, 2012, 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. Arnold seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the September 12, 2012 Meeting be approved, said instrument being an Assignment from Chesapeake Exploration, LLC to Chesapeake Louisiana, L.P., of all of Assignor's right, title and interest in and to State Lease Nos. 4080 and 4183, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of September, 2012, 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. Arnold seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 7 from the September 12, 2012 Meeting be approved, said instrument being a Change of Name from Faulconer Resources 2000 Limited Partnership to Faulconer Resources 2000 Limited Partnership, LLP, affecting State Lease Nos. 4080 and 4183, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, 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 12<sup>th</sup> day of September, 2012, 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. Arnold seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 8 from the September 12, 2012 Meeting be approved, said instrument being a Change of Name from Faulconer Resources Joint Venture-1993 to Faulconer Resources Joint Venture-1993, LLP, affecting State Lease Nos. 560 and 6122, St James Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, 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 12th day of September, 2012, 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. Arnold seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 9 from the September 12, 2012 Meeting be approved, said instrument being an Assignment from Challenger Minerals Inc. to Knight Resources, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 18350, 18351 and 18352, St. Mary Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to lands located within the "VUA", SW Belle Island Field, with further particulars being stipulated in the instrument

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

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

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

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

3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any 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 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 12th day of September, 2012, 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. Arnold seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10 from the September 12, 2012 Meeting be approved, said instrument being an Assignment from Challenger Minerals Inc. to Knight Resources, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 12806 and 15683, Plaquemines Parish, Louisiana, **INSOFAR AND ONLY INSOFAR** to lands within the Voluntary Unit "A" (UV3B1 RA) and within Voluntary Unit "B" (UV3B2 RA) **AND INSOFAR AND ONLY INSOFAR AS** to those depths from the surface down to subsea depth of 10,000', with further particulars being stipulated in the instrument

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

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

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

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

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

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

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

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

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

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of September, 2012, 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. Arnold seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 11 from the September 12, 2012 Meeting be approved, said instrument being a Change of Name whereby El Paso E&P Company, L.P. is changing its name to EP Energy E&P Company, L.P., affecting State Lease Nos. 5623 and 20623, Beauregard and St. Mary Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, 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 12th day of September, 2012, 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. Arnold seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12 from the September 12, 2012 Meeting be approved, said instrument being a Change of Name whereby Faulconer Resources 1992 Limited Partnership is changing its name to Faulconer Resources 1992 Limited Partnership, LLP, affecting State Lease Nos. 5156 and 9314, Bienville Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, 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 12th day of September, 2012, 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. Arnold seconded by Mr. Sanders, the following Resolution was offered and adopted

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13 from the September 12, 2012 Meeting be approved, said instrument being an Assignment from SR Acquisition I, LLC to Sito Exploration LLC, of an undivided 20% of Assignor's right, title and interest in and to State Lease Nos 1461, 1462 and 14617, LaSalle Parish, Louisiana, AND an undivided 60% of Assignor's right, title and interest in and to State Lease Nos 502, 20447 and 20448, LaSalle Parish, Louisiana, AND an undivided 48.8% interest in and to State Lease No. 19857, LaSalle Parish, Louisiana, with further particulars being stipulated in the instrument.

SR Acquisition I, 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;

