

JOHN BEL EDWARDS
GOVERNOR



THOMAS F. HARRIS
SECRETARY

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

REGULAR MEETING
JULY 12, 2023

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, July 12, 2023**, beginning at 9:42 a.m. in the LaBelle Room of the LaSalle Building, 617 N. 3rd Street, First Floor, Baton Rouge, Louisiana.

I. CALL TO ORDER

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

II. ROLL CALL

OMR Assistant Secretary Jamie Manuel then called the roll for the purpose of establishing a quorum.

W. Paul Segura, Jr., Chairman
Carol R. LeBlanc, Vice-Chair
J. Todd Hollenshead
Robert D. Watkins
Thomas F. Harris, DNR Secretary
Rochelle A. Michaud-Dugas
Darryl D. Smith (arrived at 10:08 a.m. at commencement of the Docket Report)

The following members were recorded as absent:

Harry J. Vorhoff, Governor John Bel Edwards Designee
Thomas L. Arnold, Jr.
Willie J. Young, Sr.
Harvey "Ned" White

Chairman Segura announced that a quorum was established.

III. PLEDGE OF ALLEGIANCE

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

IV. APPROVAL OF THE JUNE 14, 2023 MINUTES

The Chairman stated that the second order of business was the approval of the Minutes.

A motion was made by Ms. Michaud-Dugas to adopt the June 14, 2023 Minutes as submitted and to waive reading of the same. His motion was seconded by Mr. Watkins and unanimously adopted by the Board. (No public comments were made at this time.)

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

V. STAFF REPORTS

- a) **Lease Review Report** – Presented by Jason Talbot, Petroleum Scientist Manager, and Charles Bradbury, P.E., Petroleum Scientist Manager, Geology, Engineering and Land Division
- b) **Nomination and Tract Report** – Presented by Greg Roberts, Petroleum Lands Director, Geology, Engineering and Land Division
- c) **Audit Report** – Presented by Taletha Shorter, Audit Director, Mineral Income Division
- d) **Legal and Title Controversy Report** – Presented by Greg Roberts, Petroleum Lands Director, Geology, Engineering and Land Division
- e) **Docket Review Report** – Presented by Greg Roberts, Petroleum Lands Director, Geology, Engineering and Land Division

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

**a) LEASE REVIEW REPORT
JULY 12, 2023**

I. GEOLOGICAL AND ENGINEERING STAFF REVIEW

According to the SONRIS database, there were 1,000 active State Leases containing approximately 421,847 acres. Since the last Lease Review Report, the Geological and Engineering Division reviewed 94 leases covering approximately 25,404 acres for lease maintenance and development.

II. BOARD REVIEW

1. There were no State Lease items to bring before the Board.

III. FORCE MAJEURE

1. There were no Force Majeure items to bring before the Board.

b) NOMINATION AND TRACT REPORT

July 12, 2023

(Resolution No. 23-07-001, 002)

The Board heard the report of Mr. Greg Roberts on Wednesday July 12, 2023 relative to nominations received in the Office of Mineral Resources for the September 13, 2023 Mineral Lease Sale and other matters.

Based upon Staff's recommendation, and on motion of Secretary Harris, duly seconded by Ms. Michaud-Dugas, the Board granted authority to Staff to advertise all such tracts that have been received by the Staff of the Office of Mineral Resources as well as any tracts that have been previously advertised and rolled over and otherwise approve the Nomination and Tract Report. **(Resolution No. 23-07-001)**

On another matter, Mr. Byron Miller informed the Board that pursuant to R.S. 30:215, non-exclusive seismic fees are to be set annually to conduct seismic, geophysical and geological surveys. The staff recommended that the State Mineral and Energy Board set a fee of \$15.00 per acre, or \$1,000.00 whichever is greater, for the nonexclusive seismic permits on state- owned lands and water bottoms or land and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission; that the State Mineral and Energy Board set a fee of \$200.00 per line mile, or \$1,000.00, whichever is greater, for 2D seismic permits on either state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission. On motion Ms. Michaud-Dugas, duly seconded by Mr. Watkins, the board voted unanimously to set such fee. **(Resolution 23-07-002)**

c) AUDIT REPORT
JULY 12, 2023
(Resolution No. 23-07-003)

The first matter on the audit report was a recoupment request from Paloma Natural Gas, LLC for an overpayment in the amount of \$1,595,905.73.

