

# **MINUTES**

## **STATE MINERAL AND ENERGY BOARD**

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

**DECEMBER 14, 2016**

**Opening of Bids**  
**December 14, 2016**

A public meeting for the purpose of opening sealed bids was held on Wednesday, December 14, 2016, beginning at 8:30 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana.

Recorded as present were:

David Boulet, Assistant Secretary of the Office of Mineral Resources  
Stacey Talley, Deputy Assistant Secretary of the Office of Mineral Resources  
Rachel Newman, Director-Mineral Income Division  
Emile Fontenot, Assistant Director-Petroleum Lands Division

Mr. David Boulet 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. Boulet read the letter as follows:

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

December 14, 2016

Ladies and Gentlemen:

Certified proofs of publication have been received in the Office of Mineral Resources on behalf of the State Mineral and Energy Board for the State of Louisiana from the "Advocate," official journal for the State of Louisiana, and from the respective parish journals as evidence that Tract Nos. 44614 through 44647, have been advertised in accordance with and under the provisions of Chapter 2, Title 30 of the Revised Statutes of 1950, as amended.

Yours very truly,

(Original signed)

Emile Fontenot  
Assistant Director  
Petroleum Lands Division

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

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 Boulet stated that there were no tracts to be withdrawn from today's Lease Sale.

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

**OFFSHORE TRACTS**

Tract 44614

|                          |   |                           |
|--------------------------|---|---------------------------|
| Bidder                   | : | Rovig Minerals, Inc.      |
| Primary Term             | : | Three (3) years           |
| Cash Payment             | : | \$3,696.00                |
| Annual Rental            | : | \$1,848.00                |
| Royalties                | : | 20.000% on oil and gas    |
|                          | : | 20.000% on other minerals |
| Additional Consideration | : | None                      |

Tract 44615

|                          |   |                           |
|--------------------------|---|---------------------------|
| Bidder                   | : | Rovig Minerals, Inc.      |
| Primary Term             | : | Three (3) years           |
| Cash Payment             | : | \$176.00                  |
| Annual Rental            | : | \$88.00                   |
| Royalties                | : | 20.000% on oil and gas    |
|                          | : | 20.000% on other minerals |
| Additional Consideration | : | None                      |

Tract 44616

No Bids

Tract 44617

No Bids

Tract 44618

No Bids

Tract 44619

No Bids

Tract 44620

No Bids

Tract 44621  
(Portion – 45.000 acres)

|                          |   |                           |
|--------------------------|---|---------------------------|
| Bidder                   | : | Oil Land Services, Inc.   |
| Primary Term             | : | Three (3) years           |
| Cash Payment             | : | \$6,750.00                |
| Annual Rental            | : | \$3,375.00                |
| Royalties                | : | 20.000% on oil and gas    |
|                          | : | 20.000% on other minerals |
| Additional Consideration | : | None                      |

Tract 44622

No Bids

Tract 44623

No Bids

Tract 44624  
(Portion – 348.000 acres)

|                          |   |                           |
|--------------------------|---|---------------------------|
| Bidder                   | : | Upstream Exploration LLC  |
| Primary Term             | : | Three (3) years           |
| Cash Payment             | : | \$81,432.00               |
| Annual Rental            | : | \$40,716.00               |
| Royalties                | : | 22.500% on oil and gas    |
|                          | : | 22.500% on other minerals |
| Additional Consideration | : | None                      |

Tract 44625  
(Portion – 2.000 acres)

|                          |   |                           |
|--------------------------|---|---------------------------|
| Bidder                   | : | K-Exploration Co.         |
| Primary Term             | : | Three (3) years           |
| Cash Payment             | : | \$500.00                  |
| Annual Rental            | : | \$250.00                  |
| Royalties                | : | 21.000% on oil and gas    |
|                          | : | 21.000% on other minerals |
| Additional Consideration | : | None                      |

Tract 44626  
(Portion – 239.000 acres)

|              |   |                   |
|--------------|---|-------------------|
| Bidder       | : | K-Exploration Co. |
| Primary Term | : | Three (3) years   |
| Cash Payment | : | \$59,750.00       |

|                          |   |                           |
|--------------------------|---|---------------------------|
| Annual Rental            | : | \$29,875.00               |
| Royalties                | : | 21.000% on oil and gas    |
|                          | : | 21.000% on other minerals |
| Additional Consideration | : | None                      |

Tract 44627  
(Portion – 7.000 acres)

|                          |   |                           |
|--------------------------|---|---------------------------|
| Bidder                   | : | K-Exploration Co.         |
| Primary Term             | : | Three (3) years           |
| Cash Payment             | : | \$1,750.00                |
| Annual Rental            | : | \$875.00                  |
| Royalties                | : | 21.000% on oil and gas    |
|                          | : | 21.000% on other minerals |
| Additional Consideration | : | None                      |

Tract 44628

|                          |   |                           |
|--------------------------|---|---------------------------|
| Bidder                   | : | K-Exploration Co.         |
| Primary Term             | : | Three (3) years           |
| Cash Payment             | : | \$117,000.00              |
| Annual Rental            | : | \$58,500.00               |
| Royalties                | : | 21.000% on oil and gas    |
|                          | : | 21.000% on other minerals |
| Additional Consideration | : | None                      |

Tract 44629

No Bids

Tract 44630

No Bids

Tract 44631

No Bids

Tract 44632

No Bids

Tract 44633

No Bids

Tract 44634

No Bids

Tract 44635

No Bids

Tract 44636  
(Portion – 112.000 acres)

|               |   |                           |
|---------------|---|---------------------------|
| Bidder        | : | Krewe Energy, LLC         |
| Primary Term  | : | Three (3) years           |
| Cash Payment  | : | \$22,960.00               |
| Annual Rental | : | \$11,480.00               |
| Royalties     | : | 21.000% on oil and gas    |
|               | : | 21.000% on other minerals |

Additional Consideration: Krewe Energy, LLC's (Krewe) is the owner of State Lease No. 21662, which lease covers and affects lands contiguous to the acreage subject to this portion bid. A portion of the land subject to said State Lease No. 21662, together with the acreage subject to this portion bid on Tract 44636 and the acreage subject to Krewe's portion bid on other acreage of said Tract 44636 are within the surface boundaries of the BOURG B SUI, as established by Louisiana Department of Conservation Order No. 416-F-4, dated effective on and after January 1, 1965. Krewe's operating company S2 ENERGY OPERATING LLC (S2 Operating), is the operator of record of the PELICAN RA SUA; SL 16446 Well No. 1 (SN230272). As additional consideration for the granting a lease on this portion bid, and provided that a lease is awarded to Krewe on Krewe's portion bid on the other acreage of said Tract No. 44636 within the surface boundaries of said BOURG B SUI, Krewe will, during the first year of the primary term of the lease, cause S2 Operating to commence good faith operations to recomplate and produce said well in said BOURG B SUI. In the event Krewe fails to commence such good faith operations, Krewe will, within thirty (30) days from the December 2017 anniversary date of the lease, pay the State of Louisiana, as liquidated damages, the sum of \$50.00 per acre.

(Portion – 73.000 acres)

|               |   |                           |
|---------------|---|---------------------------|
| Bidder        | : | Krewe Energy, LLC         |
| Primary Term  | : | Three (3) years           |
| Cash Payment  | : | \$14,965.00               |
| Annual Rental | : | \$7,482.50                |
| Royalties     | : | 21.000% on oil and gas    |
|               | : | 21.000% on other minerals |

Additional Consideration: Krewe Energy, LLC's (Krewe) is the owner of State Lease No. 21662, which lease covers and affects lands contiguous to the acreage subject to this portion bid. A portion of the land subject to said State Lease No. 21662, together with the acreage subject to this portion bid on Tract 44636 and the acreage subject to Krewe's portion bid on other acreage of said Tract 44636 are within the surface boundaries of the BOURG B SUI, as established by Louisiana Department of Conservation Order No. 416-F-4, dated effective on and after January 1, 1965. Krewe's operating company S2 ENERGY OPERATING LLC (S2 Operating), is the operator of record of the PELICAN RA SUA; SL 16446 Well No. 1 (SN230272). As additional

consideration for the granting a lease on this portion bid, and provided that a lease is awarded to Krewe on Krewe’s portion bid on the other acreage of said Tract No. 44636 within the surface boundaries of said BOURG B SUI, Krewe will, during the first year of the primary term of the lease, cause S2 Operating to commence good faith operations to recomplete and produce said well in said BOURG B SUI. In the event Krewe fails to commence such good faith operations, Krewe will, within thirty (30) days from the December 2017 anniversary date of the lease, pay the State of Louisiana, as liquidated damages, the sum of \$50.00 per acre.

(Portion – 0.385 acres)

|                          |   |                           |
|--------------------------|---|---------------------------|
| Bidder                   | : | Krewe Energy, LLC         |
| Primary Term             | : | Three (3) years           |
| Cash Payment             | : | \$78.93                   |
| Annual Rental            | : | \$39.46                   |
| Royalties                | : | 21.000% on oil and gas    |
|                          | : | 21.000% on other minerals |
| Additional Consideration | : | None                      |

Tract 44637

No Bids

**INLAND TRACTS**

Tract 44638

No Bids

Tract 44639

No Bids

Tract 44640

No Bids

Tract 44641

No Bids

Tract 44642

No Bids

Tract 44643

No Bids

**STATE AGENCY TRACT**

Tract 44644

|                          |   |                           |
|--------------------------|---|---------------------------|
| Bidder                   | : | Rovig Minerals, Inc.      |
| Primary Term             | : | Three (3) years           |
| Cash Payment             | : | \$57,376.00               |
| Annual Rental            | : | \$28,688.00               |
| Royalties                | : | 20.000% on oil and gas    |
|                          | : | 20.000% on other minerals |
| Additional Consideration | : | None                      |

Tract 44645

|                          |   |                           |
|--------------------------|---|---------------------------|
| Bidder                   | : | K-Exploration Co.         |
| Primary Term             | : | Three (3) years           |
| Cash Payment             | : | \$17,250.00               |
| Annual Rental            | : | \$8,625.00                |
| Royalties                | : | 21.000% on oil and gas    |
|                          | : | 21.000% on other minerals |
| Additional Consideration | : | None                      |

Tract 44646

|                          |   |                           |
|--------------------------|---|---------------------------|
| Bidder                   | : | K-Exploration Co.         |
| Primary Term             | : | Three (3) years           |
| Cash Payment             | : | \$66,000.00               |
| Annual Rental            | : | \$33,000.00               |
| Royalties                | : | 21.000% on oil and gas    |
|                          | : | 21.000% on other minerals |
| Additional Consideration | : | None                      |

Tract 44647

No Bids

This concluded the reading of the bids.

There being no further business, the meeting was concluded at 8:50 a.m.



## **Regular Meeting DECEMBER 14, 2016**

The Regular Meeting of the State Mineral and Energy Board was held on **Wednesday, December 14, 2016**, beginning at 9:30 a.m. in the LaBelle Room, First Floor, LaSalle Office Building, Baton Rouge, Louisiana, subject to the call of the Governor and Ex-Officio Chairman.

Mr. Paul Segura, Chairman, called the meeting to order. He then requested Mr. David W. Boulet, Assistant Secretary of the Office of Mineral Resources, to call the roll for the purpose of establishing a quorum.

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

The following members of the Board was recorded as absent:

**Emile B. Cordaro**  
**Johnny B. Bradberry**  
**Rochelle A. Michaud-Dugas**

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

Also recorded as present were:

**David W. Boulet** - Assistant Secretary of the Office of Mineral Resources  
**Stacey Talley** - Deputy Assistant Secretary of the Office of Mineral Resources  
**Ryan Seidemann** - Assistant Attorney General  
**Christopher Lento** - Assistant Attorney General  
**Rachel Newman** - Director, Mineral Income Division  
**Emile Fontenot** - Assistant Director, Petroleum Lands Division  
**Macy Dennis** - Land Manager, Petroleum Lands Division  
**James Devitt** - Deputy General Counsel, Department of Natural Resources

The Chairman stated that the first order of business was the approval of the November 9, 2016 Minutes. A motion was made by Mr. Harris to adopt the Minutes as submitted and to waive reading of same. His motion was seconded by Mr. Hollenshead and unanimously adopted by the Board. (No public comment was made at this time.)

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

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

*\* Staff Reports and Resolutions will immediately follow this page.*

## **a) LEASE REVIEW REPORT**

### **I. Geological and Engineering Staff Review**

According to the SONRIS database, there were 1,364 active State Leases containing approximately 575,000 acres. Since the last Lease Review Board meeting, the Geological and Engineering Division reviewed 115 leases covering approximately 48,000 acres for lease maintenance and development issues.

### **II. Board Review**

There were no leases brought before the Board.