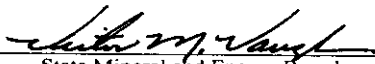
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 12th day of September, 2012, 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. Arnold, seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 14 from the September 12, 2012, Meeting be approved, said instrument being a Correction of Resolution No. 21 from the July 11, 2012 Meeting, being an Assignment from Greenbriar Energy LP IV to Pennsylvania Castle Energy Corp., whereas State Lease No. 8091 was omitted from said resolution and is hereby being added and State Lease No. 8090 was incorrectly added to said resolution and is hereby being added, affecting State Lease Nos. 8090, 8091 and 13470, 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 12th day of September, 2012, 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. Arnold, seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 15 from the September 12, 2012, Meeting be approved, said instrument being a Correction of Resolution No. 18 from the June 13, 1990 Meeting, being a Merger whereby FMP Operating, a Limited Partnership merged into FMP Operating Company (Delaware), Limited Partnership, whereas State Lease No. 649 was omitted from said resolution and is hereby being added, affecting State Lease Nos. 649, 2682, 2726, 3051, 3052, 3132, 5653, 6655, 8537, 8681, 9330, 10246, 10250, 10493 and 10837, Acadia, Cameron, Iberia, Lafayette, Plaquemines, St. Mary and Vermilion Parishes, Louisiana.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of September, 2012, 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

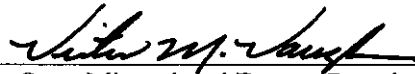
## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16 from the September 12, 2012, Meeting be approved, said instrument being a Correction of Resolution No. 19 from the June 13, 1990 Meeting, being a Merger whereby FMP Operating Company (Delaware), Limited Partnership merged with and into Freeport-McMoRan Oil & Gas Company, whereas State Lease No. 649 was omitted from said resolution and is hereby being added, affecting State Lease Nos. 649, 2682, 2726, 3051, 3052, 3132, 5653, 6655, 8537, 8681, 9330, 10246, 10250, 10493 and 10837, Acadia, Cameron, Iberia, Lafayette, Plaquemines, St. Mary and Vermilion Parishes, Louisiana.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of September, 2012, 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

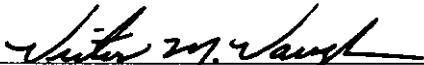
## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 17 from the September 12, 2012, Meeting be approved, said instrument being a Correction of Resolution No. 32 from the April 10, 1991 Meeting, being a Merger whereby Freeport-McMoRan Oil & Gas Company is merging with and into Freeport-McMoRan Inc., whereas State Lease No. 649 was omitted from said resolution and is hereby being added, affecting State Lease Nos. 649, 2682, 3051, 3052, 3132, 3279, 6083, 6084, 6655, 7601, 8537, 8681, 9330, 10250, 10251 and 10837, Cameron, Plaquemines, St. Mary and Vermilion Parishes, Louisiana.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of September, 2012, 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. Arnold seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 18 from the September 12, 2012 Meeting be approved, said instrument being an Assignment from Theophilus Oil, Gas & Land Services, of all of Assignor's right, title and interest to the following in the proportions set out below:

Apache Corporation	50.000%
Castex Energy Partners, L.P.	21.875%
Castex Energy 2008, L.P.	3.125%
Roda Drilling, LP	25.000%

in and to State Lease Nos. 20689, 20690, 20692 and 20693, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

3) That in the event ownership of the basic mineral lease is or becomes vested in two or more lessees responsible to the lessor for compliance with indivisible obligations to maintain the lease, then said lessees shall designate in writing to the State Mineral and Energy Board the lessee representing the joint account of all lessees, who shall be accountable to the Board for discharge of indivisible obligations under the lease for all lessees or for release in lieu of compliance therewith, provided that in the event of failure of said lessees to comply with such condition, then the Board may withhold approval of and thereby deny validity to any pending or future assignment or transfer of an interest in the lease, and, provided further, that if any lessee should agree to release the lease or any segregated portion thereof in lieu of complying with an indivisible lease obligation to maintain the lease and no other lessee desires to assume and undertake the indivisible obligation, then all lessees agree to join in a release or to otherwise execute a similar release of their rights to lessor, relegating any 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 12th day of September, 2012, 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. Arnold, seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 19 from the September 12, 2012, Meeting be approved, said instrument being a Correction of Resolution No. 6 from the December 14, 2011 Meeting, being an Assignment from XTO Offshore, Inc. to Texas Petroleum Company, whereas as the following information was omitted from said resolution and is hereby being added...**INSOFAR AND ONLY INSOFAR AS** said State Lease No. 2000 covers and affects rights beginning at a depth of 7,200' subsea TVD down to a depth of 11,100' TVD (being 100' below the total depth drilled)", affecting State Lease Nos. 1230, 1999, 2000, 4409, 4574 and 15958, Plaquemines and St. Bernard 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 12th day of September, 2012, 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. Arnold seconded by Mr. Sanders, the following Resolution was offered and adopted.