Upon recommendation of Staff and upon motion of Mr. Hollenshead, seconded by Mr. Watkins, the Board voted unanimously to approve the recoupment request of Paloma Natural Gas, LLC for the overpayment of \$1,595,905.73. **(Resolution No. 23-07-003)**

The second matter on the audit report was the election of the July 2023 gas royalty to be paid on an unprocessed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

No action required.

**d) LEGAL & TITLE CONTROVERSY REPORT
JULY 12, 2023
(Resolution Nos. 23-07-004, 23-07-005, 23-07-015, and 23-07-006)**

The first matter considered by the State Mineral and Energy Board (Board) was a request by Krewe Energy for the Board to acknowledge that the rental payment for State Lease No. 21916 was tendered on time by virtue of an email sent from a Krewe Energy representative to Staff on June 12th, that the payment was on time, and that State Lease No. 21916 has been maintained.

The Staff reported that Krewe Energy hand delivered the rental payment instead of mailing it when they appeared in front of the Board on June 14th.

The Staff recommended that the Board accept the rental payment and acknowledge that State Lease No. 21916 has been maintained although the Staff disagrees with Krewe Energy that the email constitutes a sufficient tender under the law and that the Staff is also aware of the pending Krewe Energy bankruptcy.

The Staff also recommended that the Board acknowledge that this is to be considered a one-time exception and is not an indication of a changed interpretation or changed practice by the Board, but rather an accommodation made out of respect to the bankruptcy court for the Eastern District of Louisiana in order to accommodate the automatic bankruptcy stay and any associated court orders.

After unanimous vote of the Board and upon motion of Mr. Watkins, seconded by Mr. Hollenshead, the State Mineral and Energy Board accepted the rental payment and acknowledged that State Lease No. 21916 has been maintained and that this is to be considered a one-time exception and is not an indication of a changed interpretation or changed practice by the Board, but rather an accommodation made out of respect to the bankruptcy court for the Eastern District of Louisiana in order to accommodate the automatic bankruptcy stay and any associated court orders. **(Resolution No. 23-07-004)**

The second matter considered by the Board was a request by the Staff for authority to issue notices alerting the public to its intent to enter into Operating Agreements for wind energy development in certain areas and request that any parties interested in pursuing an Operating Agreement for wind energy development with the State to contact the Office of Mineral Resources by a certain date.

The Staff reported that the Board granted them authority to negotiate and enter into Operating Agreements for wind energy development and production by Resolution No. 23-04-007.

The Staff recommended that the Board grant authority to the Staff to issue notices alerting the public to its intent to enter into Operating Agreements for wind energy development in certain areas and request that any parties interested in pursuing an Operating Agreement for wind energy development with the State to contact the Office of Mineral Resources by a certain date.

After unanimous vote of the Board and upon motion of Mr. Harris, seconded by Mr. Hollenshead, the State Mineral and Energy Board granted authority to the Staff to issue notices alerting the public to its intent to enter into Operating Agreements for wind energy development in certain areas and request that any parties interested in pursuing an Operating Agreement for wind energy development with the State to contact the Office of Mineral Resources by a certain date. **(Resolution No. 23-07-005)**

The third matter considered by the Board was whether to enter into a legal contract with Hosie Rice, LLP, Beychok Law Firm, and Talbot, Carmouche, & Marcello to pursue claims for the underpayment of natural gas royalties to the State or its agencies or departments all subject to future agreement as to the specific terms and provisions of the contract.

This matter was deferred to allow further discussion between the Board Members and Staff in Executive Session and will be revisited after Executive Session.

After Executive Session, this matter was revisited by the Board. After careful consideration and lengthy discussion in Executive Session, upon motion of Mr. Harris, seconded by Mr. Smith, the State Mineral and Energy Board approved the above request. Mr. Watkins voted nay, Ms. Michaud-Dugas recused herself to avoid any conflicts, and Ms. LeBlanc abstained from the vote for lack of information. Comments were heard from Isaac Jackson, representing himself, and Michael Brassett with Bradley Murchison Kelly & Shea LLC. **(Resolution No. 23-07-015)**

The fourth matter considered by the Board was a request for authority to return escrowed funds associated with the matter of Crooks v. State of Louisiana, Department of Natural Resources, Docket No. 224,262, Ninth Judicial District Court, Rapides Parish, Louisiana.