### **III. Force Majeure**

Force Majeure Report Summary - Updated November 30, 2016

| Company Name  | Lease Numbers   |
|---|-----------------|
| Leases Off Production Due to Non-Storm Related Force Majeure Events |                 |
| Sanchez Oil & Gas Corporation                                       | 1462 (2/8/2017) |

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: December 15, 2016 12:19 PM

District Code 1 New Orleans- East

Get Review Date December 14, 2016

| Parcel ID | Parcel Name                  | Area (Acres)   | Acres   | Acres   | Review Date  |
|-----------|------------------------------|--|---------|---------|--|
| 01268     | MAIN PASS BLOCK 47           | CIB C 1A RA SUA;SL<br>16664<br>05/21/2002<br>1331-E 02-265 | 600     | 1280    | DEC AR 12/1/16 DP AR - HBP - 1<br>SL WELL, LEASE WAS<br>AQUIRED BY ERG BUT<br>OWNERSHIP IS STILL<br>HARVEST; WILL WAIT UNTIL<br>ASSIGNMENT IS APPROVED<br>BEFORE WRITING ERG ABOUT<br>DEVELOPMENT;;    |
| 01610     | ROMERE PASS                  | RP 6100 RE<br>NVU;ROMERE PASS                              | 125     | 125     | DEC AR 12/1/16 DP AR - HBP -<br>11 VUS;;   |
| 02192     | LAKE FORTUNA                 | 228542-SL 2192-029<br>10/14/2003                           | 889.57  | 889.57  | DEC AR 12/1/16 DP AR - HBP - 4<br>SL WELLS;;   |
| 12789     | CHANDELEUR SOUND<br>BLOCK 71 | 17.614<br>08/19/2003                                       | 8.311   | 8.311   | DEC AR 12/2/16 DP AR AR -<br>HBP - 1 UNIT;;  |
| 15536     | MAIN PASS BLOCK 21           |  | 100     | 243.69  | DEC. AR 12/2/16 DP AR AR -<br>HBP - 1 SL WELL, LEASE WAS<br>AQUIRED BY ERG BUT<br>OWNERSHIP IS STILL<br>HARVEST; WILL WAIT UNTILL<br>ASSIGNMENT IS APPROVED<br>BEFORE WRITING ERG ABOUT<br>DEVELOPMENT |
| 15941     | QUARANTINE BAY               | S-4 VUA;   | 146.144 | 146.144 | DEC. AR 12/2/16 DP AR AR -<br>HBP - 1 VU;;   |
| 16158     | HALF MOON LAKE               | 247124-6600 RC<br>SUA;SL 16158-004-ALT<br>03/31/2014       | 295     | 295     | DEC. AR 12/2/16 DP AR AR -<br>HBP - 1 UNIT;;   |
| 20423     | BRETON SOUND BLOCK<br>53     | VUD;<br>12/10/2014   | 32.13   | 32.13   | DEC AR 12/2/16 DP AR AR -<br>HBP - 1 VU;;  |
| 20433     | BRETON SOUND BLOCK<br>18     |  | 209.79  | 209.79  | DEC. AR 12/2/16 DP AR - HBP -<br>2 SL WELLS;;  |
| 20436     | BRETON SOUND BLOCK<br>51     |  | 160.36  | 160.36  | DEC. AR 12/2/16 DP AR - HBP -<br>1 SL WELL;;   |

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: December 15, 2016 12:19 PM

District Code 1W New Orleans- West

Get Review Date December 14, 2016

| Unit No. | Location                            | Acres   | Acres   | Acres   | Comments   |
|----------|-------------------------------------|---|---------|---------|--|
| 00192C   | WEST BAY                            | VU60;SL 192 PP  | 6825    | 20600   | DEC. LRC AR 11/21/16 MS AR, LEASE HBP FORM VARIOUS UNITS   |
| 00458    | STELLA                              | 7500 RA SUA;DELTA MINERALS 5 08/01/1992               | 40      | 123     | DEC.AR 11/21/16 MS AR, LEASE HBP FROM 7000 SU124   |
| 00560    | COLLEGE POINT-ST JAMES , ST AMELIA  | KARSTEIN RD SUA;E H KARSTEIN 01/28/2003 106-A-5 03-54 | 263.233 | 354.728 | DEC. AR 11/21/16 MS AR, LEASE HBP FROM MA 1 RB SUA AND ANDRIES RA SUA  |
| 01423    | TIMBALIER BAY OFFSHORE              | S-3 RA VUA;SL 1423 10/12/2011                         | 40      | 259.527 | DEC. AR 11/21/16 MS AR, LEASE HBP FROM VARIOUS UNITS   |
| 01753    | LAKE WASHINGTON                     | VUI;LL&E  | 392     | 397.56  | DEC. AR 11/21/16 MS AR, LEASE HBP FROM LW R RB SU, VUI AND R RA SUE  |
| 01923    | SOUTH PASS BLOCK 24                 | 7900 RA SUA;SL 1923 10/14/2014 227-YYY 14-583         | 387     | 430     | DEC. AR 11/21/16 MS AR, LEASE HBP FORM VARIOUS UNITS   |
| 01972    | LITTLE LAKE                         | BN-4 RA SUA;LL&E J 08/28/2007 604-S 07-938            | 274     | 548     | DEC. AR 11/21/16 MS AR, LEASE HBP FORM VARIOUS UNITS   |
| 02376    | LAKE WASHINGTON                     | LW 21 RA SU 03/01/2006 149-E-4 06-180                 | 90      | 100     | DEC. AR 11/21/16 MS AR, LEASE HBP FROM LW 21 RA SU AND LW 25 A RA SU, HOWEVER PRODUCTION IS CURRENTLY ZERO FOR BOTH UNITS, REVIEW AGAIN MARCH 2017 |
| 02383    | LITTLE LAKE                         | SL 2383   | 299     | 980     | DEC. AR 11/21/16 MS AR, LEASE HBP FROM L TP 6 RA SUA;SL 19864  |
| 02453    | LITTLE LAKE                         | VUB;  | 324     | 596.63  | DEC. AR 11/21/16 MS AR, LEASE HBP FROM VARIOUS UNITS   |
| 02484    | SOUTH PASS BLOCK 24                 | VU3;STATE-HARVEY C TRACT 3                            | 1410    | 1830    | DEC. AR 11/21/16 MS AR, LEASE HBP FROM VARIOUS UNITS   |
| 03035    | SATURDAY ISLAND                     | 99.01 02/01/2012                                      | 80      | 706.08  | DEC. AR 11/21/16 MS AR, LEASE HBP FROM LEASE WELL PRODUCTION   |
| 04041    | WEST LAKE PONTCHARTRAIN EAST BLK 41 | VUA;SL 4041 04/12/2000                                | 515     | 515     | DEC. AR 11/21/16 MS AR, LEASE HBP FROM WLPE 41 7600 SU AND VUA;SL 5567   |
| 05567    | WEST LAKE PONTCHARTRAIN EAST BLK 41 | VUA;SL 4041 04/12/2000                                | 101     | 179.58  | DEC. AR 11/21/16 MS AR, LEASE HBP FROM WLPE 41 7600 SU AND VUA;SL 5567   |
| 05568    | WEST LAKE PONTCHARTRAIN EAST BLK 41 | VUA;SL 4041 04/12/2000                                | 98.595  | 142.531 | DEC. AR 11/21/16 MS AR, LEASE HBP FROM WLPE 41 7600 SU AND VUA;SL 5567   |
| 05685    | WEST LAKE PONTCHARTRAIN EAST BLK 41 | VUA;SL 4041 04/12/2000                                | 6       | 33      | DEC. AR 11/21/16 MS AR, LEASE HBP FROM WLPE 41 7600 SU AND VUA;SL 5567   |

Louisiana Department of Natural Resources (DNR)

**SONRIS**

**Staff Reviews**

Report run on: December 15, 2016 12:19 PM

District Code 1W New Orleans- West

Get Review Date December 14, 2016

| Case No. | Tract                               | Acres                                 | Acquire Date                   | Acquire Price | Current Price | Comments  |
|----------|-------------------------------------|---------------------------------------|--------------------------------|---------------|---------------|---|
| 05779    | WEST LAKE PONTCHARTRAIN EAST BLK 41 | VUA;SL 4041                           | 04/12/2000                     | 61            | 98.92         | DEC. AR 11/21/16 MS AR, LEASE HBP FROM WLPE 41 7600 SU AND VUA;SL 5567                              |
| 07591    | PORT HUDSON                         | PTHD 16400 TUSC RA SU                 | 06/13/2000<br>1027-A-13 00-316 | 323.551       | 323.551       | DEC. AR 11/21/16 MS AR, LEASE HBP FROM PTHD 16400 TUSC RA SU  |
| 13566    | DRAKES BAY                          | 10.041                                | 03/07/2008                     | 1.85          | 1.854         | AUG. AR 11/21/16 MS AR, LEASE HBP FROM E RA SUB, LEASE HELD BY FORCE MAJEURE DURING PRODUCTION GAPS |
| 17379    | WEST DELTA BLOCK 54                 | 233761-VUA;SL 17379-003               | 07/17/2006                     | 731.96        | 731.96        | DEC. AR 11/21/16 MS AR, LEASE HBP FROM VUA;SL 17379   |
| 17380    | WEST DELTA BLOCK 54                 | 722.33                                | 04/18/2005                     | 140.67        | 140.67        | DEC. AR 11/21/16 MS AR, LEASE HBP FROM VUA;SL 17379   |
| 18930    | KRAEMER, SOUTH                      | 3.71                                  | 11/05/2009                     | 11.29         | 11.29         | DEC. AR 11/21/16 MS AR, LEASE HBP FROM VUA;DOROTHY TABOR ETAL AND DOWN HOLE OPS                     |
| 19774    | LAKE SALVADOR, WEST                 | 245695-CRIS I RD SUA;SL 19774-002-ALT | 04/17/2013                     | 318.22        | 318.22        | NOV. AR 11/22/16 MS AR, LEASE HBP FROM CRIS I RE SUA;SL 20850 AND CRIS I RD SUA                     |
| 20512    | MANILA VILLAGE                      | 27.205                                | 03/11/2013                     | 12.795        | 12.795        | DEC. AR 11/21/16 MS AR, LEASE HBP FROM 9400-BIG T RA SUA;HASSINGER                                  |
| 20973    | LEEVILLE                            | U95-L96 RB SUA;J N LEFORT ETAL        | 09/25/2012<br>617-KK-1         | .596          | 4             | DEC. AR 11/21/16 MS AR, LEASE HBP FROM U95-L96 RB SUA;J N LEFORT ETAL AND DD PAYMENT                |
| 21242    | HESTER                              | OPERC RB SUA;                         | 12/01/2015<br>843-N-1 15-664   | 45.94         | 225           | DEC. AR 11/21/16 MS AR, LEASE HBP FROM OPERC RB SUA AND RENTAL PAYMENT                              |
| 21470    |                                     |                                       |                                | 0             | 24            | NOV PT 08/13/2017 11/22/16 MS AR, LEASE HELD BY RENTAL PAYMENT                                      |
| 21485    |                                     |                                       |                                | 0             | 461           | DEC. PT 9/10/17 11/21/16 MS AR, LEASE HAS EXPIRED, RELEASE HELD UP DUE TO SWIFT'S BANKRUPTCY        |

Louisiana Department of Natural Resources (DNR)