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 20 from the September 12, 2012 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from EP Energy E&P Company, L.P. to Natural Gas Partners Assets, LLC, of all of Assignor's right, title and interest in and to State Lease No 340, Iberia Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to Tract 1 containing 179.934 acres, more or less, **LESS AND EXCEPT** those depths from the surface to the stratigraphic equivalent of the base of the Amph "B" 12000' B Sand, **AND** Tract 2 containing 4,769.92 acres, more or less, **LESS AND EXCEPT** those depths from the surface to the stratigraphic equivalent of the base of the Cib Op "Z-2" Sand, with further particulars being stipulated in the instrument

Natural Gas Partners Assets, 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 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.

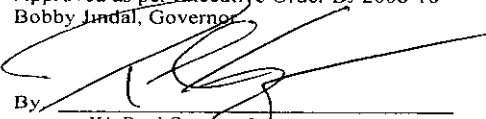
BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

### 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 12th day of September, 2012, 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   
W. Paul Segura, Jr.  
Vice Chairman, State Mineral Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 21 from the September 12, 2012 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from EP Energy E&P Company, L.P. to Natural Gas Partners Assets, LLC, of all of Assignor's right, title and interest in and to State Lease No. 340, Iberia Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** the Burton Successors Subleases are applicable to those lands described herein by metes and bounds as outlined on Exhibit "B", and depicted on the plats shown on Exhibit "B-1", with further particulars being stipulated in the instrument.

Natural Gas Partners Assets, 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,

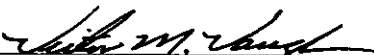
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

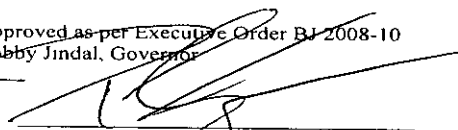
BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument

### 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 12th day of September, 2012, 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   
W. Paul Segura, Jr.,  
Vice Chairman, State Mineral Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 22 from the September 12, 2012 Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being an Assignment from Chevron U.S.A. Inc to McMoRan Oil & Gas LLC, an undivided 31 5333% of Assignor's right, title and interest in and to State Lease No. 340, Mound Point Field, Iberia Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to Tract 1 containing 179.934 acres, more or less, **LESS AND EXCEPT** those depths from the surface to the stratigraphic equivalent of the base of the Amph "B" 12000' B Sand, **AND** Tract 2 containing 4,769.92 acres, more or less, **LESS AND EXCEPT** those depths from the surface to the stratigraphic equivalent of the base of the Cib. Op "Z-2" Sand, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

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

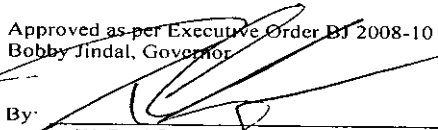
BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary, Chief Landman or any other authorized person be and he is hereby authorized to reflect the approval of the State Mineral and Energy Board by affixing his signature to the aforesaid instrument.