The Staff recommended that the Board grant them authority to return funds that have been held in escrow by the Treasury pending the finality of judgment as to the State's mineral interests in the Crooks matter. Staff's analysis and court judgments have now shown that the funds currently held in escrow are not associated with any sovereign water bottom, these funds must be returned to the payors in order for those entities to make proper payment determinations among the private claimants to the non-sovereign water bottoms of Catahoula Lake.

After unanimous vote of the Board and upon motion of Mr. Harris, seconded by Mr. Watkins, the State Mineral and Energy Board granted authority to the Staff to return escrowed funds associated with the matter of Crooks v. State of Louisiana, Department of Natural Resources, Docket No. 224,262, Ninth Judicial District Court, Rapides Parish, Louisiana. **(Resolution No. 23-07-006)**

e) DOCKET REVIEW REPORT
July 12, 2023
(Resolution No(s). 23-07-007 thru 23-07-014)

The Board heard the report from Greg Roberts on Wednesday, July 12, 2023, relative to the following:

- Category A: State Agency Leases
There were no items for this category
- Category B: State Lease Transfers
Docket Item Nos. 1 thru 6
- Category C: Department of Wildlife & Fisheries State Agency Lease
There were no items for this category
- Category D: Advertised Proposals
Docket Item Nos. 1 and 2

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

- Category B: State Lease Transfers
Docket Item Nos. 1 thru 6
(Resolution Nos. 23-07-007 thru 23-07-012)
- Category D: Advertised Proposals
Docket Item Nos. 1 and 2
(Resolution Nos. 23-07-013 and 23-07-014)

VI. EXECUTIVE SESSION

The Chairman stated that the next order of business was discussions in Executive Session to consider matters before the Board which were confidential in nature.

Upon motion of Mr. Watkins, seconded by Ms. Michaud-Dugas, the Board Members went into Executive Session at 10:19 a.m.

Upon request for public comment, comments were received by Tommy Fauchaux, President of Mid-Continent Oil & Gas on behalf of LABI, LMOGA, and LOGA and Isaac Jackson regarding Item A to be discussed in Executive Session.

Upon motion of Ms. Michaud-Dugas, seconded by Mr. Harris, the Board reconvened in open session at 11:30 p.m. for consideration of the following matters discussed in Executive Session:

- a. A discussion regarding the potential for the State Mineral and Energy Board to enter into a legal contract with a third party that would pursue claims of underpayments of royalties related to natural gas production on state lands and water bottoms

This matter was a discussion only and no action was taken by the Board.

- b. An update and discussion of ongoing negotiations of Operating Agreements for carbon capture and sequestration and wind energy projects on State owned lands and water-bottoms and for property owned by the Louisiana Department of Wildlife and Fisheries

This matter was a discussion only and no action was taken by the Board.

- a. Technical Briefing on Bids

VII. AWARDING OF LEASES

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

The Staff reported there were six (6) tracts up for bid and single bids were received on five (5) tracts. Staff reported that the all bids were acceptable and recommended that leases be awarded.

Upon motion of Mr. Harris, and seconded by Ms. Michaud-Dugas, the Board voted unanimously to accept the following bid(s) and award a lease(s) on the following tract(s):

Tract 45654
(Entire: 200.08 acres)

Bidder	:	RENAISSANCE OFFSHORE, LLC
Primary Term	:	Five (5) years
Cash Payment	:	\$65,026.00
Annual Rental	:	\$32,513.00
Royalties	:	22% on oil and gas
	:	22% on other minerals

Additional Consideration:

During the primary term of SL 21785, Renaissance Offshore, LLC commenced a well (Serial No. 223919) on SL 21785 sidetracking out of the existing SL 13287 #1 Well (the "Well"), drilling to a bottomhole location in SL 21785 to a depth to test the "O" Sand. The Well was further drilled to a depth to test the "P" Sand. The Well experienced mechanical difficulties and was temporarily abandoned. If this lease bid is successful, Renaissance plans to re-drill the Well to the "O" Sand and complete it if sufficient hydrocarbons are found.

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

Renaissance is also the 100% owner of State Land Office Surface Lease with Subsurface Agreement No. 5947, pursuant to which the well described above was drilled.