SONRIS

Staff Reviews

Report run on: December 15, 2016 12:19 PM

District Code 2 Lafayette  
Get Review Date December 14, 2016

| Account Number | Block | Block Name                    | Original Lease Acct No                | Original Acct Value | Present Acct Value | Requestion Remarks   |
|----------------|-------|-------------------------------|---------------------------------------|---------------------|--------------------|--|
| 00340D         | 4     | MOUND POINT                   | 513.701<br>03/23/2016                 | 0                   | 168                | DEC. AR 11/15/16 AW LETTER WRITTEN REQUESTING STATUS REPORT ON DEVELOPMENT OF LEASE    |
| 00483          |       | FORDOCHE , GIBSON , HUMPHREYS | O SU J; ROB ST. UN. 4<br>12/01/1994   | 28                  | 28                 | DEC. AR 11/15/16 AW HBP IN 1 UNIT (O SUJ); NO WELLS IN LEASE                           |
| 03403          |       | PASS WILSON                   | 9300 RA VUA;SL 3403                   | 141.98              | 141.98             | DEC. AR 11/15/16 AW HBP IN 3 UNITS (VUA, 8900 RA SUA, & 9900 RA VUA); 2 WELLS IN LEASE |
| 04956          |       | BAYOU CROOK CHENE             | DOW CHEMICAL COMPANY<br>01/01/1987    | 17.93               | 44                 | DEC. AR 11/15/16 AW HBP IN 1 UNIT (BYCC SCHWING SU); 2 WELLS IN LEASE                  |
| 14519          |       | MYETTE POINT, NW              | 221760-VUC;SL 14519-003<br>03/05/1998 | 1100                | 1385               | DEC. AR 11/15/16 AW HBP IN LEASE WELL  |
| 14793          |       | SHIP SHOAL BLOCK 65           | VUB;SL 14851                          | 13.59               | 13.59              | DEC. AR 11/15/16 AW HBP IN 1 UNIT (VUB); NO WELLS IN LEASE                             |
| 14796          |       | SHIP SHOAL BLOCK 65           | VUB;SL 14851                          | 76.11               | 76.11              | DEC. AR 11/15/16 AW HBP IN 1 UNIT (VUB); 1 WELL IN LEASE                               |
| 15067          |       | SHIP SHOAL BLOCK 65           | VUB;SL 14851                          | 125.43              | 125.43             | DEC. AR 11/15/16 AW HBP IN 1 UNIT (VUB); 1 WELL IN LEASE                               |
| 16103          |       | PASS WILSON                   | 204.438<br>09/07/2001                 | 185.562             | 185.562            | DEC. AR 11/15/16 AW HBP IN 1 UNIT (VUD; LL&E FEE); WELL IN LEASE                       |
| 20219          |       | ATCHAFALAYA BAY               | VUA;SL 20035<br>08/10/2011            | 411.64              | 411.64             | DEC. AR 11/15/16 AW HBP IN 1 UNIT (VUA; SL 20035); WELLS NOT IN LEASE                  |
| 20220          |       | ATCHAFALAYA BAY               | VUA;SL 20035<br>08/10/2011            | 50.21               | 50.21              | DEC. AR 11/15/16 AW HBP IN 1 UNIT (VUA; SL 20035); WELLS NOT IN LEASE                  |
| 20221          |       | ATCHAFALAYA BAY               | 246340-VUA;SL 20369-003<br>05/02/2013 | 487.4               | 487.4              | DEC. AR 11/15/16 AW HBP IN 1 UNIT (VUA; SL 20221); 2 WELLS IN LEASE                    |
| 20222          |       | ATCHAFALAYA BAY               | VUA;SL 20035<br>08/10/2011            | 220.1               | 220.1              | DEC. AR 11/15/16 AW HBP IN 1 UNIT (VUA; SL 20035); WELLS NOT IN LEASE                  |
| 20223          |       | EUGENE ISLAND BLOCK 18        | VUA;<br>08/10/2011                    | 161.94              | 161.94             | DEC. AR 11/15/16 AW HBP IN 1 UNIT (VUA; SL 20224); 1 WELL IN LEASE                     |
| 20224          |       | EUGENE ISLAND BLOCK 18        | VUA;<br>08/10/2011                    | 42.84               | 42.84              | DEC. AR 11/15/16 AW HBP IN 1 UNIT (VUA; SL 20224); 1 WELL IN LEASE                     |
| 20428          |       | WEEKS ISLAND                  | 2.034<br>09/29/2014                   | 1.966               | 1.966              | DEC. AR 11/15/16 AW HBP IN 2 UNITS (T RH SUA & U RA SUA); 1 WELL IN LEASE (BOTTOM)     |
| 20719          |       | EUGENE ISLAND BLOCK 18        | VUB;SL 20534<br>03/13/2013            | 775.753             | 775.753            | DEC. AR 11/15/16 AW HBP IN 1 UNIT (VUB; SL 20534); WELL NOT IN LEASE                   |

Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: December 15, 2016 12:19 PM

District Code 2 Lafayette

Get Review Date December 14, 2016

| Parcel ID | Parcel Name            | Acres                      | Acres  | Acres  | Comments   |
|-----------|------------------------|----------------------------|--------|--------|--|
| 20720     | EUGENE ISLAND BLOCK 18 | VUB;SL 20534<br>03/13/2013 | 6.33   | 6.33   | DEC. 11/15/16 AW HBP IN 1 UNIT (VUB; SL 20534); WELL NOT IN LEASE                          |
| 20753     | ATCHAFALAYA BAY        | 114.93<br>04/08/2013       | 460.08 | 460.08 | DEC. AR ATCHFALAYA DELTA WMA 11/15/16 AW HBP IN 1 UNIT (VUA; SL 20221); WELLS NOT IN LEASE |
| 20754     | EUGENE ISLAND BLOCK 18 | VUB;SL 20534<br>03/13/2013 | 35.934 | 35.934 | DEC. AR ATCHFALAYA DELTA WMA 11/15/16 AW HBP IN 1 UNIT (VUB; SL 20534); WELL NOT IN LEASE  |
| 20755     | EUGENE ISLAND BLOCK 18 | VUB;SL 20534<br>03/13/2013 | 73.57  | 73.57  | DEC. AR ATCHFALAYA DELTA WMA 11/15/16 AW HBP IN 1 UNIT (VUB; SL 20534); WELL NOT IN LEASE  |
| 21238     |                        |                            | 0      | 36.5   | DEC. PT 09/11/18 11/15/16 AW RENTAL PAYMENT MADE 7/27/16                                   |
| 21239     |                        |                            | 0      | 205.78 | DEC. PT 09/11/18 11/15/16 AW RENTAL PAYMENT MADE 7/27/16                                   |
| 21489     |                        |                            | 0      | 598.72 | DEC. AR 11/15/16 AW RENTAL PAYMENT MADE 9/6/16   |
| 21607     | MOUND POINT            |                            | 230    | 230    | DEC. PT 9/9/2020 11/15/16 AW HBP IN LEASE WELL   |
| 21608     |                        |                            | 0      | 199.35 | DEC. PT 9/9/2020 11/15/16 AW RENTAL PAYMENT MADE 9/6/16                                    |
| 21611     |                        |                            | 0      | 44.17  | DEC. PT 9/9/2018 11/15/16 AW RENTAL PAYMENT MADE 9/6/16                                    |
| 21612     |                        |                            | 0      | 286.4  | DEC. PT 9/9/2018 11/15/16 AW RENTAL PAYMENT MADE 9/6/16                                    |
| 21613     |                        |                            | 0      | 199.73 | DEC. PT 9/9/2018 11/15/16 AW RENTAL PAYMENTS MADE 9/8/16                                   |
| 21614     |                        |                            | 0      | 402.03 | DEC. PT 9/9/2018 11/15/16 AW RENTAL PAYMENT MADE 9/6/16                                    |
| 21615     |                        |                            | 0      | 51.8   | DEC. PT 9/9/2018 11/15/16 AW RENTAL PAYMENT MADE 9/6/16                                    |
| 21616     |                        |                            | 0      | 157.31 | DEC. PT 9/9/2018 11/15/16 AW RENTAL PAYMENT MADE 9/6/16                                    |



Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: December 15, 2016 12:19 PM

District Code 3 Lake Charles- North

Get Review Date December 14, 2016

| Well ID | Location          | Well Description   | Original Production | Current Production | Staff Review  |
|---------|-------------------|--|---------------------|--------------------|---|
| 00376   | LOGANSPO          | HA RA SUPP;CARAWAY EST 29 HZ<br>10/20/2009<br>28-AA-19 09-1111 | 150                 | 150                | DEC. AR 11/14/16 SR AR - HBP FIVE UNITS. 18 PROD. WELLS   |
| 00476   | LAKE ST JOHN      | LSJ SU   | 2145                | 2145               | DEC. AR 11/14/16 SR AR - HBP THREE UNITS. 16 PROD. WELLS  |
| 00554   | HAYNESVILLE       | HA P SU<br>07/01/1976  | 668                 | .668               | DEC. AR 11/14/16 SR AR - HBP ONE UNIT. 1 PRODUCING WELLS  |
| 02978   | CADDO PINE ISLAND | 248356-STATE A-008<br>10/06/2014                               | 181.3               | 181.3              | DEC. AR 11/14/16 SR AR - HBP 2 UNITS 7 PROD. WELLS  |
| 09076   | GREENWOOD-WASKOM  | HA RA SUOO;LEE ETAL 6 H<br>08/04/2009<br>270-MM-22 09-846      | 46.62               | 46.62              | DEC. AR 11/14/16 SR AR - 100% HBP. 2 UNITS. 2 PROD. WELLS   |
| 09314   | ADA               | HOSS A RA SUNN;COLE E<br>07/01/1990                            | 40                  | 40                 | DEC. AR 11/14/16 SR AR - 100% HBP. 1 UNITS. 3 PROD. WELLS   |
| 09749   | SALINE LAKE       | SALL WX RA SU<br><br>152-B-1                                   | 17.8                | 17.8               | DEC. AR 11/14/16 SR AR - 100% HBP 1 UNIT. 2 PROD WELLS  |
| 10333   | CADDO PINE ISLAND | CAPI VIV RA SU<br>03/01/1993                                   | 8                   | 8                  | DEC. AR 11/14/16 SR AR - 100% HBP 1 UNIT 12 PROD WELLS. RESERVOIR WIDE UNIT   |
| 12847   | SHREVEPORT        | HA RA SUB;BLACK STONE 28-21 H<br>08/18/2009<br>13-L-1          | 610                 | 610                | DEC. AR 11/14/16 SR AR - PRODUCTION FROM 1 UNIT. 1 PROD. WELL. PR REQUESTED 10/24/2014. THAT PORTION PRODUCTIVE CONTAINS 0.10 ACRES   |
| 16503   | CASPIANA          | HOSS RA SUJ;D S JONES ETAL 10<br>04/15/1975<br>191-B 75-86     | .76                 | .76                | DEC. AR 11/14/16 SR AR - 100% HBP 1 UNITS 1 PRODUCING WELLS. HOSS RA SUJ; 612702 GEOGRAPHICALLY IDENTICAL UNIT SHOW NO PRODUCTION   |
| 17127   | SWAN LAKE         | HA RA SUP;MARTIN 26 H<br>05/05/2009<br>691-C-5                 | 24.37               | 24.37              | DEC. AR 11/14/16 SR AR - PRODUCING FROM. 2 UNITS. 2 PROD. WELLS. LEASE OVERLAPS (AS SHOWN ON LEASE LAYER AND SURVEY PLAT FOR HA RA SUP INTO SL 19764 IN TWO UNITS (HA RA SUW AND HA RA SUV) TRANSMITTAL SHOWS SL 17127 WITHIN HA RA SUV (CONFLICTED). (HA RA SUW IS CURRENTLY BEING HELD IN BHP ESCROW) PRELIMINARY TRANSMITTAL DOES NOT INCLUDE SL 17127. HA RA SUV DOES NOT SHOW IN PROPERTY FOR SL 17127. QLD SCREEN |

Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: December 15, 2016 12:19 PM

District Code 3 Lake Charles- North

Get Review Date December 14, 2016

| Parcel ID | Tract                 | Acres   | Acres  | Acres  | Notes  |
|-----------|-----------------------|---|--------|--------|--|
| 17640     | ELM GROVE             | HA RA SU97;TIETZ 12<br>10/20/2009<br>361-L-65 09-1113               | 62.26  | 62.26  | DEC. AR 11/14/16 SR AR -<br>100% HBP 2 UNITS 13 PROD.<br>WELLS   |
| 17936     | THORN LAKE            | HA RA<br>SUBB;BETHARD CORP<br>14 H<br>01/26/2010<br>1145-B-24 10-95 | 50.03  | 59.03  | DEC. AR SAL OMR MANAGED<br>WLF 11/14/16 SR AR - 100%<br>HBP ONE ACTIVE UNIT. 2<br>PRODUCING WELLS. (BHP<br>ESCROW RED RIVER ISSUE)   |
| 18276     | ELM GROVE , SWAN LAKE | HA RA SULL;BLACK 2-<br>15-11 H<br>01/27/2009<br>361-L-22 09-93      | 12     | 12     | DEC. AR 11/14/16 SR AR -<br>100% HBP 3 UNITS 1 PROD<br>WELLS   |
| 18687     | GREENWOOD-WASKOM      | HA RA SUG;EDGAR 31<br>09/16/2008<br>270-MM-2                        | 20     | 20     | DEC. AR 11/14/16 SR AR -<br>100% HBP 1 UNIT. 2 PROD.<br>WELLS  |
| 19181     | CASPIANA , THORN LAKE | HA RA SU117;CHK MIN<br>16-14-12 H<br>03/15/2011<br>191-H-131 11-117 | 3.3    | 3.3    | DEC. AR SAL OMR MANAGED<br>BAYOU PIERRE WMA 11/14/16<br>SR AR - 100% HBP 5 UNITS. 8<br>PROD. WELLS   |
| 19542     | ELM GROVE             | HA RA<br>SU88;TALIAFERRO 28<br>H<br>08/11/2009<br>361-L-54          | 234    | 234    | DEC. AR 11/14/16 SR AR - 1<br>UNIT. 1 PROD. WELL HOLDING<br>PRODUCTIVE ACREAGE. PR?<br>EMAIL TO VB 11/12/2013<br>REGARDING STATUS OF PR.<br>ON FF 11/28/12 RCD UNOFL PR<br>OF 65 RTNG 169. REQUIRES<br>SURVEY PLAT(S) 11/02/2015<br>WAITING ON SURVEY PLAT |
| 19833     | BRACKY BRANCH         | 13.122<br>11/08/2012  | 3.454  | 3.454  | DEC. AR 11/14/16 SR AR -<br>100% HBP 2 UNITS 2 PROD.<br>WELLS  |
| 19930     | FAIRVIEW              | 245127-VUA;SL 19930-<br>001<br>07/05/2012                           | 105    | 105    | DEC. AR 11/14/16 SR AR -<br>100% HBP 1 VUA. 1 PROD<br>WELL   |
| 20140     | RED RIVER-BULL BAYOU  | HA RB<br>SU64;MATTHEWS 12 H<br>09/10/2009<br>109-X-61 09-966        | 26.67  | 26.67  | DEC. AR TAX ADJUDICATED<br>LAND 11/14/16 SR AR - 100%<br>HBP 1 UNIT. 1 PROD WELL   |
| 20149     | CASPIANA              | HA RA SUX;NEWPORT<br>DEV LLC 1<br>10/20/2008<br>191-H-20 08-1599    | 7.398  | 7.398  | DEC. AR 11/14/16 SR AR -<br>100% HBP. 1 UNIT . 1 PROD<br>WELL. PROD/RETAINED AC<br>FROM CERTIFIED SURVEY<br>PLAT   |
| 20166     | THORN LAKE            | HA RA SUS;LDW&F 15-<br>14-12 H<br>01/19/2010<br>1145-B-25 10-88     | 13.5   | 13.5   | DEC. AR SAL OMR MANAGED<br>WLF 11/14/16 SR AR - 100%<br>HBP. 1UNIT . 1 PROD. WELL  |
| 20167     | THORN LAKE            | HA RA SUS;LDW&F 15-<br>14-12 H<br>01/19/2010<br>1145-B-25 10-88     | 27.5   | 27.5   | DEC. AR SAL OMR MANAGED<br>WLF 11/14/16 SR AR - 100%<br>HBP. 1UNIT . 1 PROD. WELL  |
| 20168     | RED RIVER-BULL BAYOU  | HA RD SUBB;GUION<br>23-14-12 H<br>10/13/2009<br>109-X-65 09-1106    | 68     | 68     | DEC. AR SAL OMR MANAGED<br>WLF 11/14/16 SR AR -PROD. 2<br>UNITS.11 PROD WELLS  |
| 20192     | CONVERSE              | HA RA SU111;BSMC<br>LA A 25 HZ                                      | 18.014 | 18.014 | DEC. AR 11/14/16 SR AR -<br>100% HBP 1 UNIT 2 PROD.  |