### 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 12th day of September, 2012, 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:   
W. Paul Segura, Jr.  
Vice Chairman, State Mineral Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 23 from the September 12, 2012 Meeting be approved, said instrument being an Assignment and Amendments of Assignment from Samson Contour Energy E&P, LLC to Tchefuncte Natural Resources, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos 1730, 8512, 9570, 9571, 9572, 11036 and 12721, Lafourche and Plaquemines Parishes, Louisiana, with further particulars being stipulated in the instrument

Tchefuncte Natural Resources, 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 12th day of September, 2012, 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

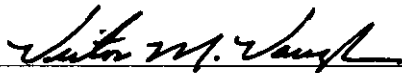
On motion of Mr. Arnold, seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12-25 from the September 12, 2012, Meeting be approved, said instrument being an Operating Agreement by and between the State of Louisiana, through the State Mineral and Energy Board and Texas Petroleum Investment Company, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State a State Production Interest equal to 25% before payout, increasing to 25.5% after payout, in and to the Operating Tract, whereas operator desires and intends to obtain production from the E. H. Peterman No. 6 Well, SN 63863, covering a portion of State Lease No. 17852, containing .866 acres, more or less, Iberia 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 12th day of September, 2012 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. Arnold, seconded by Mr. Sanders, the following Resolution was offered and adopted:

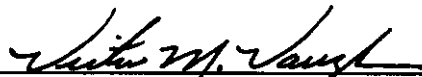
BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12-26 from the September 12, 2012 Meeting be approved, said instrument being a Deferred Gas Production Agreement presented by Tri-C Resources, LLC, et al, by which royalty gas from the State Lease 20626 Well No. 001-D, will be deferred pending effort to obtain an interstate market therefor, affecting State Lease No. 20626, St. Charles Parish, Louisiana, with further particulars being stipulated in the instrument.

BE IT FURTHER RESOLVED that Board approval of this instrument shall not be construed as a waiver by the Mineral Board of the State's right to take in kind its royalty share of Unit gas production as provided in the State Lease, which right is expressly reserved.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman, Secretary, Deputy Assistant Secretary or Chief Landman 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 12th day of September, 2012, 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. Arnold, seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12-27 from the September 12, 2012, Meeting be approved, said instrument being an Amendment of Deferred Gas Production Agreement presented by Tri-C Resources, LLC, to suspend the Deferred Gas Production Agreement approved by the State Mineral Board on September 12, 2012, and to thereby authorize Tri-C Resources, LLC, to commence the marketing of the State's royalty gas in interstate commerce to an various interstate purchasers, for a period of 720 days effective from the first day of production from the State Lease 20626 Well No. 001-D, affecting State Lease No. 20626, St. Charles 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 12th day of September, 2012 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

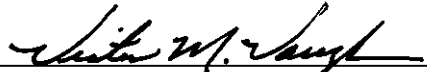
On motion of Mr. Arnold, seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12-28 from the September 12, 2012, Meeting be approved, said instrument being a Unitization Agreement presented by Shoreline Offshore LLC, to create a 505.029 acre unit, more or less, identified as the “**Voluntary Unit “A”**”, with 505.029 acres being attributable to State Lease No. 340, Iberia and St. Mary Parishes, 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 12th day of September, 2012 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. Arnold, seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12-29 from the September 12, 2012, Meeting be approved, said instrument being a Compromise Agreement and Release by and between the State of Louisiana, ex rel. The Department of Natural Resources and the Louisiana Office of Mineral Resources and Albert A. Prats, Jr., et al, whereas said parties desire to settle a dispute between the state and other claimants, affecting State Lease Nos. 15918, 16628 and 17382, Plaquemines 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 12th day of September, 2012 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

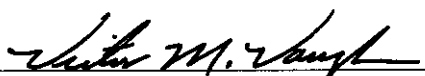
On motion of Mr. Arnold, seconded by Mr. Sanders, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 12-30 from the September 12, 2012, Meeting be approved, said instrument being a Unitization Agreement presented by Petro-Guard Company, Inc., et al, to create a 63.79 acre unit, identified as the “**Petro-Guard Production, LLC VUA; Iron No. 1**”, with 1.29 acres being attributable to State Lease No. 17880 and the remaining acreage being attributable to private ownership, Eola Field, Avoyelles 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 12th day of September, 2012 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