Tract 45655
(Entire: 100.00 acres)

Bidder	:	CYPRESS ENERGY PARTNERS, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$160,000.00
Annual Rental	:	\$80,000.00
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 45656
(Entire: 2.050 acres)

Bidder	:	CYPRESS ENERGY PARTNERS, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$6,457.50
Annual Rental	:	\$3,228.75
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Authority to Advertise
Tracts for the
September 13,
2023 Lease Sale

RESOLUTION #23-07-001

(NOMINATION AND TRACT REPORT)

WHEREAS, Mr. Greg Roberts reported that eleven (11) tract(s) were nominated for the September 13, 2023 Mineral Lease Sale, and requested that same be advertised pending staff review;

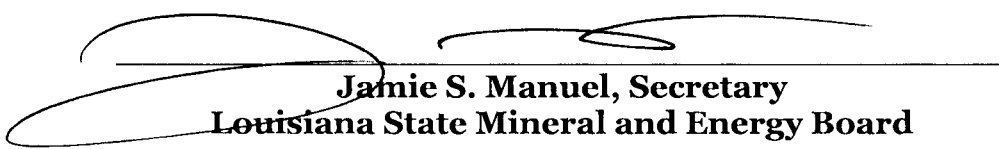
ON MOTION of **Secretary Harris**, seconded by **Ms. Michaud-Dugas**, the following recommendation was offered and unanimously adopted by the Board after discussion and careful consideration:

That the State Mineral and Energy Board grant approval to advertise all such tract(s) for the September 13, 2023 Mineral Lease Sale;

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

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 12th day of July 2023, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.


Jamie S. Manuel, Secretary
Louisiana State Mineral and Energy Board

Tract 45657
(Entire: 32.099 acres)

Bidder	:	CYPRESS ENERGY PARTNERS, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$101,113.02
Annual Rental	:	\$50,556.51
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

Tract 45658
(Entire: 3.776 acres)

Bidder	:	CYPRESS ENERGY PARTNERS, LLC
Primary Term	:	Three (3) years
Cash Payment	:	\$11,894.40
Annual Rental	:	\$5,947.20
Royalties	:	25% on oil and gas
	:	25% on other minerals
Additional Consideration	:	None

The lease(s) awarded were conditioned on the tract description(s) being accurate, overlapped prior leases being subtracted from acreage bid on, acreage amount(s) being verified and agreed between bidder and state and portion bids verified as being located within advertised boundary of tract.

This concluded the awarding of the leases.

VII. NEW BUSINESS

There was no new business.

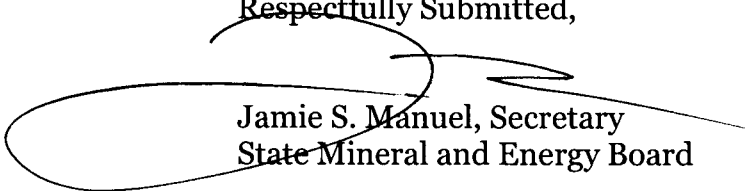
IX. ANNOUNCEMENTS

The Chairman wished Charles Bradbury good luck with his retirement and thanked him for his years of service to the State.

X. ADJOURNMENT

The Chairman then stated that there being no further business to come before the Board, upon motion of Mr. Harris, seconded by Mr. Smith, the meeting was adjourned at 11:37 a.m.

Respectfully Submitted,


Jamie S. Manuel, Secretary
State Mineral and Energy Board

July 12, 2023

Chairman W. Paul Segura, Jr.
Louisiana State Mineral and Energy Board
Department of Natural Resources
P.O. Box 94396
Baton Rouge, LA 70804-9396

Dear Chairman Segura:

LOGA, LMOGA and LABI have been made aware that the Louisiana State Mineral and Energy Board will meet in executive session on Wednesday, July 12, 2023 to discuss the Board entering into a contract with Hosie Rice, LP; Beychok Law Firm; and Talbot, Carmouche & Marcello to “pursue claims for the underpayment of natural gas royalties to the State or its agencies or departments all subject to future agreement as to the specific terms and provisions of the contract.”

As representatives of the companies that make up Louisiana’s energy industry, such a discussion raises deep concerns for our membership and the business community at large. As such, we respectfully request that this item be rescheduled to a future meeting and placed on the public agenda thereby allowing our associations and members the opportunity to hear a presentation of the proposal and make relevant public comments on this matter of great concern.