Louisiana Department of Natural Resources (DNR)

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Report run on: December 15, 2016 12:19 PM

District Code 3 Lake Charles- North

Get Review Date December 14, 2016

| Well ID | Well Name                           | Well Type                    | Permit No.       | Permit Date | Production | Injection | Notes  |
|---------|-------------------------------------|------------------------------|------------------|-------------|------------|-----------|--|
|         |                                     |                              |                  | 10/26/2010  |            |           | WELL   |
| 20424   | REDOAK LAKE                         | HA RA SUGG;ROGER BIERDEN 14H | 501-G-34 10-1090 | 03/09/2010  | 20         | 20        | DEC. AR 11/14/16 SR AR - 100% HBP. 1 UNIT. 1 PROD WELL       |
| 20426   | PARKER LAKE                         | MINTER SU63;JUSTISS PL       | 949-C-9 10-231   | 11/29/2010  | 3          | 3         | DEC. AR 11/14/16 SR AR - 100% HBP. 1 UNIT. 1 PRODUCING WELL  |
| 20721   | CHEMARD LAKE , RED RIVER-BULL BAYOU |                              | 11.624           | 12/04/2012  | 96.376     | 96.376    | DEC. AR 11/14/16 SR AR - 100% HBP 3 UNITS. 3 PRODUCING WELLS |
| 21005   | FAIRVIEW                            | 246750-VUA;SL 21005 ETAL-001 | 08/06/2013       |             | 52         | 52        | NOV. AR 11/14/16 SR AR 1 UNIT. 1 PROD. WELL. PR REQ 10-25-16 |
| 21609   | CASPIANA                            | CV RA SU122;CHANDLER         | 01/17/2007       |             | 0          | 19.292    | DEC. PT 9/9/2018 11/14/16 RENTAL PAID                        |
|         |                                     |                              | 191-A-164 07-36  |             |            |           |  |

Louisiana Department of Natural Resources (DNR)

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Staff Reviews

Report run on: December 15, 2016 12:19 PM

District Code 3S Lake Charles- South

Get Review Date December 14, 2016

| Account # | Location             | Acres  | Original | Current | Comments  |
|-----------|----------------------|--|----------|---------|---|
| 11859     | LAKE ARTHUR, SOUTH   | U MIOGYP RA SUE;GLENN 10/01/1990               | 33.288   | 33.288  | DEC AR 12/2/16 DP AR - HBP - 2 UNIT;;   |
| 12569     | LAKE ARTHUR, SOUTH   | 11.05 09/25/1991                               | 15.95    | 15.95   | DEC AR 12/2/16 DP AR AR - HBP - 2 UNIT;;  |
| 12651     | LAKE ARTHUR, SOUTH   | 140.678 01/29/1993                             | 44.322   | 44.322  | DEC SAR 12/2/16 DP SAR - HBP - 1 UNIT MET WITH ATLAS ON NOV. 2; PROBLEMS WITH ROYALTIES WILL HOPFULLY BE SOLVED SOON;;  |
| 12718     | BAYOU GROSSE TETE    | 13.21 05/04/1992                               | 4.79     | 4.79    | DEC AR 12/2/16 DP AR - HBP - 1 UNIT;;   |
| 13465     | WEST CAMERON BLOCK 1 | 9850 RA SUA;SL 12848 12/19/2006 1358-G 06-1428 | 1.04     | 1.04    | DEC. AR 12/2/16 DP AR - HBP - 2 UNIT;;  |
| 17156     | VERMILION BLOCK 16   |  | 100      | 813     | JUN AR 12/14/16 DP QR - HBP - 1 SL WELL   |
| 19098     | WEST CAMERON BLOCK 1 | 10.16 10/01/2007                               | 3.55     | 3.55    | DEC QR 12/2/16 DP QR - HBP - 1 SL WELL, LEASE WAS AQUIRED BY ERG BUT OWNERSHIP IS STILL HARVEST; WILL WAIT UNTILL ASSIGNMENT IS APPROVED BEFORE WRITING ERG ABOUT DEVELOPMENT;; |
| 19109     | WEST CAMERON BLOCK 1 | 21.19 10/01/2007                               | 7.57     | 7.57    | DEC AR 12/2/16 DP AR - HBP - 1 UNIT;;   |
| 19894     | PORT BARRE           | 33.647 03/01/2010                              | 5.353    | 5.353   | DEC AR 12/2/16 DP AR - HBP - 1 UNIT;;   |
| 19895     | PORT BARRE           | 44.188 04/11/2011                              | 4.812    | 4.812   | DEC AR 12/2/16 DP AR - HBP - 1 UNIT;;   |
| 20179     | ABBEVILLE            | 4.932 12/01/2014                               | 208      | .208    | DEC AR 12/2/16 DP AR - HBP - 2 UNIT;;   |
| 20180     | ABBEVILLE            | 4.543 12/01/2014                               | 4.137    | 4.137   | DEC AR 12/2/16 DP AR - HBP - 2 UNITS;;  |
| 20361     | GRAND CHENIERE       | 60.7 07/12/2012                                | 23.3     | 23.3    | DEC SAR 12/2/16 DP SAR - HBP - 1 VU;;   |
| 20473     | CREOLE OFFSHORE      | 717.43 10/21/2015                              | 27.52    | 27.52   | DEC AR 12/2/16 DP AR - HBP - 1 VU;;   |
| 21057     | TEPETATE, WEST       | 14 01/15/2016                                  | 1.606    | 14      | FEB PT 11/30/15 CS, AR NO PRODUCTIVE ACREAGE. RELEASE IN PROGRESS   |
| 21610     |                      |  | 0        | 8.24    | DEC. PT 9/9/2018- 12/2/16 DP AR - HELD BY RENTAL PAID 9/9/2016;;  |



Louisiana Department of Natural Resources (DNR)

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**Staff Reviews**

Report run on: December 15, 2016 12:19 PM

116

24,329,836

45,932,508

## **b) NOMINATION AND TRACT REPORT**

The Board heard the report of Mr. Emile Fontenot **presented at 9:38 a.m.** on Wednesday December 14, 2016 relative to nominations received in the Office of Mineral Resources for the February 8, 2017 Mineral Lease Sale and other matters. Based upon the staff's recommendation, on motion of *Mr. Arnold*, duly seconded by *Ms. LeBlanc*, the Board granted authority to the staff to advertise all such tracts as have been reviewed by the 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.

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Tracts to Be  
Advertised for the  
February 8, 2017  
Lease Sale

**Resolution #16-12-001**  
**(NOMINATION AND TRACT REPORT)**

**WHEREAS**, Mr. Emile Fontenot reported that 4 tracts had been nominated for the February 8, 2017 Mineral Lease Sale, and requests that same are to be advertised pending staff review;

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

That the State Mineral and Energy Board grant final approval to advertise all such tracts for the February 8, 2017 Mineral Lease Sale;

**NOW, BE IT THEREFORE RESOLVED**, that the State Mineral and Energy Board does hereby approve and authorize the advertising of all such tracts reviewed by the 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.

**CERTIFICATE**

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting of the Louisiana State Mineral and Energy Board in the City of Baton Rouge, Louisiana, on the 14th day of December 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



David W. Boulet, Secretary

LOUISIANA STATE MINERAL AND ENERGY BOARD

### **c) AUDIT REPORT**

The first matter on the audit report was the election of the December 2016 gas royalty to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

No action required.

The second matter on the audit report was a discussion on penalty waiver protocol as requested by the Board at the November 9, 2016 SMEB meeting.

No action required.



#### **(d) LEGAL AND TITLE CONTROVERSY REPORT**

The first matter considered by the Board was a request by DNR legal staff and the Attorney General's Office to extend the previously granted authority to Hilcorp Energy Company, et al to escrow royalty payments attributable to the disputed acreage within State Lease Nos. 724, 21150, 21152 and 21157 situated in the CIB CARST RA SUA unit, Four Isle Dome Field, Terrebonne Parish, Louisiana, commencing on August 10, 2016 through December 14, 2016 to the March 2017 Board Meeting.

Upon motion of Mr. Arnold, seconded by Mr. Watkins, and by unanimous vote of the Board, the State Mineral and Energy Board granted final approval to extend the previously granted authority to Hilcorp Energy Company within State Lease Nos. 724, 21150, 21152 and 21157 situated in the CIB CARST RA SUA unit, Four Isle Dome Field, Terrebonne Parish, Louisiana, to the March 2017 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month). No comments were made by the public.

The second matter considered by the Board was a request by staff that the State Mineral and Energy Board adopt the following policy for penalties assessed pursuant to La. R.S. 30:128.B.1 for late transfers and assignments:

|                         |   |                |
|-------------------------|---|----------------|
| First infraction        | - | 100% reduction |
| Second infraction       | - | 75% reduction  |
| Third infraction        | - | 50% reduction  |
| More than 3 infractions | - | 0% reduction   |

Upon motion of Mr. Arnold, seconded by Mr. Harris, and by unanimous vote of the Board, the State Mineral and Energy Board granted final approval to adopt the preceding policy for penalties assessed pursuant to La. R.S. 30:128.B.1 for late transfers and assignments. No comments were made by the public.

The third matter considered by the Board was a request by White Marlin Oil and Gas Company, LLC for the State Mineral and Energy Board to refrain from nominating or accepting nominations on 20.84 state acres now or formerly covered by State Lease No. 1908 until March 8, 2017.

Upon motion of Mr. Arnold, seconded by Mr. Watkins, and by unanimous vote of the Board, the State Mineral and Energy Board granted authority to Staff to take the 20.84 state acres now or formerly covered by State Lease No. 1908 out of commerce until March 8, 2017. No comments were made by the public.

The fourth matter considered by the Board was a request by Prometheus Development, Inc. for a waiver, in whole or in part, of the liquidated damage assessment in the amount of \$3,600.00 for failure to re-register as a leaseholder of State Lease No. 17339 by May 31, 2016.

Upon motion of Mr. Haik, seconded by Mr. Hollenshead, and by unanimous vote of the Board, the State Mineral and Energy Board does not grant a waiver, in whole or in part, of the liquidated damage assessment in the amount of \$3,600.00 for failure by Prometheus Development, Inc. to re-register as a leaseholder. No comments were made by the public.

The fifth matter considered by the Board was a request by CSI Energy LP for a waiver, in whole or in part, of the liquidated damage assessment in the amount of \$2,400.00 for failure to re-register as a leaseholder of State Lease No. 2038 by June 30, 2016.

Upon motion of Mr. Arnold, seconded by Ms. LeBlanc, and by unanimous vote of the Board, the State Mineral and Energy Board granted a complete waiver of the liquidated damage assessment in the amount of \$2,400.00 to CSI Energy LP for failure to re-register as a leaseholder. No comments were made by the public.