At a time when Louisiana is poised to be at the forefront of the next generation of energy and maintain our place as an energy-rich state, this action by the Mineral Board on behalf of the State of Louisiana leading to a new “contingency fee” type agreement would reinforce the negative reputation that Louisiana has as a “judicial hellhole,” with one of the worst legal climates in the United States.

According to a 2021 study, the oil and natural gas industry strengthens our state by supporting more than 346,000 jobs (91,720 direct and 254,990 indirect). That accounts for 13.1% of Louisiana’s workforce. In addition, the industry contributes approximately \$54.3 billion to the total GDP of the state.

Given the general uncertainty surrounding this topic and the abruptness through which it was placed on the Mineral Board’s agenda, the associations respectfully ask for your consideration in not allowing this agenda item to move forward without proper public input, consideration.

We stand ready and willing to assist in hopes that Louisiana can remain at the forefront of responsible energy development. Thank you for your public service and for your attention to this important matter. We look forward to the opportunity to collaborate with all interested parties.

Sincerely,

LABI
Louisiana Association
OF BUSINESS AND INDUSTRY

LMOGA
Louisiana Mid Continent
Oil•Gas Association

 **LOGA**
LOUISIANA OIL & GAS ASSOCIATION

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Non-Exclusive
Seismic Permit Fees

RESOLUTION #23-07-002

(NOMINATION AND TRACT REPORT)

WHEREAS, La. R.S. 30:215 requires that the State Mineral and Energy Board (Board) at least annually set a per acre fee to be paid for non-exclusive permits to conduct seismic, geophysical and geological surveys upon state-owned lands and/or water bottoms; and

WHEREAS, La. R.S. 30:215 further requires that this fee be set based upon market value and fixed in a per acre amount of no more than Thirty (\$30.00) Dollars and no less than Five (\$5.00) Dollars; and

WHEREAS, the Board last met on July 13, 2022 for the purpose of setting the per acre fee to be paid for such permits; and

WHEREAS, the Board now is required to again set the per acre fee for such permits; and

WHEREAS, the Staff of the Office of Mineral Resources (OMR) has received and reviewed all information available for determining the fair market value for such permits; and

WHEREAS, OMR Staff offered the following recommendation for such fees for consideration by the Nomination and Tract Committee:

That the State Mineral and Energy Board herein and hereby set a fee of \$15.00 per acre, or \$1000.00, whichever is greater, for the non-exclusive seismic permit on state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission; that the State Mineral and Energy Board set a fee of \$200.00 per line mile, or \$1000.00, whichever is greater, for 2D seismic permits on either state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of Wildlife and Fisheries Commission.

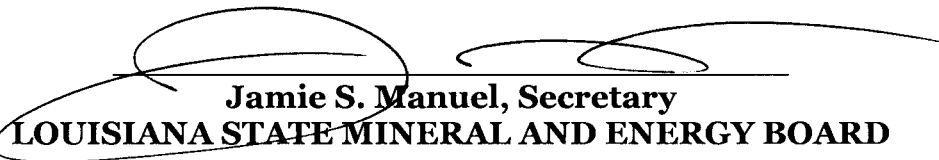
ON MOTION of **Ms. Michaud-Dugas**, seconded by **Mr. Watkins**, after discussion and careful consideration, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED:

That the State Mineral and Energy Board set a fee of \$15.00 per acre, or \$1,000.00, whichever is greater, for the non-exclusive seismic permit on state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission; that the State Mineral and Energy Board set a fee of \$200.00 per line mile, or \$1,000.00, whichever is greater, for the 2D seismic permits on either state-owned lands and water bottoms or lands and water bottoms under the jurisdiction of the Wildlife and Fisheries Commission.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2023 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**Resolution #23-07-003
(AUDIT REPORT)**

Paloma Natural Gas, LLC
Recoupment

WHEREAS, Paloma Natural Gas, LLC has made a letter of application for an adjustment of \$1,595,905.73 for the Greenwood-Waskom #4313 Field, State Lease Nos. 22017 and 22018; and

WHEREAS, this amount was based on Paloma Natural Gas, LLC submitting an overpayment of royalties based on incorrect volumes for the period of September 2021 through March 2023 in Greenwood-Waskom #4313 Field; and

WHEREAS, the Mineral Income Division has verified that an overpayment in the amount of \$1,595,905.73 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 Paloma Natural Gas, LLC to recoup the \$1,595,905.73 overpayment.

ON MOTION of Mr. Hollenshead seconded by Mr. Watkins, after discussion and careful consideration the following recommendation was offered and adopted by the Board;

NOW, BE IT THEREFORE RESOLVED, that the Board does authorize and direct the Mineral Income Director to effectuate the credit adjustment of \$1,595,905.73 to Paloma Natural Gas, LLC 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 12th day of July, 2023, 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.


**Jamie S. Manuel, Secretary
State Mineral and Energy Board**

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #23-07-004

(LEGAL & TITLE CONTROVERSY REPORT)

Krewe Energy request to
acknowledge timely
receipt of rental payment
for SL No. 21916.

WHEREAS, a request by Krewe Energy for the Board to acknowledge that the rental payment for State Lease No. 21916 was tendered on time by virtue of an email sent from a Krewe Energy representative to Staff on June 12th, that the payment was on time, and that State Lease No. 21916 has been maintained; and

WHEREAS, Staff reported that Krewe Energy hand delivered the rental payment instead of mailing it when they appeared in front of the Board on June 14th; and

WHEREAS, Staff recommended that the Board accept the rental payment and acknowledge that State Lease No. 21916 has been maintained although the Staff disagrees with Krewe Energy that the email constitutes a sufficient tender under the law and that the Staff is also aware of the pending Krewe Energy bankruptcy; and

WHEREAS, in response to this request, OMR Staff offered the following recommendation for consideration by the State Mineral and Energy Board:

That the Board accept the rental payment and acknowledge that State Lease No. 21916 has been maintained although the Staff disagrees with Krewe Energy that the email constitutes a sufficient tender under the law and that the Staff is also aware of the pending Krewe Energy bankruptcy.

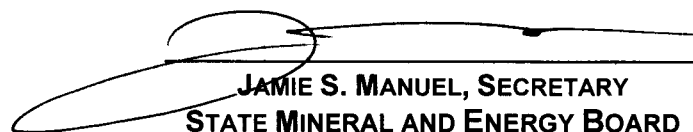
The Staff also recommended that the Board acknowledge that this is to be considered a one-time exception and is not an indication of a changed interpretation or changed practice by the Board, but rather an accommodation made out of respect to the bankruptcy court for the Eastern District of Louisiana in order to accommodate the automatic bankruptcy stay and any associated court orders

ON MOTION of Mr. Watkins, seconded by Mr. Hollenshead, after discussion and careful consideration, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board does hereby accept the rental payment and acknowledges that State Lease No. 21916 has been maintained and that this is to be considered a one-time exception and is not an indication of a changed interpretation or changed practice by the Board, but rather an accommodation made out of respect to the bankruptcy court for the Eastern District of Louisiana in order to accommodate the automatic bankruptcy stay and any associated court orders.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2023 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.


JAMIE S. MANUEL, SECRETARY
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #23-07-005

(LEGAL & TITLE CONTROVERSY REPORT)

Public Hearings – Intent
to Enter Wind Energy
Development Operating
Agreements

WHEREAS, a request by the Staff for authority to issue notices alerting the public to its intent to enter into Operating Agreements for wind energy development in certain areas and request that any parties interested in pursuing an Operating Agreement for wind energy development with the State to contact the Office of Mineral Resources by a certain date; and

WHEREAS, the Staff reported that the Board granted them authority to negotiate and enter into Operating Agreements for wind energy development and production by Resolution No. 23-04-007; and

WHEREAS, in response to this request, OMR Staff offered the following recommendation for consideration by the Board:

That the Board grant authority to the Staff to issue notices alerting the public to its intent to enter into Operating Agreements for wind energy development in certain areas and request that any parties interested in pursuing an Operating Agreement for wind energy development with the State to contact the Office of Mineral Resources by a certain date.

ON MOTION of Mr. Harris, seconded by Mr. Hollenshead, after discussion and careful consideration, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board hereby approves Staff's request as stated above.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2023 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.