The sixth matter considered by the Board was an objection by Attic Investments, Inc. to the assignment of its interest to Triumph Energy I, LLC in State Lease Nos. 20482, 20781, 20967, 20968 and 21363. The assignment appeared on the December 14, 2016 Docket under Section B, number 15, for State Mineral and Energy Board approval.

Upon motion of Mr. Arnold, seconded by Ms. LeBlanc, and by unanimous vote of the Board, the State Mineral and Energy Board approved the assignment of Attic Investments, Inc.'s interest to Triumph Energy I, LLC in State Lease Nos. 20482, 20781, 20967, 20968 and 21363. No comments were made by the public.

The seventh matter considered by the Board was a request from Louisiana Onshore Properties, LLC that the State Mineral and Energy Board authorize staff to negotiate the terms of two operating agreements with LOP, one operating agreement covering approximately 0.193 acres of a portion of former State Lease No. 20540 (also identified as Tracts 2 and 3 of the CM RA SUJ unit); and a second operating agreement covering approximately 0.694 acres of a portion of former State Lease No. 19945/AO 326 (as identified as Tract 1 of the CM RA SUH unit), Weeks Island Field, Iberia Parish, Louisiana.

It was further requested that the acreage be removed from commerce and unavailable for leasing until the March 8, 2017 Board Meeting or until an operating agreement is completed and approved by the Board, whichever occurs first.

Upon motion of Mr. Arnold, seconded by Ms. LeBlanc, and by unanimous vote of the Board, the State Mineral and Energy Board authorized the staff to negotiate the terms of an operating agreement covering approximately 0.193 acres of a portion of former State Lease No. 20540 (also identified as Tracts 2 and 3 of the CM RA SUJ unit); a second operating agreement covering approximately 0.694 acres of a portion of former State Lease No. 19945/AO 326 (as identified as Tract 1 of the CM RA SUH unit), Weeks Island Field, Iberia Parish, Louisiana; and to remove the acreage from commerce and unavailable for leasing until the March 8, 2017 Board Meeting or until an operating agreement is completed and approved by the Board, whichever occurs first. No comments were made by the public.

The eighth matter before the Board was a presentation by James Devitt and William Iturralde, DNR's Legal Division, in reference to ongoing discussions and negotiation with the Office of Debt Recovery (Department of Revenue) regarding an Agency Participation Agreement in accordance with La. R.S. 47:1676. Also participating in this presentation were B.J. Meche and Jarrod Coniglio from the Office of Debt Recovery.

The ninth matter considered by the Board was to allow Staff to negotiate an Operating Agreement with Allen Brothers covering approximately 20 unleased state-owned acreage in former State Lease No. 3170, Caddo Parish, Louisiana, and that the acreage be taken out of

commerce for leasing until March 8, 2017, or until such agreement is perfected and approved by the Board, whichever occurred first.

Upon motion of Ms. LeBlanc, seconded by Mr. Arnold, and by unanimous vote of the Board, the State Mineral and Energy Board authorized Staff to negotiate an Operating Agreement with Allen Brothers on approximately 20 unleased state-owned acreage in former State Lease No. 3170 and that acreage be taken out of commerce until March 8, 2017, or until such agreement is perfected and approved by the Board, whichever occurred first. Mr. Hollenshead recused himself from this vote. No comments were made by the public.

The tenth matter before the Board was an update to the State Mineral and Energy Board regarding the Proposed New Lease Form.

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

HILCORP ENERGY COMPANY, ET AL  
ESCROW EXTENSION  
CIB CARST RA SUA Unit  
Four Isle Dome Field  
State Lease Nos. 724, 21150,  
21152 & 21157

## RESOLUTION #16-12-002

### (LEGAL & TITLE CONTROVERSY REPORT)

**WHEREAS**, pursuant to La. R.S. 30:121, the State Mineral and Energy Board (Board) shall administer the State of Louisiana's (State) proprietary interest in the minerals in and upon the lands and water bottoms belonging to the State or the title to which is in the public trust; and

**WHEREAS**, pursuant to La. R.S. 30:124, the Board has authority to lease such lands and water bottoms for the development and production of minerals, oil, gas or alternative energy sources; and

**WHEREAS**, pursuant to La. R.S. 30:129, the Board has full supervision over all mineral leases granted by the State, and is authorized to take any action necessary to protect the interests of the State and enter into agreements or amend leases in the manner most beneficial to the State; and

**WHEREAS**, disputes regarding the ownership of minerals to which the State claims title periodically occur and Lessees are required to promptly notify the Office of Mineral Resources (OMR) of adverse claims by any individual or entity not a party to a State Lease; and

**WHEREAS**, by Resolution #15-06-016, dated June 10, 2015, the Board continued the practice of permitting Lessees to request authority to escrow royalties on title disputed lands under lease by the State; and

**WHEREAS**, on May 5, 2014, Hilcorp Energy Company and other working interest owners (Lessees) notified OMR that a *bona fide* dispute exists due to an adverse claim regarding the ownership or title to all or a portion of the premises under lease by the State within the CIB CARST RA SUA Unit affecting State Lease Nos. 724, 21150, 21152 and 21157, Four Isle Dome Field, Terrebonne Parish, Louisiana, and requested authorization to deposit the royalty payments due on the production attributable to the disputed acreage into an escrow account in lieu of making such payments directly to OMR as required by the State Lease; and

**WHEREAS**, the Board, by Resolution dated May 14, 2014, granted Lessees authority to escrow royalty payments for a period of ninety (90) days from that date; and

**WHEREAS**, the Board, by Resolution dated August 13, 2014, granted Lessees an extension of this escrow authority for a period not to exceed November 12, 2014; and

**WHEREAS**, the Board, by Resolution dated November 12, 2014, granted Lessees a second extension of this escrow authority for a period of one hundred eighty (180) days from that date; and

**WHEREAS**, the Board, by Resolution dated June 10, 2015, granted Lessees a third extension of this escrow authority for a period of one hundred twenty (120) days effective May 12, 2015 and continuing through September 8, 2015; and

**WHEREAS**, the Board, by Resolution No. 15-08-020, dated August 12, 2015, granted Lessees an extension of this escrow authority commencing August 12, 2015 and continuing through the February 2016 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month); and

**WHEREAS**, the Board, by Resolution No. 16-02-007, dated February 10, 2016, granted Lessees an extension of this escrow authority commencing February 10, 2016 and continuing through the August 10, 2016 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month); and

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**RESOLUTION #16-12-002**  
**(LEGAL & TITLE CONTROVERSY REPORT)**

**WHEREAS**, the Board, by Resolution No. 16-08-013, dated August 10, 2016, granted Lessees an extension of escrow authority commencing August 10, 2016 and continuing through the December 14, 2016 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month); and

**WHEREAS**, DNR's Legal Staff, the Attorney General's Office, and the Lessees request an extension of the previously granted escrow authority to afford the interested parties additional time to negotiate an amicable resolution of the adverse claim; and

**WHEREAS**, it is advantageous to the State for the Board to grant this request for an extension of this escrow authority for a fixed duration of time, as an alternative to litigation, during which the adverse claim will be evaluated by the interested parties and effort made to negotiate an amicable resolution; and

**WHEREAS**, in response to this request for an extension of the escrow authority, OMR Staff offered the following recommendation for consideration by the Board:

That the State Mineral and Energy Board approve the request for an extension of this escrow authority, commencing December 14, 2016 and continuing through the March 2017 Board Meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties additional time to further pursue resolution of the adverse claim, which authority should be granted subject to the standard escrow procedure and requirements established by OMR.

**ON MOTION** of Mr. Arnold, 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 request for extension of the escrow authority previously granted by Resolution #16-08-013 is hereby approved.

**BE IT FURTHER RESOLVED:**

- 1) Lessee is hereby authorized to suspend the direct payment of royalties to OMR on the disputed acreage related to the title disputed acreage within State Lease Nos. 724, 21150, 21152 and 21157 situated in the CIB CARST RA SUA Unit, Four Isle Dome Field, Terrebonne Parish, Louisiana;
- 2) The escrow authority extended hereby is effective December 14, 2016 and continuing through the March 2017 Board meeting (or the date of the next meeting of the Board thereafter, should it not meet that month), to allow the interested parties time to evaluate and resolve the adverse claim;
- 3) The escrow authority extended hereby is contingent upon Lessee's compliance with the standard escrow procedure and requirements established by OMR;
- 4) The deposit of royalties into the escrow account shall be accepted by the Board as the royalty payments required by the State Lease, and Lessee shall not be held in default of payment of its royalty obligation owed the State as long as deposits are timely and properly made as required by the State Lease into the escrow account; and
- 5) The Board reserves the right to audit the royalty payments deposited into the escrow account and further reserves all audit rights authorized by the State Lease.

**BE IT FURTHER RESOLVED:**

- 1) Lessee shall continue to maintain a separate, interest bearing escrow account at a FDIC insured financial institution having a presence in the State of Louisiana;
- 2) Throughout the extended escrow period, Lessee shall continue to timely provide fully completed SR-9 Reports (and any other requested documents) to OMR;
- 3) Throughout the extended escrow period, Lessee shall continue to timely deposit the properly calculated and reported royalty payments attributable to the disputed acreage into the escrow account;

- 4) Throughout the extended escrow period, Lessee shall continue to provide documentation (copies of deposited checks, deposit receipts or monthly bank statements) of the timely deposit of royalty payments into the escrow account;
- 5) Throughout the extended escrow period, Lessee shall continue to cooperate, in good faith, with OMR's efforts to negotiate a royalty sharing agreement or other amicable resolution of the title dispute with the adverse claimant(s);
- 6) If the ownership/title dispute is amicably resolved prior to expiration of the extended escrow period, the royalty payments on deposit and interest thereon accumulating in the escrow account shall be timely distributed in accordance with the negotiated resolution;
- 7) If the ownership/title dispute is not amicably resolved prior to expiration of the authorized escrow extension, Lessee shall, within fifteen (15) calendar days of expiration:
  - a) Resume direct payment of royalties to OMR and transfer all royalty payments, including interest, on deposit in the escrow account to OMR; or
  - b) Invoke a concursus proceeding, transfer all royalty payments, including interest, on deposit in the escrow account into the Registry of the Court and continue the direct payment of royalties into the Registry of the Court through adjudication of the dispute;
- 8) Lessee shall not transfer nor release any funds, including interest, on deposit in the escrow account authorized by this Resolution without the knowledge and written approval of OMR; and
- 9) All charges and expenses in connection with the creation and maintenance of the escrow account authorized hereby are to be borne by Lessee.

**BE IT FURTHER RESOLVED** that Lessee is obligated to continue to strictly comply with the requirements applicable to the original and extended escrow authority in accordance with the requirements set forth herein and as required by OMR. Lessee's failure to:

- 1) Timely create the escrow account; or
- 2) Timely deposit royalty payments into the escrow account; or
- 3) Timely provide required reports and documentary proof of deposits; or
- 4) Timely invoke a concursus proceeding or resume direct payment of royalties to OMR upon expiration of the escrow authority;

may result in the escrow authority granted hereby being rendered null and void *ab initio* by the Board, thus subjecting Lessee to the penalties and interest authorized by law and the State Lease.

**CERTIFICATE**

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice and in compliance with law, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Board and is now in full force and effect.



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**DAVID W. BOULET, SECRETARY  
STATE MINERAL AND ENERGY BOARD**

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**RESOLUTION #16-12-002  
(LEGAL & TITLE CONTROVERSY REPORT)**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #16-12-003

(LEGAL & TITLE CONTROVERSY REPORT)

LATE TRANSFER  
OR ASSIGNMENT OF  
SL - PENALTY POLICY

**WHEREAS**, pursuant to La. R.S. 30:128.B.(1), the State Mineral and Energy Board (Board) must grant approval of any transfer or assignment of all State Leases within sixty (60) days of execution of such transfer or assignment; and

**WHEREAS**, pursuant to La. R.S. 30:128.B.(1), transferor or assignor's failure to request Board's approval of transfer or assignment of State Lease within sixty (60) days of execution of transfer or assignment shall subject the transferor or assignor to a civil penalty of one hundred dollars (\$100) per day beginning on the sixty-first (61<sup>st</sup>) day following the execution of the transfer or assignment; and

**WHEREAS**, pursuant to La. R.S. 30:128.B.(1), transferor or assignor's penalty for failure to request Board's approval of any transfer or assignment of State Lease within sixty (60) days of execution of transfer or assignment shall continue to accrue on a daily basis until the date on which the transfer or assignment is received by the Office of Mineral Resources (OMR) for Board's approval or to a maximum amount of one thousand dollars (\$1,000.00); and

**WHEREAS**, pursuant to La. R.S. 30:128.B.(2), the penalties received by the Board for failure by transferor or assignor to request Board's approval of transfer or assignment of State Lease within sixty (60) days of execution of transfer or assignment shall be paid into the Mineral and Energy Operation Fund on behalf of the Board; and

**WHEREAS**, pursuant to La. R.S. 30:128.B.(2), the Board may waive all or any part of any penalty assessed;

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

**THEREFORE, BE IT RESOLVED** that the Board adopts the following assessment of penalty pursuant to La. R.S. 30:128.B.(1), for failure by transferor or assignor to request Board's approval of any transfer or assignment of State Lease within sixty (60) days of execution of such transfer or assignment.

**BE IT FURTHER RESOLVED** that the assessment of penalty shall continue to accrue on a daily basis until the date on which the transfer or assignment is received by OMR for Board's approval or to a maximum amount of one thousand dollars (\$1,000.00).

**BE IT FURTHER RESOLVED** that the Board may waive all or any part of any penalty assessed for failure by transferor or assignor to request Board's approval of a transfer or assignment of State within sixty (60) days of execution of the transfer or assignment in accordance with the following policy for penalties:

|                         |   |                |
|-------------------------|---|----------------|
| First Infraction        | - | 100% Reduction |
| Second Infraction       | - | 75% Reduction  |
| Third Infraction        | - | 50% Reduction  |
| More Than 3 Infractions | - | 0% Reduction   |

### 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 14<sup>th</sup> day of December 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said Louisiana State Mineral and Energy Board and is now in full force and effect.



DAVID W. BOULET, SECRETARY  
STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

White Marlin Oil and Gas  
Company, LLC  
State Lease No. 1908

## RESOLUTION #16-12-004

(LEGAL & TITLE CONTROVERSY REPORT)

**WHEREAS**, a request was made by White Marlin Oil and Gas Company, LLC, that the Mineral and Energy Board refrain from nominating or accepting nominations on 20.84 state acres now or formerly covered by State Lease No. 1908 until March 8, 2017;

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

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to Staff to take the 20.84 state acres now or formerly covered by State Lease No. 1908 out of commerce until March 8, 2017.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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DAVID W. BOULET, SECRETARY  
STATE MINERAL AND ENERGY BOARD



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #16-12-005

Prometheus Development  
Request for Waiver for Failure to  
Re-Register as Leaseholder

(LEGAL & TITLE CONTROVERSY REPORT)

**WHEREAS**, a request was made by Prometheus Development, Inc. to the State Mineral and Energy Board (Board) for a waiver, in whole or in part, of the liquidated damage assessment in the amount of \$3,600.00 for failure to re-register as a leaseholder of State Lease No. 17339 by May 31, 2016;

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

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

**NOW THEREFORE, BE IT RESOLVED** that the Board hereby does not accept Staff's recommendation for a waiver, in whole or in part, of the liquidated damage assessment on Prometheus Development, Inc. in the amount of \$3,600.00 for failure to re-register as a leaseholder of State Lease No. 17339 by May 31, 2016.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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DAVID W. BOULET, SECRETARY  
STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #16-12-006

CSI Energy LP  
Liquidated Damages –  
Failure to Re-Register

### (LEGAL & TITLE CONTROVERSY REPORT)

**WHEREAS**, a request was made by CSI Energy LP (CSI) to the State Mineral and Energy Board (Board) for a waiver, in whole or in part, of the liquidated damage assessment in the amount of \$2,400.00 for failure to re-register as a leaseholder of State Lease No. 2038 by June 30, 2016;

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

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

**NOW THEREFORE, BE IT RESOLVED** that the Board does hereby grant a full and complete waiver to CSI of the \$2,400.00 liquidated damage assessment.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.

  
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DAVID W. BOULET, SECRETARY  
STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION #16-12-007

Attic Investments, Inc objection to  
assignment of interest to Triumph  
Energy I, LLC in SL #20482, 20781,  
20967, 20968 & 21363

### (LEGAL & TITLE CONTROVERSY REPORT)

**WHEREAS**, a request was made by Attic Investments, Inc. (Attic) to the State Mineral and Energy Board (Board) objecting to the assignment of its interest to Triumph Energy I, LLC in State Lease Nos. 20482, 20781, 20967, 20968 and 21363. The assignment appears on the Docket under Section B, Number 15, for the Board's approval;

**WHEREAS**, the Staff of the Office of Mineral Resources, upon thorough review and consideration, recommended the approval by the Board of assignment of Attic's interest in State Lease Nos. 20482, 20781, 20967, 20968 and 21363 to Triumph Energy I, LLC in the assignment appearing on Docket under Section B, Number 15;

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

**NOW THEREFORE, BE IT RESOLVED** that the Board does hereby grant approval of the assignment of Attic's interest in State Lease Nos. 20482, 20781, 20967, 20968 and 21363 to Triumph Energy I, LLC in the assignment appearing on Docket under Section B, Number 15.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



DAVID W. BOULET, SECRETARY  
STATE MINERAL AND ENERGY BOARD

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Louisiana Onshore Properties, LLC  
request for OMR Staff to negotiate  
two operating agreements on former  
SL Nos 20540 & 19945/AO 326

## RESOLUTION #16-12-008

(LEGAL & TITLE CONTROVERSY REPORT)

**WHEREAS**, a request was made by Louisiana Onshore Properties, LLC (LOP) that the State Mineral and Energy Board (Board) authorize the Staff of the Office of Mineral Resources (OMR) to negotiate the terms of two operating agreements with LOP, one operating agreement covering approximately 0.193 acres of a portion of former State Lease No. 20540 (also identified as Tracts 2 and 3 of the CM RA SUJ unit); and

**WHEREAS**, LOP requests that the Board authorize the Staff of OMR to negotiate the terms of a second operating agreement covering approximately 0.694 acres of a portion of former State Lease No. 19945/AO 326 (as identified as Tract 1 of the CM RA SUH unit), Weeks Island Field, Iberia Parish, Louisiana; and

**WHEREAS**, LOP further requests that the acreage be removed from commerce and unavailable for leasing until the March 8, 2017 Board Meeting or until an operating agreement is confected and approved by the Board, whichever occurs first; and

**WHEREAS**, the Staff of OMR, upon thorough review and consideration, recommended they be granted authority to negotiate the aforementioned operating agreements and take the acreage out of commerce and unavailable for leasing until the March 8, 2017 Board Meeting or until an operating agreement is confected and approved by the Board, whichever occurs first;

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

**NOW THEREFORE, BE IT RESOLVED** that the Board does hereby grant authority to the Staff of OMR to negotiate the terms of an operating agreement covering approximately 0.193 acres of a portion of former State Lease No. 20540 (also identified as Tracts 2 and 3 of the CM RA SUJ unit);

**BE IT FURTHER RESOLVED** that the Board does hereby grant authority to the Staff of OMR to negotiate the terms of a second operating agreement covering approximately 0.694 acres of a portion of former State Lease No. 19945/AO 326 (as identified as Tract 1 of the CM RA SUH unit), Weeks Island Field, Iberia Parish, Louisiana;

**BE IT FURTHER RESOLVED** that the Board does hereby remove the acreage from commerce and be unavailable for leasing until the March 8, 2017 Board Meeting or until an operating agreement is confected and approved by the Board, whichever occurs first.

**CERTIFICATE**

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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**DAVID W. BOULET, SECRETARY  
STATE MINERAL AND ENERGY BOARD**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Allen Brothers request to  
negotiate Operating  
Agreement on former  
SL #3170

## RESOLUTION #16-12-009

(LEGAL & TITLE CONTROVERSY REPORT)

**WHEREAS**, a request was made by Allen Brothers (Allen) to the State Mineral and Energy Board (Board) to authorize Staff of the Office of Mineral Resources (OMR) to negotiate the terms of an Operating Agreement with Allen covering approximately 20 unleased state-owned acreage in former State Lease No. 3170, Caddo Parish, Louisiana;

**WHEREAS**, Allen further requests that the Board remove the acreage from commerce and be unavailable for leasing until the March 8, 2017 Board Meeting or until an Operating Agreement is confected and approved by the Board, whichever comes first.

**WHEREAS**, the Staff of OMR, upon thorough review and consideration, recommended that the foregoing requests be approved by the Board;


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

**NOW THEREFORE, BE IT RESOLVED** that the Board does hereby authorize Staff of OMR to negotiate the terms of an Operating Agreement with Allen covering approximately 20 unleased state-owned acreage in former State Lease No. 3170, Caddo Parish, Louisiana.

**BE IT FURTHER RESOLVED** that the Board does hereby approve the removal of this acreage from commerce and be unavailable for leasing until the March 8, 2017 Board Meeting or until an Operating Agreement is confected and approved by the Board, whichever comes first.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.

  
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DAVID W. BOULET, SECRETARY  
STATE MINERAL AND ENERGY BOARD

### (e) DOCKET REPORT

The Board heard the report of Macy Dennis on Wednesday, December 14, 2016, relative to the following:

Category A: State Agency Leases  
Docket Item A

Category B: State Lease Transfers.  
Docket Item Nos. 1 through 16

Category C: Department of Wildlife & Fisheries State Agency Lease Transfers  
There were no items for this category

Category D: Advertised Proposals  
Docket Item No. 1

for the December 14, 2016 Mineral Lease Sale. Based upon the staff's recommendation, on motion of *Mr. Arnold*, duly seconded by *Mr. Harris*, the Board voted unanimously to accept the following recommendations:

Category A: State Agency Leases  
Approve Docket Item A

Category B: State Lease Transfers  
Approve Docket Item Nos. 2 through 15, Docket Nos. 1 and 16 were deferred at the request of the staff

Category D: Advertise Proposals  
Approve Docket Item No. 16-36, upon recommendation of the Legal and Title Controversy Review, subject to the approval of the Governor of Louisiana.

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

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-010 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item A from the December 14, 2016 Meeting be approved, said instrument being an Oil, Gas and Mineral Lease from the Plaquemines Parish Government, dated October 13, 2016, awarded to Hilcorp Energy I, L.P., covering lands located in Section 31, Township 19 South, Range 28 East, containing 87 acres, more or less, with further contractual obligations being more enumerated in the instrument.

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

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



David W. Boulet, Secretary  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-011 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 1 from the December 14, 2016, Meeting be deferred, said instrument being An Assignment from Anadarko E&P Onshore LLC and Kerr-McGee Oil & Gas Onshore LP, of all of Assignors right title and interest to the following in the proportions set out below:

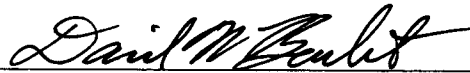
|                             |     |
|-----------------------------|-----|
| Aethon United BR LP         | 90% |
| PEO Haynesville Holdco, LLC | 10% |

in and to State Lease Nos. 6931, 10965, 16034, 16035, 16036, 16305, 16420, 16530, 16531, 16677, 16717, 17161, 17640, 17946, 18096, 18181, 20990, 20992, 20997, 20998, 21033, 21195, 21196, 21197, 21199 and 21200, Bossier, Caddo and Webster Parishes, Louisiana, with further particulars being stipulated in the instrument.

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

### 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 14th day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-012

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 2 from the December 14, 2016 Meeting be approved, said instrument being a Judgement and Amended Judgment of Possession of the Succession of Jack Webster Grigsby, whereby J Roy Burroughs and Terry Melvin Watson in their capacities as co-trustees the Jack Grigsby Family Trust for John Paul and the Jack Grigsby Family Trust for Morgan are sent into possession in the proportion of one-half interest to each trust, affecting State Lease Nos 2524, 3240 and 6815, Assumption and Caddo 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,

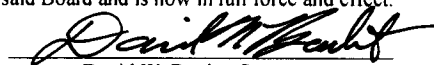
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-013

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 3 from the December 14, 2016 Meeting be approved, said instrument being an Assignment from J Roy Burroughs and Terry Melvin Watson in their capacities as co-trustees the Jack Grigsby Family Trust for John Paul and the Jack Grigsby Family Trust for Morgan to the Jack Grigsby Family Trust Working Interest L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 2524 and 6815, Caddo Parish, Louisiana, with further particulars being stipulated in the instrument.

Jack Grigsby Family Trust Working Interest 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 or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-014 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 4 from the December 14, 2016 Meeting be approved, said instrument being an Assignment from J. Roy Burroughs and Terry Melvin Watson in their capacities as co-trustees the Jack Grigsby Family Trust for John Paul and the Jack Grigsby Family Trust for Morgan to the Jack Grigsby Family Trust Working Interest L.C., of all of Assignor's right, title and interest in and to State Lease No. 3240, Assumption Parish, Louisiana, with further particulars being stipulated in the instrument.

Jack Grigsby Family Trust Working Interest 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 or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-015

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 5 from the December 14, 2016 Meeting be approved, said instrument being an Assignment from Apache Shelf, Inc. to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease No. 451, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

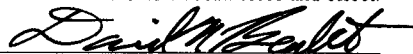
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-016

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 6 from the December 14, 2016 Meeting be approved, said instrument being an Assignment and Correction of Assignment from Chesapeake Louisiana, L.P and Chesapeake Operating, L.L.C. to SND-Vortus, L.P., of all of Assignor's right, title and interest in and to State Lease Nos. 14988, 14990, 15000, 15088, 16877 and 16878, Rapides Parish, Louisiana, with further particulars being stipulated in the instrument.