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

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #23-07-006

(LEGAL & TITLE CONTROVERSY REPORT)

Crooks vs. State of
LA, DNR – Request
for authority to return
escrowed funds.

WHEREAS, the State Mineral and Energy Board received a request by Staff for authority to return escrowed funds associated with the matter of Crooks v. State of Louisiana, Department of Natural Resources, Docket No. 224,262, Ninth Judicial District Court, Rapides Parish, Louisiana; and

WHEREAS, in response to this request, OMR Staff offered the following recommendation for consideration by the Board:

That the Board grant them authority to return funds that have been held in escrow by the Treasury pending the finality of judgment as to the State's mineral interests in the Crooks matter. Staff's analysis and court judgments have now shown that the funds currently held in escrow are not associated with any sovereign water bottom, these funds must be returned to the payors in order for those entities to make proper payment determinations among the private claimants to the non-sovereign water bottoms of Catahoula Lake.

ON MOTION of Mr. Harris, seconded by Mr. Watkins, after discussion and careful consideration, the following Resolution was offered and unanimously adopted by the Board:

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board hereby approves Staff's request as stated above.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2023 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.


JAMIE S. MANUEL, SECRETARY
STATE MINERAL AND ENERGY BOARD

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #23-07-007 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the July 12, 2023 meeting be approved, said being an Assignment from Cypress Energy Partners, LLC to Paloma Natural Gas, LLC, of all of Assignor's right, title and interest in and to State Lease No. 22141, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

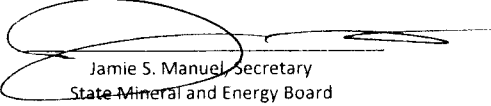
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of July, 2023, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #23-07-008

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the July 12, 2023 meeting be approved, said being an Assignment from Paloma Natural Gas, LLC to Pompano Resource South Field, LLC, of all of Assignor's right, title and interest in and to State Lease No. 20769, West Feliciana Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

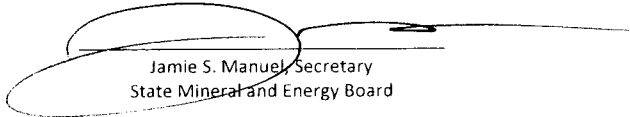
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of July, 2023, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #23-07-009

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the July 12, 2023 meeting be approved, said being an Assignment from Blue Energy, Ltd. to Black Jack Operating, LLC, of all of Assignor's right, title and interest in and to State Lease No. 22094, Lafayette and Vermilion Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

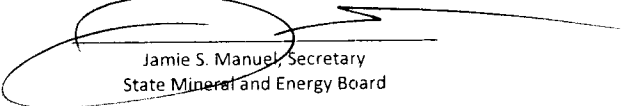
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of July, 2023, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #23-07-009

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 3 from the July 12, 2023 meeting be approved, said being an Assignment from Blue Energy, Ltd. to Black Jack Operating, LLC, of all of Assignor's right, title and interest in and to State Lease No. 22094, Lafayette and Vermilion Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

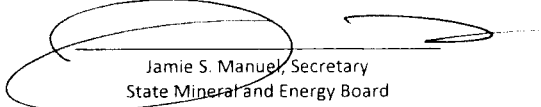
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of July, 2023, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #23-07-010

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 4 from the July 12, 2023 meeting be approved, said being an Assignment from Cypress Energy Corporation to LLOLA, L.L.C., of all of Assignor's right, title and interest in and to State Lease No. 22089, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

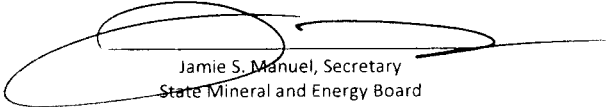
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of July, 2023, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #23-07-011 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the July 12, 2023 meeting be approved, said being an Assignment from Cypress Energy Corporation to LLOLA, L.L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 22080, 22081 and 22082, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

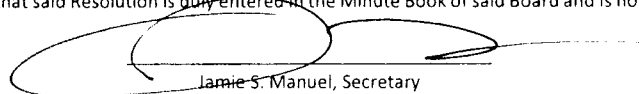
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of July, 2023, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #23-07-012

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the July 12, 2023 meeting be approved, said being an Assignment from SKY3D LLC to JB & K, LLC, of all of Assignor's right, title and interest in and to State Lease No. 3557, Catahoula Parish, Louisiana, with further particulars being stipulated in the instrument.