SND-Vortus, 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;

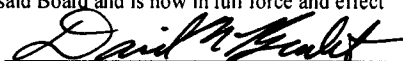
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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 or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-017

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 7 from the December 14, 2016 Meeting be approved, said instrument being an Assignment from Roky Operating, LLC to Triumph Energy I, LLC, of all of Assignor's right, title and interest in and to State Lease Nos 1958 and 2125, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Poydras Energy Partners, 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 or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-018 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 8 from the December 14, 2016 Meeting be approved, said instrument being an Assignment from Acadian Land Services, L.L.C to Aspect Energy, LLC, of all of Assignor's right, title and interest in and to State Lease No 21636, Jefferson Davis Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

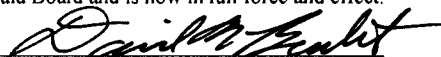
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



David W. Boulet, Secretary  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-019

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 9 from the December 14, 2016 Meeting be approved, said instrument being an Assignment from Pioneer Exploration, LLC to Atlas La Energy LLC, of all of Assignor's right, title and interest in and to State Lease No. 12105 and Operating Agreement "A0137", Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

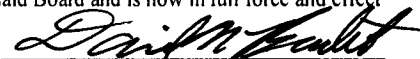
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-020 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 10 from the December 14, 2016 Meeting be approved, said instrument being an Assignment from Atlas LA Energy LLC to Lake Pagie Energy LLC, of all of Assignor's right, title and interest in and to State Lease No 12105 and Operating Agreement "A0137", Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

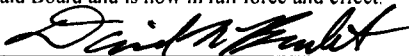
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-021

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 11 from the December 14, 2016 Meeting be approved, said instrument being an Assignment from Castex Energy Partners, L P to CTS Energy LLC, of an undivided 10% of Assignor's right, title and interest in and to State Lease Nos. 21628 and 21629, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument

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

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

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

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

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

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

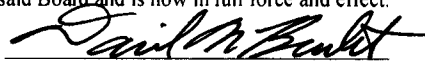
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-022

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 12 from the December 14, 2016 Meeting be approved, said instrument being an Assignment from Castex Energy Partners, L P to CTS Energy LLC, of an undivided 10% of Assignor's right, title and interest in and to State Lease Nos 21608, 21611, 21612, 21613, 21614, 21615 and 21616, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

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

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

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

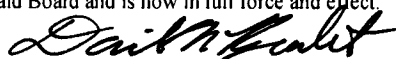
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby, and

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

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-023

#### (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 13 from the December 14, 2016 Meeting be approved, said instrument being an Assignment and Correction of Assignment from Chesapeake Louisiana, L P. and Chesapeake Plains, LLC to Brix Operating LLC, of all of Assignor's right, title and interest in and to State Lease Nos 19692 and 19693, Red River Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, 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 sign said lease to reflect the approval of the State Mineral and Energy Board

#### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-024 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 14 from the December 14, 2016 Meeting be approved, said instrument being an Assignment and Correction of Assignment from Chesapeake Louisiana, L P to Brix Operating LLC, of all of Assignor's right, title and interest in and to State Lease No 20470, Sabine Parish, Louisiana, with further particulars being stipulated in the instrument.

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

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

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

2) That failure to comply with the terms and conditions of the basic lease by the original lessee, or by any assignee, 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.

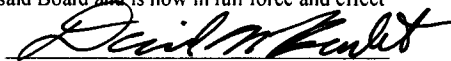
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 sign said lease to reflect the approval of the State Mineral and Energy Board

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

### Resolution #16-12-025 (DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No 15 from the December 14, 2016 Meeting be approved, said instrument being an Assignment from Attic Investment, Inc to Triumph Energy I, LLC, of all of Assignor's right, title and interest in and to State Lease Nos 20482, 20781, 20967, 20968 and 21363, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument

Triumph Energy 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;

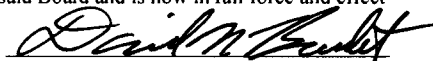
5) That for purposes of recordation and notice, certified copies of this Resolution be attached to all docketed copies of the instrument approved hereby; and

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 or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14<sup>th</sup> day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect



David W. Boulet, Secretary  
State Mineral and Energy Board

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-12-026

(DOCKET)

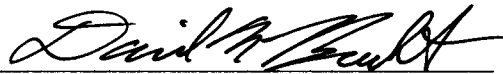
On motion of Mr. Arnold, seconded by Mr. Harris, the following Resolution was offered and adopted:

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16 from the December 14, 2016, Meeting be deferred, said instrument being an Assignment from Texas Allied Petroleum, Inc. to Triumph Energy I, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 1958, 2125 and 20101, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

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

## 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 14th day of December, 2016, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



David W. Boulet, Secretary  
State Mineral and Energy Board



# RESOLUTION

## LOUISIANA STATE MINERAL AND ENERGY BOARD

Resolution #16-12-027

(DOCKET)

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

BE IT RESOLVED by the State Mineral and Energy Board that Docket Item No. 16-36 from the December 14, 2016, Meeting be approved subject to the approval of the Governor of Louisiana, said instrument being a Unitization Agreement presented by Hilcorp Energy I, L.P., et al, to create a 855.283 acre unit, more or less, identified as the "LFT SD RA SU", with 29.805 acres being attributable to State Lease No. 356 and the remaining acreage being attributable to private ownership, affecting State Lease No. 356, Lafitte Field, Jefferson Parish, Louisiana, with further particulars being stipulated in the instrument.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or Secretary is hereby authorized to sign said lease to reflect the approval of the State Mineral and Energy Board.

### CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral and Energy Board held in the City of Baton Rouge, Louisiana, on the 14th day of December, 2016 pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.



David W. Boulet, Secretary  
State Mineral and Energy Board

Approved as per Executive Order JBE 2016-28  
John Bel Edwards, Governor

By: 

W. Paul Segura, Jr.  
Chairman, State Mineral and Energy Board

The Chairman stated that the next order of business was discussions in Executive Session to consider matters before the Board which were confidential in nature. Upon motion of Mr. Arnold, seconded by Mr. Harris, the Board Members went into Executive Session at 11:08 a.m.

Upon motion of Mr. Arnold, seconded by Mr. Harris, the Board reconvened in open session at 12:42 p.m. for consideration of the following matters discussed in Executive Session:

a) The first matter was a discussion regarding negotiations to settle outstanding audit issues with Tana Exploration Company, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Leblanc, with Mr. Harris abstaining, the Board voted to grant authority to the Attorney General's office to enter into negotiations as per the terms discussed in Executive Session.

b) The second matter was a discussion regarding negotiations to settle outstanding audit issues with Swift Energy Operation, LLC.

Upon motion of Mr. Arnold, seconded by Ms. Leblanc, the Board voted unanimously to grant authority to the Attorney General's office to reject the settlement offer from Swift Energy Operation, LLC and to continue negotiations for settlement of this matter as per the terms discussed in Executive Session.

c) The third matter was a discussion regarding the execution of a framework agreement with Chevron U.S.A., Inc.

Upon motion of Mr. Arnold, seconded by Mr. Harris, with Mr. Haik objecting, the Board voted to grant authority to the Attorney General's office to execute the framework agreement subject to the changes in the corporate entities that are going to be corrected as discussed in Executive Session.

d) The fourth matter was a discussion of the matter entitled: State of Louisiana v. ASA Properties, et al, Docket No. 72779, Section B, 42<sup>nd</sup> Judicial District Court, DeSoto Parish, Louisiana.

Upon motion of Mr. Arnold, seconded by Ms. Leblanc, the Board voted unanimously to grant the Attorney General's office authorization to accept the most recent settlement offer by the Albrittons, in this litigation, and to authorize settlement as discussed in Executive Session, to the extent that the State Mineral and Energy Board and the Agency are parties to this case, and subject to the Wildlife & Fisheries Commission's authorization of the same.

e) The fifth matter was a discussion of the matter entitled: State of Louisiana v. ASA Properties, et al, Docket No. 35809, 39<sup>th</sup> Judicial District Court, Red River Parish, Louisiana.

Upon motion of Mr. Arnold, seconded by Ms. Leblanc, the Board voted unanimously to grant the Attorney General's office authorization to accept the most recent settlement offer by the Albrittons, in this litigation, and to authorize settlement as discussed in Executive Session, to the extent that the State Mineral and Energy Board and the Agency are parties to this case, and subject to the Wildlife & Fisheries Commission's authorization of the same.

f) The sixth matter was a discussion of the matter entitled: Chesapeake Louisiana, L.P. v. Pintail Properties, LLC, et al, Docket No. 35565, 39<sup>th</sup> Judicial District Court, Red River Parish, Louisiana.

Upon motion of Mr. Arnold, seconded by Ms. Leblanc, the Board voted unanimously to grant the Attorney General's office authorization to accept the most recent settlement offer by the Albrittons, in this litigation, and to authorize settlement as discussed in Executive Session, to the extent that the State Mineral and Energy Board and the Agency are parties to this case, and subject to the Wildlife & Fisheries Commission's authorization of the same.

g) The seventh matter was a discussion of the matter entitled: Petrohawk Operating Company v. Chesapeake Louisiana, L.P., et al, Docket No. 35,903, 39<sup>th</sup> Judicial District Court, Red River Parish, Louisiana.

Upon motion of Mr. Arnold, seconded by Ms. Leblanc, the Board voted unanimously to grant the Attorney General's office authorization to accept the most recent settlement offer by the Albrittons, in this litigation, and to authorize settlement as discussed in Executive Session, to the extent that the State Mineral and Energy Board and the Agency are parties to this case, and subject to the Wildlife & Fisheries Commission's authorization of the same.

h) The eighth matter was a discussion of the matter entitled: OEP Energy Company v. Pintail Properties, et al, Docket No. 35,801, 39<sup>th</sup> Judicial District Court, Red River Parish, Louisiana.

Upon motion of Mr. Arnold, seconded by Ms. Leblanc, the Board voted unanimously to grant the Attorney General's office authorization to accept the most recent settlement offer by the Albrittons, in this litigation, and to authorize settlement as discussed in Executive Session, to the extent that the State Mineral and Energy Board and the Agency are parties to this case, and subject to the Wildlife & Fisheries Commission's authorization of the same.

i) The ninth matter was a discussion of the matter entitled: Stroud Petroleum, Inc. v. Pintail Properties, LLC, et al, Docket No. 34865, 39<sup>th</sup> Judicial District Court, Red River Parish, Louisiana.

Upon motion of Mr. Arnold, seconded by Ms. Leblanc, the Board voted unanimously to grant the Attorney General's office authorization to accept the most

recent settlement offer by the Albrittons, in this litigation, and to authorize settlement as discussed in Executive Session, to the extent that the State Mineral and Energy Board and the Agency are parties to this case, and subject to the Wildlife & Fisheries Commission's authorization of the same.

j) The tenth matter was a discussion of the matter entitled: L.D. Miguez, et al., v. State of Louisiana, et al., Docket No: C-99694, 15<sup>th</sup> Judicial District Court, Vermillion Parish, Louisiana.

Upon motion of Mr. Arnold, seconded by Mr. Watkins, the Board voted unanimously to grant authority to the Attorney General's office to reject the current settlement offer and counter offer as per the terms discussed in Executive Session.

k) The eleventh matter was a discussion of the matter entitled: Hall Ponderosa, LLC v. State of Louisiana, through Louisiana State Land Office, et al., Docket No. 35585, 39<sup>th</sup> Judicial District Court, Red River Parish, Louisiana.

Upon motion of Mr. Arnold, seconded by Mr. Watkins, the Board voted unanimously to grant authority to the Attorney General's office to engage in mediation of this matter in accordance with parameters discussed in Executive Session.

l) The twelfth matter was a discussion of the matter entitled: Hunt Petroleum Corporation and Rosewood Resources, Inc. vs. Texaco, Inc., et al., Docket No. 34-592, Division B, 25<sup>th</sup> Judicial District Court, Plaquemines Parish, Louisiana.

Upon motion of Mr. Harris, seconded by Mr. Watkins, the Board voted unanimously to grant authority to the Attorney General's office to accept LLE's most recent proposal and authorize the final settlement and resolution of this matter in accordance with the terms discussed in Executive Session.

m) The thirteenth matter was a discussion of the settlement proposal from the Bundrick and Bolan landowning group for disputed acreage in the HA RD SUR and HA RA SUS units, Red River Parish, Louisiana.

Upon motion of Mr. Watkins, seconded by Mr. Arnold, the Board voted unanimously to grant authority to the Attorney General's office to reject the current settlement offer and authorize the Attorney General's office to counter offer a settlement as per the terms discussed in Executive Session.

\* Executive Session Resolutions will immediately follow this page.