SKY3D LLC is designated as the joint account Lessee (contact company) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

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

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

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

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

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

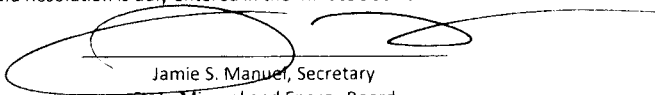
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

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

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of July, 2023, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #23-07-013

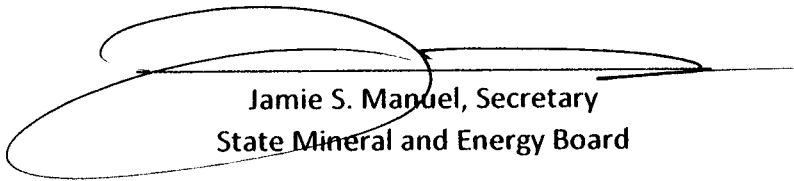
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item 23-13 from the July 12, 2023 meeting be approved, said instrument being an Operating Agreement by and between the State Mineral and Energy Board of the State of Louisiana, acting for and on behalf of the State of Louisiana and EnSight IV Energy Partners, LLC, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State Production Interest equal to 25% before payout and 25.5% after payout, said operating agreement containing 25.566 acres, more or less, affecting a portion of State Lease Nos. 19125 and 19832, DeSoto and Red River Parishes, Louisiana, with further particulars being stipulated in the instrument

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of July, 2023 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #23-07-014

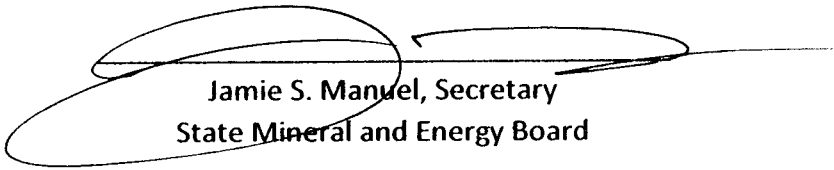
(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item 23-14 from the July 12, 2023 meeting be approved, said instrument being An Operating Agreement by and between the State Mineral and Energy Board of the State of Louisiana, acting for and on behalf of the State of Louisiana and Magna Operating, LLC, to create an operating tract for the exploration and development of oil, gas and/or condensate and other liquid hydrocarbons, which proposal allocates to the State Production Interest equal to 25% before payout and 25.5% after payout, said operating agreement containing 40 acres, more or less, Calcasieu Parish, Louisiana, with further particulars being stipulated in the instrument.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 12th day of July, 2023 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Jamie S. Manuel, Secretary
State Mineral and Energy Board

RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

RESOLUTION #23-07-015

(LEGAL & TITLE CONTROVERSY REPORT)

Legal contract with Hosie Rice, LLP,
Beychok Law Firm, and Talbot,
Carmouche, etal - pursue claims for
underpayment of natural gas royalties.

WHEREAS, the Board considered a request on whether to enter into a legal contract with Hosie Rice, LLP, Beychok Law Firm, and Talbot, Carmouche, & Marcello to pursue claims for the underpayment of natural gas royalties to the State or its agencies or departments all subject to future agreement as to the specific terms and provisions of the contract; and

WHEREAS, this matter was deferred to allow further discussion between the Board Members and Staff in Executive Session and was revisited after Executive Session; and

ON MOTION of Mr. Harris, seconded by Mr. Smith, after careful consideration and lengthy discussion in Executive Session, the following Resolution was offered and adopted by the Board. Mr. Watkins voted nay and Ms. Michaud-Dugas recused herself from the vote.

NOW THEREFORE, BE IT RESOLVED that the State Mineral and Energy Board hereby approves entering into a legal contract with Hosie Rice, LLP, Beychok Law Firm, and Talbot, Carmouche, & Marcello to pursue claims for the underpayment of natural gas royalties to the State or its agencies or departments all subject to future agreement as to the specific terms and provisions of the contract.

CERTIFICATE

I HEREBY CERTIFY that the above is a true and correct copy of a Resolution adopted at a meeting on the 12th day of July, 2023 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.


JAMIE S. MANUEL, SECRETARY
STATE MINERAL AND ENERGY BOARD