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION # 16-12-028

(EXECUTIVE SESSION)

Executive Session  
Discussion  
Outstanding audit issues  
with Tana Exploration  
Company, LLC

**WHEREAS**, a discussion was held in Executive Session regarding negotiations to settle outstanding audit issues with Tana Exploration Company, LLC;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to enter into negotiations as per the terms discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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**David W. Boulet, Secretary  
State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION # 16-12-029

(EXECUTIVE SESSION)

Executive Session  
Discussion  
Negotiations to settle  
outstanding audit issues  
with Swift Energy  
Operation, LLC

**WHEREAS**, a discussion was held in Executive Session regarding negotiations to settle outstanding audit issues with Swift Energy Operation, LLC;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to reject the settlement offer from Swift Energy Operation, LLC and to continue negotiations for settlement of this matter as per the terms discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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**David W. Boulet, Secretary  
State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION # 16-12-030

(EXECUTIVE SESSION)

Executive Session  
Discussion  
Execution of a  
framework agreement  
with Chevron U.S.A.,  
Inc.

**WHEREAS**, a discussion was held in Executive Session regarding the execution of a framework agreement with Chevron U.S.A., Inc.;

**ON MOTION** of Mr. Arnold, seconded by Mr. Harris, with Mr. Haik objecting, the following Resolution was offered and adopted by the State Mineral and Energy Board:

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to execute the framework agreement subject to the changes in the corporate entities that are going to be corrected as discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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**David W. Boulet, Secretary  
State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION # 16-12-031

(EXECUTIVE SESSION)

Executive Session  
Discussion  
State of Louisiana v. ASA  
Properties, et al, Docket  
No. 72779, Section B, 42<sup>nd</sup>  
Judicial District Court,  
DeSoto Parish, Louisiana

**WHEREAS**, a discussion was held in Executive Session of the matter entitled: State of Louisiana v. ASA Properties, et al, Docket No. 72779, Section B, 42<sup>nd</sup> Judicial District Court, DeSoto Parish, Louisiana;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant the Attorney General's office authorization to accept the most recent settlement offer by the Albrittons, in this litigation, and to authorize settlement as discussed in Executive Session, to the extent that the State Mineral and Energy Board and the Agency are parties to this case, and subject to the Wildlife & Fisheries Commission's authorization of the same.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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**David W. Boulet, Secretary**  
**State Mineral and Energy Board**



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION # 16-12-032

(EXECUTIVE SESSION)

Executive Session  
Discussion  
State of Louisiana v. ASA  
Properties, et al, Docket  
No. 35809, 39<sup>th</sup> Judicial  
District Court, Red River  
Parish, Louisiana

**WHEREAS**, a discussion was held in Executive Session of the matter entitled: State of Louisiana v. ASA Properties, et al, Docket No. 35809, 39<sup>th</sup> Judicial District Court, Red River Parish, Louisiana;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant the Attorney General's office authorization to accept the most recent settlement offer by the Albrittons, in this litigation, and to authorize settlement as discussed in Executive Session, to the extent that the State Mineral and Energy Board and the Agency are parties to this case, and subject to the Wildlife & Fisheries Commission's authorization of the same.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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**David W. Boulet, Secretary  
State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

**RESOLUTION # 16-12-033**

(EXECUTIVE SESSION)

Executive Session  
Discussion  
Chesapeake Louisiana, L.P.  
v. Pintail Properties, LLC, et  
al, Docket No. 35565, 39<sup>th</sup>  
Judicial District Court, Red  
River Parish, Louisiana

**WHEREAS**, a discussion was held in Executive Session of the matter entitled: Chesapeake Louisiana, L.P. v. Pintail Properties, LLC, et al, Docket No. 35565, 39<sup>th</sup> Judicial District Court, Red River Parish, Louisiana;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant the Attorney General's office authorization to accept the most recent settlement offer by the Albrittons, in this litigation, and to authorize settlement as discussed in Executive Session, to the extent that the State Mineral and Energy Board and the Agency are parties to this case, and subject to the Wildlife & Fisheries Commission's authorization of the same.

## CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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**David W. Boulet, Secretary**  
**State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION # 16-12-034

(EXECUTIVE SESSION)

Executive Session  
Discussion  
Petrohawk Operating  
Company v. Chesapeake  
Louisiana, L.P., et al,  
Docket No. 35,903, 39<sup>th</sup>  
Judicial District Court, Red  
River Parish, Louisiana

**WHEREAS**, a discussion was held in Executive Session of the matter entitled: Petrohawk Operating Company v. Chesapeake Louisiana, L.P., et al, Docket No. 35,903, 39<sup>th</sup> Judicial District Court, Red River Parish, Louisiana;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant the Attorney General's office authorization to accept the most recent settlement offer by the Albrittons, in this litigation, and to authorize settlement as discussed in Executive Session, to the extent that the State Mineral and Energy Board and the Agency are parties to this case, and subject to the Wildlife & Fisheries Commission's authorization of the same.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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**David W. Boulet, Secretary  
State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION # 16-12-035

(EXECUTIVE SESSION)

Executive Session  
Discussion  
OEP Energy Company v.  
Pintail Properties, et al,  
Docket No. 35,801, 39<sup>th</sup>  
Judicial District Court, Red  
River Parish, Louisiana

**WHEREAS**, a discussion was held in Executive Session of the matter entitled: OEP Energy Company v. Pintail Properties, et al, Docket No. 35,801, 39<sup>th</sup> Judicial District Court, Red River Parish, Louisiana;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant the Attorney General's office authorization to accept the most recent settlement offer by the Albrittons, in this litigation, and to authorize settlement as discussed in Executive Session, to the extent that the State Mineral and Energy Board and the Agency are parties to this case, and subject to the Wildlife & Fisheries Commission's authorization of the same.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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**David W. Boulet, Secretary**  
**State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION # 16-12-036

(EXECUTIVE SESSION)

Executive Session  
Discussion  
Stroud Petroleum, Inc. v.  
Pintail Properties, LLC, et  
al, Docket No. 34865, 39<sup>th</sup>  
Judicial District Court, Red  
River Parish, Louisiana

**WHEREAS**, a discussion was held in Executive Session of the matter entitled: Stroud Petroleum, Inc. v. Pintail Properties, LLC, et al, Docket No. 34865, 39<sup>th</sup> Judicial District Court, Red River Parish, Louisiana;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant the Attorney General's office authorization to accept the most recent settlement offer by the Albrittons, in this litigation, and to authorize settlement as discussed in Executive Session, to the extent that the State Mineral and Energy Board and the Agency are parties to this case, and subject to the Wildlife & Fisheries Commission's authorization of the same.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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**David W. Boulet, Secretary**  
**State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION # 16-12-037

(EXECUTIVE SESSION)

Executive Session  
Discussion  
L.D. Miguez, et al., v. State  
of Louisiana, et al., Docket  
No: C-99694, 15<sup>th</sup> Judicial  
District Court, Vermillion  
Parish, Louisiana

**WHEREAS**, a discussion was held in Executive Session of the matter entitled: L.D. Miguez, et al., v. State of Louisiana, et al., Docket No: C-99694, 15<sup>th</sup> Judicial District Court, Vermillion Parish, Louisiana;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to reject the current settlement offer and counter offer as per the terms discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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**David W. Boulet, Secretary  
State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION # 16-12-038

(EXECUTIVE SESSION)

Executive Session  
Discussion  
Hall Ponderosa, LLC v. State of Louisiana, through Louisiana State Land Office, et al., Docket No. 35585, 39<sup>th</sup> Judicial District Court, Red River Parish, Louisiana

**WHEREAS**, a discussion was held in Executive Session of the matter entitled: Hall Ponderosa, LLC v. State of Louisiana, through Louisiana State Land Office, et al., Docket No. 35585, 39<sup>th</sup> Judicial District Court, Red River Parish, Louisiana;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to engage in mediation of this matter in accordance with parameters discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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**David W. Boulet, Secretary  
State Mineral and Energy Board**

# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION # 16-12-039

(EXECUTIVE SESSION)

Executive Session  
Discussion  
Hall Ponderosa, LLC v.  
State of Louisiana, through  
Louisiana State Land Office,  
et al., Docket No. 35585,  
39<sup>th</sup> Judicial District Court,  
Red River Parish, Louisiana

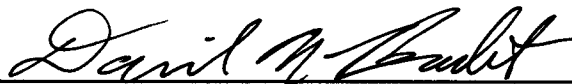
**WHEREAS**, a discussion was held in Executive Session of the matter entitled: Hunt Petroleum Corporation and Rosewood Resources, Inc. vs. Texaco, Inc., et al., Docket No. 34-592, Division B, 25<sup>th</sup> Judicial District Court, Plaquemines Parish, Louisiana;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to accept LLE's most recent proposal and authorize the final settlement and resolution of this matter in accordance with the terms discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



\_\_\_\_\_  
**David W. Boulet, Secretary**  
**State Mineral and Energy Board**



# RESOLUTION

LOUISIANA STATE MINERAL AND ENERGY BOARD

## RESOLUTION # 16-12-040

(EXECUTIVE SESSION)

Executive Session  
Discussion  
Settlement proposal from  
the Bundrick and Bolan  
landowning group for  
disputed acreage in the HA  
RD SUR and HA RA SUS  
units, Red River Parish,  
Louisiana

**WHEREAS**, a discussion was held in Executive Session of the settlement proposal from the Bundrick and Bolan landowning group for disputed acreage in the HA RD SUR and HA RA SUS units, Red River Parish, Louisiana;

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

**NOW THEREFORE, BE IT RESOLVED** that the State Mineral and Energy Board does hereby grant authority to the Attorney General's office to reject the current settlement offer and authorize the Attorney General's office to counter offer a settlement as per the terms discussed in Executive Session.

### CERTIFICATE

**I HEREBY CERTIFY** that the above is a true and correct copy of a Resolution adopted at a meeting on the 14<sup>th</sup> day of December, 2016 of the State Mineral and Energy Board in the City of Baton Rouge, State of Louisiana, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Books of said State Mineral and Energy Board and is now in full force and effect.



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**David W. Boulet, Secretary**  
**State Mineral and Energy Board**

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

Mr. Miller stated that Staff recommends that all bids be accepted.

Upon motion by Mr. Arnold, seconded by Mr. Hollenshead, the Board unanimously voted to accept the following bids:

1. Award a lease on Tract 44614 to ROVIG MINERALS, INC.
2. Award a lease on Tract 44615 to ROVIG MINERALS, INC.
3. Award a lease on a portion of Tract 44621, said portion being 45 acres more particularly described in said bids and outlined on accompanying plat, to OIL LAND SERVICES, INC.
4. Award a lease on a portion of Tract 44624, said portion being 348 acres more particularly described in said bids and outlined on accompanying plat, to UPSTREAM EXPLORATION LLC.
5. Award a lease on a portion of Tract 44625, said portion being 2 acres more particularly described in said bids and outlined on accompanying plat, to K-EXPLORATION CO.
6. Award a lease on a portion of Tract 44626, said portion being 239 acres more particularly described in said bids and outlined on accompanying plat, to K-EXPLORATION CO.
7. Award a lease on a portion of Tract 44627, said portion being 7 acres more particularly described in said bids and outlined on accompanying plat, to K-EXPLORATION CO.
8. Award a lease on Tract 44628 to K-EXPLORATION CO.
9. Award a lease on a portion of Tract 44636, said portion being .385 acres more particularly described in said bids and outlined on accompanying plat, to KREWE ENERGY, LLC.
10. Award a lease on a portion of Tract 44636, said portion being 73 acres more particularly described in said bids and outlined on accompanying plat, to KREWE ENERGY, LLC.
11. Award a lease on a portion of Tract 44636, said portion being 112 acres more particularly described in said bids and outlined on accompanying plat, to KREWE ENERGY, LLC

12. Award a lease on a Tract 44644 to ROVIG MINERALS, INC.
13. Award a lease on a portion of Tract 44645, said portion being 69 more particularly described in said bids and outlined on accompanying plat, to K-EXPLORATION CO.
14. Award a lease on a Tract 44646 to K-EXPLORATION CO.

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

This concluded the awarding of the leases.

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

The first request was by Board Member Theodore M. Haik, Jr. proposing a revised edition of Resolution No. 16-10-014 adopted on October 12, 2016.

No action was taken on this matter. Mr. Haik requested that this his request for a reason of Resolution No. 16-10-014 be withdrawn from discussion.

The following announcements were then made:

Mr. Boulet stated that there were fourteen (14) leases awarded and "the total cash payments for the December 14, 2016 Lease Sale is \$449,683.93.

Mr. Boulet reminded the Board that Ethics and Sexual Harassment Training must be completed by December 31, 2016 and to contact Staff for assistance if needed.

Mr. Boulet introduced Boyd Handley, our new Geologist Administrator, to the Board and wished everyone Merry Christmas and a Happy New Year.

The Chairman then stated there being no further business to come before the Board, upon motion of Mr. Arnold, seconded by Mr. Hollenshead, the meeting was adjourned at 12:54 p.m.

Respectfully Submitted,



David W. Boulet, Secretary  
State Mineral and Energy Board